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## AgriFI Kenya Challenge Fund

Guidelines for applicants for financial support

Reference No: FED/2017/154913/12

31<sup>st</sup> July 2019 at 12.00 pm (noon) EAT



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## NOTICE

This is a restricted second call for AgriFI Kenya Challenge Fund that targets to fund a total of 50 agri-enterprises over the lifetime of the project. However, the actual number of funded agri-enterprises will depend on the actual size of the proposals selected for funding.

In the first instance, only concept notes should be submitted for evaluation. Thereafter, applicants who have been pre-selected will be invited to submit a full project proposal.

To apply to this call, agri-enterprises must register online using [AfriCUBE](#) and fill in the concept note template in order to submit their application. The aim of using this platform is to enhance the efficiency of the application process and management for the call for concept notes. It will also offer a better service to businesses through functionalities such as on-line submission and the ability of following up on the approval status of submitted applications.

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## 1 BACKGROUND

The AgriFI Kenya Challenge Fund is a € 18,000,000 initiative by the European Union to support productive and market-integrated smallholder agriculture through the provision of financial support to agri-enterprises. The aim is to contribute to improvements in the capacity of smallholder farmers/pastoralists to practice environmentally sustainable and climate-smart agriculture as a business in inclusive value chains. The programme is funded by the European Union, co-funded by SlovakAid and is implemented in parallel with a European Investment Bank (EIB) facility provided to Equity Bank (Kenya) Limited.

Self Help Africa and Imani Development Limited are the Fund Managers for the Challenge Fund.

The Challenge Fund is part of the wider AgriFI programme funded under the 11th EDF to unlock, accelerate and leverage investments within value chains.

The Fund's specific objective is to integrate 100,000 smallholder farmers/pastoralists in sustainable value chains. By supporting and enabling at least 50 agri-enterprises to increase their turnover (by at least 25%), this will in turn increase incomes and food security for at least 100,000 smallholders/pastoralists and create a minimum of 10,000 net equivalent jobs.

The financial support will require match funding from the agri-enterprise making the application. The match funding may be through own resources available to the agri-enterprise or may be sourced through external finance such as credit or external equity investment. Match funding can also come from co-applicants.

The European Investment Bank (EIB), under the same AgriFI Kenya programme, is providing long term local currency financing to Equity Bank (Kenya) Limited for on-lending to eligible food and agriculture sector projects. This facility is also available for match funding to the applicants. (*Refer to the annexed Equity Bank loan eligibility guidelines for more details*).

In line with AgriFI Kenya Challenge Fund objectives, as well as recent field studies, agri-enterprises will be considered for funding based on a set of weighted criteria including its potential for positive impact on smallholder farmers. The specific areas for assessment include:

- a) **Economic Drivers/Viability:** This assessment area looks at business model fit and growth prospect in regard to profit, turnover, cash flow, efficiency and market potential. In addition, the business capacity is assessed in terms of governance, financial and risk management.
- b) **Social impact:** This assesses how the applicant will include smallholder farmers and pastoralists and increase their incomes, create employment opportunities. Other social issues to be considered include impact on food security and improved nutrition as well as inclusion of gender and youth considerations in the proposed project. Creation of opportunities in Arid and Semi-Arid counties will add value to the proposal.
- c) **Environmental impact:** to include climate smart approaches both at farm and SME level.
- d) **Additionality and effectiveness:** This assesses whether the project would not proceed without AgriFI support and the degree by which the applicant is leveraging on the requested financial support.

### **1.1 Financial allocation**

The AgriFI Kenya Challenge Fund is looking to award an indicative amount of EUR 18,000,000 to agri-enterprises as financial support. The funds will be allocated through three (3) separate calls for proposals. This second call will allocate up to approximately EUR 8,000,000.

### **1.2 Size of financial support**

Any financial support requested from AgriFI Kenya Challenge Fund must fall within the following range:

- Minimum amount: Euro 200,000
- Maximum amount: Euro 750,000

The Challenge Fund will award financial support to cover a maximum of 50% of the total value of the proposal. The balance (i.e. the difference between the total cost of the proposal and the amount requested as financial support) must be financed from matching funds in the form of cash/cash equivalents, credit or equity from external financiers. In cases where applications are made by consortia the match fund contributions can be provided by any of the consortia members.

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## 2 RULES FOR THIS CALL FOR CONCEPT NOTES

### 2.1 Eligibility Criteria

The AgriFI Kenya Challenge Fund is aiming to support projects put forward by small and medium sized agri-enterprises with business models that are integrating smallholder farmers/pastoralists into value chains. The agri-enterprises need to demonstrate how they are benefitting smallholder farmers/pastoralists. This may be through the establishment of a new activity<sup>1</sup> or expansion of existing activities in specific or all nodes of the value chain. Additional eligibility criteria for the agri-enterprises are:

- a) Must be duly incorporated in Kenya as a company or a cooperative;
- b) Must be compliant with all national and local laws and regulations including but not limited to tax regulation, health and safety and environmental standards;
- c) Must be a for-profit entity; not-for-profit organizations and government bodies are not eligible to apply as lead applicants. However, they can contribute to projects as co-applicants;
- d) Must be willing and able to contribute at least 50% of the project cost through a blend of cash and cash equivalents, credit or equity from own or third-party sources;
- e) Must provide evidence in the project proposal of current or future integration of smallholder farmers/pastoralists in existing or new value chain(s) in the project's areas;
- f) The business must have at least three (3) years of uninterrupted operations in Kenya with focus on eligible actions under the AgriFI Kenya Challenge Fund programme;
- g) Must have an average yearly turnover for the last three years in the range of EUR 200,000 to EUR 50,000,000.
- h) Must have an asset base of less than EUR 43,000,000 (balance sheet total);
- i) Must have audited accounts for the three (3) most recent years. The audited accounts should have been prepared in accordance with International Financial Reporting Standards by ICPAK accredited accountant.

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<sup>1</sup> For new activity it is intended new investments from existing companies: the call will not fund start-ups

NB: Applicants may submit their business plans in consortium with other organizations: in this case, the above criteria will apply only to the lead applicant.

## **2.2 Exclusion Criteria**

Any agri-enterprise will be excluded from participation in this grant procedure if:

- a) It is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;
- b) It has been established by a final judgment or a final administrative decision that the agri-enterprise is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established;
- c) It has been established by a final judgment or a final administrative decision that the agri-enterprise is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the agri-enterprise belongs, fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
- d) It has been established by a final judgment or a final administrative decision that the agri-enterprise or its principals have been guilty of fraud, corruption, conduct related to a criminal activity, terrorist related offences or financing, money laundering, child labour or other offenses concerning trafficking in human beings;
- e) The agri-enterprise, advisors or principals were previously involved the preparation of the call documents for the AgriFI Kenya Challenge Fund;
- f) Shown significant deficiencies in performance of a contract or agreement financed by the European Union Budget which led to termination or penalties;
- g) Entering into agreement with other economic operators with the aim of distorting competition;

h) they are in any of the situations listed in [section 2.3.3](#) of the Practical Guide of the European Union.

### **2.3 Duration of Financial Support**

The minimum duration of the financial support will be 24 months while the maximum will be 36 months from the signature date of the contract. During this period the financial support funds will be disbursed based on a negotiated milestone structure.

For applicants that will be able to access credit line from Equity Bank, the maximum loan tenure will be up to 7 years. The individual projects tenure in this regard will be reviewed on case by case basis as per Equity Bank's internal policies, processes and procedures and as per the terms agreed upon between Equity Bank Kenya and European Investment Bank.



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### 3 ELIGIBLE ACTIONS TO BE FUNDED

This call will fund for profit initiatives, which results in a measurable positive impact on thousands of smallholder farmers/pastoralists either as customers or suppliers. The nature of actions that can be funded through financial support under this programme include the following:

- a) Initiatives that reach smallholder farmers to improve agricultural productivity including livestock, fisheries, market access, post-harvest handling, food safety or other impact. The initiatives may include (but are not limited to):
  - ✓ Improving the quality and/or access to inputs;
  - ✓ Provision of extension services to smallholder farmers;
  - ✓ Promoting the production of high value nutritious foods;
  - ✓ Promoting climate smart, soil and water conservation technologies
  - ✓ Promoting the smallholders' capacity to comply with quality and standards certification
  - ✓ Reducing post-harvest losses and/or improved handling
  - ✓ Promoting access to innovative and affordable financial services for smallholder farmers
  
- b) Initiatives that develop the management, operational and supporting business processes that are directly linked to improving the integration of smallholder farmers/pastoralists within the supply chain of a businesses and improve on their productivity; this may include promoting the adoption of energy/water saving technologies.

The above projects can also be considered for financing through Equity Bank credit line. Refer to the attached guidelines for full details of eligible projects and excluded projects under the Equity Bank's credit line.

Actions can be implemented by one company or multiple organizations in partnership. Partner organizations can be of any type and does not need to meet the eligibility criteria. The lead applicant will though be held accountable for the implementation of the action including the management and accountability of the partner organization.

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## 4 COST ELIGIBILITY

### 4.1 Eligible Cost

The AgriFI financial support will be invested in costs that results into better integration of smallholder farmers/pastoralists and improved business technical capacity. This will include:

- a) Costs related to farmer organization and capacity building in good agricultural/animal husbandry practices, climate smart adaptation, food safety, post-harvest management among other related areas.
- b) Costs supporting improvement of institutional capacity/business processes for effective smallholder integration
- c) Cost related to acquisition, installation, upgrading /management of systems and applications geared towards efficient management of business and farmer integration processes
- d) Capital expenditure will only be eligible if it directly leads to integration of a substantial number of smallholders/pastoralists. Otherwise, applicants are encouraged to use the matching fund instruments provided for capital expenditure.

### 4.2 Non-Eligible Cost

- a) Credit to third party (including input credit);
- b) Debts and debts service charges (interest);
- c) Provisions for losses, debts or potential future liabilities;
- d) Costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union financial support (including through the European Development Fund);
- e) Purchases of land or buildings and/or refurbishment;
- f) Currency exchange losses;
- g) Salary costs of the personnel of national administrations;
- h) Taxes and import/export tariffs.

Please note that projects can include the aforementioned costs provided that the costs are covered by the match funding component and not the financial support provided through this call.

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## 5 HOW TO APPLY AND THE PROCEDURES TO FOLLOW

The applicant agri-enterprises will need to submit a project concept note (PCN). The application form will be accessed through the on-line platform [AfriCUBE](#) which allows the applicant to register and submit concept notes. Applicants will be able to download the application questions from the website [www.agrifichallengefund.org](http://www.agrifichallengefund.org) for offline understanding of details and preparation. Each window will be open for a minimum of 30 days. The PCN will require applicants to outline:

- ✓ The applicant profile and partners;
- ✓ The project description: How the project addresses and contributes to the challenge;
- ✓ Expected social and environmental impact as a result of the project;
- ✓ Sustainability and need for financial support funding;
- ✓ Estimated budget and outline of match-funding sources (which must be 50-70% of the project budget).

A series of information sessions will be available for the applicants to provide an opportunity to ask questions and seek clarifications. The schedule for these sessions will be available on the fund website [www.agrifichallengefund.org](http://www.agrifichallengefund.org) and through media outlets.

Questions may also be sent by e-mail no later than 7 days before the deadline for the submission of concept notes to [info@agrifichallengefund.org](mailto:info@agrifichallengefund.org). The Fund Manager has no obligation to provide responses to questions submitted later. Responses will be published on the website [www.agrifichallengefund.org](http://www.agrifichallengefund.org) periodically. The final responses will be published 5 days before the call deadline. Individual replies will not be given to questions. It is therefore advisable for applicants to consult the above-mentioned website regularly in order to be informed of the questions and answers published.

To ensure equal treatment of applicants, prior opinion on eligibility of a specific action or detailed responses on the nature of activities will not be given. All answers to questions will be made public.

## **5.1 Concept Note Submission**

The concept notes must be submitted online via [AfricUBE](#) in English language. Upon submission of a concept note online, the applicant will receive an automatic confirmation of receipt to the e-mail provided in the application. Only complete applications will be evaluated and therefore, applicants are urged to review their applications for completeness before submission. **Please note that incomplete concept notes will be rejected.**

**The deadline for the submission of concept notes is 31/07/2019 at 12.00 pm (noon) EAT (East African Time).**

Applicants are permitted to submit one or more concept notes in each call, however only one project per applicant can be funded.

**Any concept note submitted after the deadline will be rejected.**

## 5.2 Evaluation of project concept notes

All applications will be assessed according to the following criteria.

- a) If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated above in section 2.1, the application will be rejected on this sole basis i.e. will not reach the evaluation stage.
- b) The concept notes that pass the eligibility check will be evaluated on the relevance of the proposed action in line with below criteria.

	<b>CRITERIA</b>	<b>SCORING SYSTEM</b>
<b>1</b>	<b>COMMERCIAL DRIVERS/VIABILITY</b>	
<b>1.1</b>	<b>Business Growth Prospect</b>	Max. of 20 Points
	Business model fit and projected growth in business performance (profitability, liquidity, turnover) as a result of project implementation.	
	Demonstrated potential market demand for product or services in the target markets.	
<b>1.2</b>	<b>Business Capacity</b>	Max. of 15 points
	Internal capacity of the agri-enterprise to implement the project (management, governance, financial management and efficiency).	
	Financial health of the agri-enterprise (growth in turnover, profitability, financing structure).	
	Business risk identification and mitigation capacity.	
<b>2</b>	<b>SOCIAL IMPACT</b>	
2.1	Demonstrated integration of smallholder farmers in the project (numbers and services extended) and the increase in smallholder incomes as a result of the project. Consideration for women and youth inclusion should be included.	Max. of 35 points
2.2	Demonstrated opportunities for employment creation at the agri-enterprise level as well as potential indirect jobs.	
2.3	Demonstrated strategies for increasing resilience in food security and improved nutrition for smallholders/pastoralists.	
2.4	Demonstrated outreach to ASAL counties (supplying, sourcing, services and benefits).	
<b>3</b>	<b>ENVIRONMENTAL IMPACT</b>	
<b>3.1</b>	Demonstrated application of climate smart approaches at the farmer level and in the interactions with smallholders. Potential for substantial increase in acreage under climate smart.	Max. of 20 points
<b>3.2</b>	Demonstrated application of climate smart approaches at the agri-enterprise level	
<b>4.</b>	<b>ADDITIONALITY AND EFFECTIVENESS</b>	
<b>4.1</b>	Demonstration that the project would not proceed without AgriFI Challenge Fund financial support	Max. of 10 points
<b>TOTAL SCORE</b>		<b>100 Points</b>

All concept notes submitted will be scored according to the criteria. A shortlist of projects will be created based on the scores achieved, taking into account the total amount of funds for financial support available in this call (up to approximately Euro 8 million). Agri-enterprises will be notified of the outcome of their application at this stage. Successful agri-enterprises will be invited to submit a full proposal.

### **5.3 Proposal Submission**

Agri-enterprises that are invited to submit full proposals will be invited to a full proposal development information session where the Fund management team will share the expectations of the full proposal and assist the agri-enterprises to develop monitoring tools that will be required during the contract period. The tools will include a results chain which will in a schematic way, show how the activities undertaken by the agri-enterprise will lead to improvements for smallholders/pastoralists. A schedule of milestones linked to the work plan will form the basis for the disbursement schedule.

The Fund Manager will facilitate access to the full proposal platform. This will be via a secured online Salesforce site where the Fund Manager will set up an account for each shortlisted applicant. During the full proposal stage the applicants will have to submit an expanded concept note, a full project budget and a number of compliance documents.

All proposals must in addition be accompanied by evidence of the match-funding in the form of a board resolution for internal funds or a letter of intent or similar from third parties providing 3<sup>rd</sup> party finance. The project will not be contracted until formal and final approvals are received from 3<sup>rd</sup> party financiers.

Only the fully filled proposal template and applicable annexes can be submitted via Salesforce for evaluation. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. Clarifications will only be sought from the applicant when information provided is unclear and thus prevents the conducting of an objective assessment.

Applicants are strongly advised not to wait until the last day to submit their full applications, since heavy internet traffic or a fault with the internet connection (including electricity failure, etc.) could lead to difficulties in submission. The Fund Manager cannot be held responsible for any delay due to such mentioned difficulties.

**Any application submitted after the deadline will be rejected.**

#### **5.4 Pre-award assessment**

The Fund Manager will visit agri-enterprises to undertake a pre-award assessment of all submitted full proposals. The objective is to assess the capacity of the company as well as confirm compliance with Kenyan laws and regulations and to verify and validate the information provided in the full proposal. This process will integrate a structured assessment using the SCOPEInsight methodology for assessing SMEs and cooperatives in the agricultural sector. The assessment will also form the basis from which the Fund Manager will work on a technical assistance plan for successful agri-enterprises. See the information request list available on the Fund website [www.agrifichallengefund.org](http://www.agrifichallengefund.org)

## 5.5 Evaluation of the Proposals

The evaluation of proposals will be based on the full proposal submitted by the agri-enterprise as well as the pre-award assessment and other verification done by the Fund Manager. The proposals will be evaluated to verify whether the applicant has:

- a) Stable and sufficient sources of finance to maintain their activity throughout the proposed action;
- b) Access to complementary funding where appropriate;
- c) The management capacity, professional competencies, qualifications and experience required to successfully complete the proposed action.

This will be based on the criteria below.

SN	CRITERIA	Scoring system
<b>1.0</b>	<b>PROJECT RELATED</b>	<b>Max. of 55 Points</b>
<b>1.1</b>	<b>Value Proposition</b>	25 points
	<ul style="list-style-type: none"> <li>▪ The extent to which the project is expected to contribute, directly or indirectly, to improved incomes, livelihoods and opportunities for smallholder farmers and pastoralists (technical soundness).</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The number of beneficiaries that the proposal will aim to target.</li> <li>▪ Degree of social and environmental considerations contained in the project approach (social and environmental viability).</li> </ul>	
<b>1.2</b>	<b>Market Prospect</b>	20 points
	<ul style="list-style-type: none"> <li>▪ The extent to which the project is shown to be responding to market demand (or enabling a need to become an effective demand).</li> <li>▪ If a new product or service, the level of certainty that the product/service has an assured market in Kenya or internationally.</li> </ul>	
<b>1.3</b>	<b>Sustainability and Replicability</b>	10 points
	<ul style="list-style-type: none"> <li>▪ The level of confidence in the sustainability of the project (or its impact), once the AgriFI Kenya financial support has been utilized.</li> <li>▪ The likely opportunities for replicating the project.</li> </ul>	
<b>2.0</b>	<b>APPLICANT RELATED</b>	<b>Max. of 35 Points</b>
<b>2.1</b>	<b>Governance and Management Related</b>	20 points
	<ul style="list-style-type: none"> <li>▪ The overall caliber of the applicant's management and technical team (Including demonstrated capacity by the applicant to address environmental and social issues).</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The ability of the applicant to deliver the intended outputs.</li> <li>▪ Where relevant, the suitability of the coordination mechanism in place to ensure all organizations involved in the project fulfil their roles and responsibilities effectively</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The role the project will play in strengthening an existing business model, develop a new sustainable model, and/or generate profitable outcomes for businesses involved in the project.</li> </ul>	



<b>2.2</b>	<b>Financial Performance Related</b>	10 points
	<ul style="list-style-type: none"> <li>▪ The financial health and likely commercial sustainability of the lead company and its partners</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The quality of the financial plans (e.g. source and application of funds, and likely cash flow).</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The quality of the financial accounting and reporting system that will be used to implement the project by the project partners</li> <li>▪ The level of understanding (by the applicant) of the risks of the project, and measures proposed to manage these risks</li> </ul>	
<b>2.3</b>	<b>Monitoring and Evaluation Related</b>	5 points
	<ul style="list-style-type: none"> <li>▪ The degree to which the achievement of the project's objectives can be measured.</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ The degree to which adequate arrangements for assessing the progress and impact of the project have been built into the proposal</li> <li>▪ The regularity of the collection of data to monitor performance of the project</li> </ul>	
<b>3.0</b>	<b>ADDITIONALITY AND EFFECTIVENESS</b>	<b>Max. of 10 points</b>
	<ul style="list-style-type: none"> <li>▪ Demonstration that the project would not have proceeded without AgriFI challenge fund support.</li> <li>▪ Degree of to which the applicant is leveraging on the requested financial support</li> </ul>	
	<b>OVERALL SCORES</b>	<b>100</b>

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## **6 NOTIFICATION ON THE APPLICATION**

The applicant will be informed in writing of the decision concerning their application and, if rejected, the reasons for the outcome. This letter will be sent by e-mail and will appear online automatically in the Salesforce profile of the user who submitted the application.

The decisions to approve or reject applicants are final and cannot be appealed. The decisions may include a provision for adjustment of activities and budget lines, however, the overall amount of financial support will remain constant.

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## 7 CONTRACTING AND REPORTING OBLIGATIONS

### 7.1 Contract

The applicants will be required to enter into a formal contract once the project proposal is approved and match funding is fully secured. The contract will be issued by Self Help Africa for the purpose of this programme. The full proposal and the budget will form part of the contract.

### 7.2 Reporting requirements

The contracted agri-enterprises will be required to report regularly to the Fund Manager. The reports will include both narrative and financial reporting.

The key reporting requirements for applicant will include:

- Quarterly narrative and financial progress reports related to the project.
- Annual financial reporting for the overall agri-enterprise.

The disbursement of funds will be linked to the reporting cycle.

### 7.3 Monitoring

The Fund Manager will monitor the project regularly. However, the agri-enterprise will be required to report on metrics that are collected at the agri-enterprise and farmer level such as numbers of smallholders in the supply chain; sales; new jobs/total jobs; turnover/profit; staff numbers and services to smallholder farmers/pastoralists.

During the implementation period quarterly visits to the agri-enterprises will review progress against milestones, results chain indicators, collect additional information against indicators, and validate that self-reported information is accurate.

In addition, the Fund Manager will conduct surveys of the smallholders active in the project. These surveys will focus on impacts at household level and will be carried out at the cost of the Fund Manager. However, cooperation from the agri-enterprise is also expected.

### 7.4 Checks and Audit

The successful applicant shall allow any external auditor authorized by Self Help Africa to verify, by examining the documents and to make copies thereof or by means of on-the-spot checks of original documents, the implementation of the contract and conduct a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the project.

The successful applicant shall ensure that on-the-spot access is available at all reasonable times. The successful applicant shall ensure that the information is readily available at the moment of the audit and if so requested, that the data be handed over in an appropriate form. These inspections may take place up to 7 years after the final payment.

Furthermore, the successful applicant shall allow any external auditor authorised by Self Help Africa carrying out verifications as required to carry out checks and verification on the spot in accordance with the procedures set out by Self Help Africa in your contract which reflect appropriate European Union legislation for the protection of the financial interests of the European Union against fraud and other irregularities. To this end, the successful applicant undertakes to give appropriate access to any external auditor authorised by Self Help Africa carrying out verifications as required to the sites and locations at which the project is implemented, including its information systems, as well as all documents and databases concerning the technical and financial management of the action and to take all steps to facilitate their work. Access given to agents of any external auditor authorised by Self Help Africa carrying out verifications shall be on the basis of confidentiality with respect to third parties, without prejudice to the obligations of public law to which they are subject. Documents must be easily accessible and filed so as to facilitate their examination and the successful applicant must inform Self Help Africa of their precise location.

The successful applicant guarantees that the rights of any external auditor authorised by Self Help Africa carrying out verifications as required to carry out audits, checks and verification shall be equally applicable, under the same conditions and according to the same rules as those set out in this Article, to the successful applicant's partners, and subcontractors.

## **7.5 Evaluation**

The AgriFI programme will be evaluated for its effectiveness and efficiency periodically. The agri-enterprises will also be expected to participate in these activities such as baseline, mid-term and end term evaluation.

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## 8 FRAUD, BRIBERY AND CORRUPTION

Self Help Africa is completely against fraud, bribery and corruption.

Self Help Africa does not ask for money for concept notes, proposals etc. If approached for money or other favours, or if you have any suspicions of attempted fraud, bribery or corruption please report **immediately and** provide as much detail as possible with any reports.

Likewise, if any fraud, bribery or corruption during the call process is discovered, Self Help Africa reserves the right to terminate the cooperation with the agri-enterprise in question.

Report through any of the channels below:

- Email: [confidential.reporting@selfhelpafrica.org](mailto:confidential.reporting@selfhelpafrica.org)
- Call our HQ at +353 1 677880 and ask to be called back
- Send an SMS to +353 87 2404343 and ask to be called back
- Phone Expolink\* 0800723132 (toll-free)
- Email: [selfhelpafrica@expolink.co.uk](mailto:selfhelpafrica@expolink.co.uk)
- Web reporting facility: <https://wrs.expolink.co.uk/selfhelpafrica>

\*Expolink is an independent company. Your conversation will not be recorded. You can choose to remain anonymous with only details concerning your report passed back to Self Help Africa senior management board level at HQ. Any costs incurred in making a report will be reimbursed.

**For More information regarding AgriFI financial support, Contact**

**Self Help Africa**

**Bank of Africa (BOA) House, Karuna Close,**

**Off Waiyaki Way, Westlands,**

**P.O. Box 14204 00800 Nairobi.**

**Email: [info@agrifichallengefund.org](mailto:info@agrifichallengefund.org) | Web: [www. agrifichallengefund.org](http://www.agrifichallengefund.org)**

**For More Information regarding Equity Bank's Credit Line, Contact**

**Equity Bank (Kenya) Limited**

**Upper Hill- Hospital Road, Equity Center, 9<sup>th</sup> Floor**

**P.O. Box 75104-00200**

**Nairobi, Kenya.**

**E-mail: [info@equitybank.co.ke](mailto:info@equitybank.co.ke)**

## **ANNEX 1: EQUITY BANK (Kenya) LIMITED F & A LOAN ELIGIBILITY CRITERIA**

The beneficiaries of the Equity Bank/EIB credit line will be required to meet the following basic criteria;

1. Applicants must be legal entities duly incorporated under the laws of Kenya and duly licensed to carry out business and carrying out business in Kenya
2. The business must have obtained all mandatory and relevant certifications for their line of agri-business enterprises
3. The applicants' business must be operational and must have been in existence in Kenya for at least a period of 3 consecutive years
4. The business must have operated profitably or can empirically prove that a positive trend has been registered over the last immediate 3 years.
5. Applicants must be agro-based entities who have integrated small holder farmers on valid commercial agreements. Such integration may include but will not be limited to farm inputs supply contracts, produce offtake contracts, technical support to farmers, agricultural technology and solutions to small holder farmers, etc.
6. The applicant must have an existing (or is willing to set up) a strong and effective management structure with appropriate and relevant skills and experience to implement the project being funded
7. Applicants must have or be willing to open and operate an active account with Equity Bank Kenya
8. Applicants' business must prove that its operations promote adoption of Good Agricultural Practices (GAP) by the smallholder farmers that they partner with.
9. Applicants' business must not be in the list of restrictions/exclusions of sectors and activities as per the NACE classification codes for business activities.
10. Both the applicant and the directors of the applicant's business must have positive listing status with approved Credit Reference Bureau (CRB)
11. The applicant or its affiliates must not be involved in any actions of crime or anti-money laundering activities
12. The activities of the applicant's business must not have any adverse environmental and social impact.
13. The applicant must proof existence of market for produce (where applicable) sourced from the smallholders integrated in their business operations
14. All incorporated entities should have audited financial reports for the previous 3 years and management account

***Additional criteria will be applied based on the specific loan applicant's business.***