



CALL FOR PROPOSALS

Establishment of Organic - Kilimo Hai shops

Terms of Reference



September 2019

1. Introduction

Organic Agriculture is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved¹. In Tanzania, more and more farmers are engaging in organic farming, known as “kilimo hai” in Swahili. However, access to market, and in particular access to a market that recognizes the value of organic produces, is still challenging. Access to market is even more challenging for small holder farmers. It is against this background that the Tanzania Organic Agriculture Movement (TOAM)², Sustainable Agriculture Tanzania (SAT)³ and SWISSAID⁴ are joining hands to support the establishment of “Organic – Kilimo Hai” shops in Tanzania, and are calling for proposals from Tanzanian entrepreneurs.

2. Purpose of the Organic – Kilimo Hai shops

The purpose of these Organic – Kilimo Hai shops is to facilitate access to market for small holder organic farmers, including also small holder farmers in conversion towards organic, while raising consumer awareness, and supporting entrepreneurs to develop a business that is financially and operationally sustainable. The produce need to follow the East African organic products standard. This standard has been written for organic production in East Africa, with the aim to have a single organic standard for organic agriculture production under East African conditions. This East African organic products standard is based on organic standards currently in place in the region as well as the IFOAM Basic Standards and the Codex Alimentarius guidelines for the production, processing, labelling and marketing of organically produced foods⁵. The Participatory Guarantee System (PGS)⁶ helps the smallholder farmers reach this standard.

More specifically, the main objectives of these Organic – Kilimo Hai shops are to:

- Provide market access for small holder organic farmers and small holder farmers in conversion to organic farming.
- Empower small holder farmers, and enhance their livelihood through organic farming, with a particular focus on women and youth.
- Raise consumer awareness around organic farming and key issues related thereto including but not limited to nutrition, health, livelihood, soil regeneration, preservation of the environment and resilience to climate change.

3. Scope of the Organic – Kilimo Hai shops

It is envisaged that under this call for proposal the entrepreneurs will start with one initial Organic – Kilimo Hai shop in Dar es Salaam. The expectation is however that the entrepreneurs will develop a model that will facilitate the opening of new branches in other strategic locations in the country. The Organic – Kilimo Hai shops shall include physical shops, but may also include virtual shops, leveraging digital solutions and delivery systems. They may focus on retails customers, as well as corporate customers such as hotels, restaurants, schools, companies, and others. The prime produce may include horticulture and agriculture produce, poultry, fishery and meat, spices, honey and others. It may also include organic inputs such as organic fertilizers and bio-pesticides. They will primarily cover the domestic market, but may engage into regional (in particular East Africa where the same standard applies) and global value chains as their capacity grows.

1 More information on ecological organic agriculture and agro-ecology are available on: <http://www.fao.org/agroecology/en/> and <http://www.fao.org/organicag/oa-home/en/>

2 www.kilimohai.org

3 www.kilimo.org

4 www.swissaid.ch

5 The standard is available on: <http://www.kilimohai.org/kilimohai/east-africa-organic-standards/?L=0>

6 https://www.ifoam.bio/sites/default/files/page/files/pgs_in_east_africa.pdf

4. Financial and technical support

A key objective of these Organic – Kilimo Hai shops is to become financially and operationally fully sustainable, and to continue to operate and to fulfil their objectives even at the time the grants phase out.

To support the establishment and operations of these Organic – Kilimo Hai shops, TOAM, SAT and SWISSAID will provide the following:

1. Oversight committee

TOAM, SAT and SWISSAID will form an oversight committee that will work closely with the Organic – Kilimo Hai shops, in particular in the initial stages. This oversight committee will provide guidance on the East African organic products standard, their application and certification, advice for collaboration with small holder farmers in conversion to organic, insights into organic shop management, and others as per need and capacity.

2. Facilitated access to suppliers

TOAM, SAT and SWISSAID already support many small holder farmers engaged in organic farming throughout the country, however with high concentration in the regions of Morogoro, Mtwara, Lindi, and to a lesser extent Pwani, Dodoma, Singida and Manyara. It is therefore envisioned that the small holder farmers supported by TOAM, SAT and SWISSAID will be given a prioritized and facilitated access to the Organic – Kilimo Hai shops. TOAM, SAT and SWISSAID will also facilitate the supply chain and support the entrepreneur with coordinating the production. This does however not prevent the Organic – Kilimo Hai shops to source organic produce from other suppliers, with a focus on small holder farmers.

3. Financial support

A successful cost effective proposal with a viable business plan and cash flow shall be provided financial support in the form of grants within an overall ceiling amount of 200 million TZS across a maximum period of 3 years. It is expected that by the time the financial support of SWISSAID phases out, the Organic – Kilimo Hai shops will have grown into a mature business that will be able to continue to operate independently and sustainably.

5. Process and timeline

The process and timeline for the selection of the entrepreneur(s), the establishment of the Organic – Kilimo Hai shops and the provision of the grants is as follows.

Activity	Date
Issue of call for proposals	25 September 2019
Deadline for submission of proposals	15 October 2019
Shortlisting of candidates	31 October 2019
Submission of full business plan by shortlisted candidates	15 November 2019
Selection of final candidate (incl. interviews)	30 November 2019
Finalization of contractual and collaboration modalities	December 2019
Start of operations	January 2020

6. Qualifications and experience

The entrepreneur(s) will be selected on the basis of their proven experience, skills, qualifications, motivation and ability to successfully establish and operate the Organic – Kilimo Hai shops. These include:

- Business acumen combined with a genuine commitment to promote ecological organic agriculture and to support market access for small holder farmers.
- Track record of successfully running a business.
- Experience in the agricultural sector in Tanzania.
- Self-motivated, result-driven and focused on solutions.

Other significant assets include:

- Academic degree in business, entrepreneurship, marketing, MBA, or similar fields.
- Prior experience and knowledge of ecological organic agriculture (agro-ecology) and collaboration with small holder farmers.
- Fluency in both English and Swahili languages.

Qualified women and young entrepreneurs are highly encouraged to apply.

7. Content of the proposal

Interested candidates need to submit a proposal, including:

1. A short business plan, as per the attached template.
2. A five year cash flow, as per the attached template.
3. CVs of the main team members.

Shortlisted candidates will be contacted and requested to submit a more comprehensive business plan.

8. Submission of proposal

The complete proposal should be submitted by email to the following email address not later than **October 15, 2019**: info@swissaidtanzania.org