Request for Qualifications for Proposal Preparation Grants: Agricultural Innovation in South Asia and Sub-Saharan Africa

3ie Agricultural Innovation Thematic Window (Thematic Window Four)

Issue date: 28th June, 2013
Deadline: 23:59 EST, 16th August, 2013

Introduction

The International Initiative for Impact Evaluation (3ie) seeks applications for proposal preparation grants under its Agricultural Thematic Window grant programme. This window will increase the stock of rigorous evidence on what works in agricultural innovation in South Asia and Sub-Saharan Africa.

Overview of the Agricultural Innovation Window

3ie’s Agricultural Innovation Window grant programme will fund up to 16 new impact evaluations of interventions in the areas of knowledge transfer, contractual arrangements, adoption, and soil health. Priority questions in these areas are to be addressed in the context of impact evaluations of interventions implemented by the Alliance for a Green Revolution in Africa (AGRA) and the International Fund for Agricultural Development (IFAD).

It is expected that the majority of, if not all, the studies funded by this window will have ex ante impact evaluation designs. Both AGRA and IFAD have committed to random assignment of programme components where feasible.

The grants will be awarded in two phases:

1. Preparation grants: Up to 12 study teams will be given preparation grants for working with AGRA and IFAD to develop impact evaluation proposals. Each study team receiving a preparation grant will have to prepare up to three impact evaluation proposals.

2. Impact evaluation grants: Up to 16 grants will be made for conducting impact evaluations. Of the 16 grants, ten will be for AGRA-supported programmes and six will be for IFAD-supported programmes. A research team may be selected to conduct more than one impact evaluation.
The preparation phase will start in September 2013, running until the end of January 2014.

3ie expects impact evaluations to begin from June 2014

Priority questions

Below are the priority questions to be addressed by the studies:

1. How should information be packaged and delivered to improve farmer decisions and uptake of improved seeds, better soil management practices and technologies?

2. What types of contractual arrangement increase smallholders’ market power, food security, marketed surplus and net returns?

3. What are the cost-effective mechanisms to incentivize smallholders to adopt improved seeds and better practices and technologies?

4. What combinations of Integrated Soil Fertility Management (ISFM) technologies are most cost effective in increasing agricultural productivity and smallholder incomes?

The full accompanying text for each question is provided in Annex 1. Study teams must take the accompanying information in Annex 1 into account while preparing their proposals.

Focus countries and potential projects for evaluation

The studies are to take place in Sub-Saharan Africa and South Asia. The possibility of East Asian projects may be considered for IFAD interventions, if sufficient opportunities in the other regions are not found.

The countries will be determined in consultation with AGRA and IFAD. The following are likely study countries:

- Sub-Saharan Africa: Burkina Faso, Ghana, Kenya, Malawi, Mali, Mozambique, Nigeria, Rwanda, Tanzania, Uganda and Zambia
- South Asia: Afghanistan, Bangladesh, India, Nepal, Pakistan and Sri Lanka

The following is a list of the types of projects that may be considered for evaluation. A more complete list is provided in Annex 2.

AGRA

- Rural Finance Knowledge Management Partnership (Kenya and Tanzania). The project aims to improve access to finance for smallholder farmers,
farmer organisations, and small and medium enterprises, with a special focus on women.

- Agro-Dealer Development II in Sofala, Zambezia, Manica and Tete Provinces (Mozambique). The project aims to improve agricultural productivity among smallholder farmers in 16 districts in the Beira Corridor, through the development of a strong, sustainable network of agro-dealers that will avail agricultural inputs cost effectively, thereby contributing to increased household incomes and reduced poverty levels.

- From Price Takers to Price Makers: The effectiveness of a Digital Farmer Aggregation Platform (Tanzania and Zambia). The project aims to establish and demonstrate the effectiveness of a digital farmer aggregation platform, which will enable smallholder farmers to create and capture more value in the agricultural value chain.

**IFAD**

- Financial Inclusion in Rural Areas (Uganda). The project aims to provide agricultural support services, post-harvest innovation and demonstration facilities.

- Smallholder Market-Led Production Programme (Swaziland). The project aims to deliver capacity building to existing commodity associations (and establish new ones where necessary) through work with SNAU and farmers’ groups and develop a market information system.

- Community Livestock and Agriculture Project (Afghanistan). The project aims to deliver community development, including productive infrastructures and institutional strengthening and livestock and agriculture development.

- Livestock Access to Markets Project (Pakistan). The project aims to strengthen market linkages.

- Meghalaya Integrated Rural Development Project (India). The project aims to improve food security and subsistence farming, including linking producer groups to markets and value chain development.

**Preparation grants**

**Budget**

The preparation grant covers costs associated with activities, such as travel, to meet with the implementing agency, preliminary checking of administrative data, site visits and researcher time, that are necessary to develop impact evaluation designs.
The preparation grant will be paid in two tranches. The first tranche will be US$10,000, paid upon contract signing. The second tranche will pay the balance of costs on a reimbursable basis up to the maximum total budget (i.e. including the first tranche) shown in Table 1.

**Table 1 Maximum value of preparation grant by number of proposals and number of countries**

<table>
<thead>
<tr>
<th>No. of proposals</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>One country</td>
<td>US$20,000</td>
<td>US$25,000</td>
<td>US$30,000</td>
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<tr>
<td>Two countries</td>
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<td>US$30,000</td>
<td>US$35,000</td>
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<tr>
<td>Three countries</td>
<td>-</td>
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<td>US$40,000</td>
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</table>

**Preparation process**

AGRA and IFAD will provide short-listed study teams with a table that will map the potential programmes to be evaluated against the priority evaluation questions. The final selection of programmes will be made by the study teams during their visits to AGRA in Nairobi and IFAD in Rome. For this purpose, at least one member of the study team will be required to travel to Nairobi (AGRA) or Rome (IFAD) to meet implementing agency staff in the period between mid-October and the end of November 2013. These meetings will produce agreement about which interventions will provide the setting for the impact evaluations being proposed by respective teams.

Study teams will need to engage programme staff to help explain the rationale for conducting an impact evaluation, what will be learned from it, and the implications for programme design. A small workshop for agency staff may be held for this purpose.

Once there is agreement on which of the proposed interventions are to be evaluated, each team will prepare up to three impact evaluation proposals. 3ie expects that a trip to the intervention country will be required, which may be conducted by the national Principal Investigator (PI). The preparatory stage needs to build up understanding of and support for the study by in-country programme staff (from AGRA and IFAD and the local implementing agency).

The proposals are to be submitted by 23.59 EST on 31st January 2014, using 3ie’s on-line Grant Management System. Please see [http://www.3ieimpact.org/en/funding/thematic-window/agricultural-innovation-thematic-window/how-apply/](http://www.3ieimpact.org/en/funding/thematic-window/agricultural-innovation-thematic-window/how-apply/) to view the Agricultural Innovation Thematic Window application form and the review form, which fully define the selection criteria. Please note, the online application form is to be completed only by teams that are successful in the first phase of this grant window. The sample application form posted on the 3ie website is meant only to provide an indication of the format.
An individual PI may be on multiple applications and a study team or institution may submit multiple applications. PIs on more than one application or study teams or institutions submitting multiple applications must be in a position to start and carry out all winning grants concurrently from June 2014.

Proposal review and impact evaluation grant

Each proposal will be reviewed and scored by at least one internal and two external reviewers. The externals reviewers will include AGRA and IFAD staff. It is 3ie’s intent, although not guarantee, to fund ten impact evaluations of AGRA-supported programmes and six impact evaluations of IFAD-supported programmes. 3ie may provide comments and request a resubmission of proposals that do not receive adequate scores. 3ie reserves the right not to award the stated number of impact evaluation grants under this thematic window.

For proposals which are accepted phase two starts. 3ie will award the research team a grant to conduct the impact evaluation under 3ie’s standard terms and conditions. Please see http://www.3ieimpact.org/en/funding/thematic-window/agricultural-innovation-thematic-window/how-apply/ for the 3ie grant agreement and grant administration agreement templates.

Involvement of developing-country researchers

3ie strongly encourages the substantive involvement of developing-country researchers. Substantive involvement means being part of study design, implementation, analysis and writing. Developing-country researchers are developing-country nationals resident in their country of origin.

At the request for qualifications (RFQ) stage, study teams based in developed-country institutions are asked to demonstrate prior collaborative research activities with developing-country researchers. Study teams receiving preparation grants are expected to add developing-country national researchers to their study teams prior to engaging in substantive evaluation design.

Developing-country researchers that have the requisite impact evaluation experience and expertise will be invited to Nairobi and Rome during the programme identification stage to facilitate matchmaking prior to evaluation design.

Instructions for applicants

Responses to this RFQ shall comprise the following four components.

1. **Covering email.** The message should state which priority question the study team intends to address, and with which of the two agencies the team wishes to work. If the team wishes to be considered for either agency, it should clearly indicate ‘AGRA or IFAD’ in the covering email. If an institution wants teams to be considered to work with both AGRA and IFAD on the same
question it should submit separate applications, one for AGRA and one for IFAD.


3. **Curriculum vitae and signed letter.** The curriculum vitae should not exceed three pages for each PI. There should be a signed letter from each PI, indicating the share of working time during the three months of the preparation grant s/he expects to be spent on the proposal preparation work and confirming availability for that expected share of working time. It is expected that these PIs will participate substantively in the proposed impact evaluation.

4. **Copies of studies.** The application should include up to three impact evaluation studies that have proposed PIs as named authors. For each PI that is a developed-country national or working for a developed-country institution, include a study that PI conducted in collaboration with a developing-country researcher.

Components two and three should be submitted in a single Microsoft Word-compatible file, with all font sizes greater than or equal to 11 point, as an attachment. The signed letters from the PIs and sample impact evaluation studies may be attached as separate .pdf files.

**Please submit all files attached to a single email message, not to exceed 5MB, to TW4@3ieimpact.org no later than 23:59 EST, 16th August, 2013.**

Incomplete submissions will be considered ineligible.

This RFQ does not constitute a guarantee of award. Please direct any questions related to this RFQ to TW4@3ieimpact.org by 23:59 EST on 22nd July, 2013. All questions and answers will be made publicly available on the [Frequently Asked Questions (FAQ) page](http://www.3ieimpact.org/en/funding/thematic-window/agricultural-innovation-thematic-window/how-apply/) for the Agricultural Innovation Thematic Window on the 3ie website within three working days of that date.

**Eligibility**

Only institutions may apply.
Selection criteria

The qualifications submitted in response to the RFQ [Phase 1] will be reviewed and scored according to the following criteria:

- Credentials of PIs: 45%
- Institutional capabilities: 10%
- Sector experience and involvement: 25%
- Prior PI experience with collaborative research with Low- and Middle-Income Country researchers: 15%
- Associate membership of 3ie: 5%

The impact evaluation proposals [Phase 2] will be reviewed and scored according to the following criteria:

- Qualifications of proposed staff: 20%
- Involvement of developing country researchers: 15%
- Quality of technical proposal, internal validity: 20%
- Quality of technical proposal, external validity: 20%
- Potential policy impact: 15%
- Cost: 10%
ANNEX 1  Priority questions and accompanying text

Question 1

How should information be packaged and delivered to improve farmer decisions and uptake of improved seeds, better soil management practices and technologies?

Many farmer or community-level interventions seek to change farmers’ behaviour and decision-making through the provision of information. Information may be conveyed through a wide range of channels including direct training, training of trainers, demonstrations, farmer field schools, field days and agricultural shows, written media including text messages, extension pamphlets, and other media, such as drama, radio and video. Are these mechanisms technology neutral or not?

The study will consider the cost effectiveness of these different channels and/or their combinations in transferring knowledge and achieving proper use of the seeds, fertilizers (both organic and inorganic) and good agronomic practices being promoted.

An important component of the studies is to investigate farmers’ information needs, mechanisms to meet those needs, and institutional arrangements to reduce information costs. Much of the value added in agricultural marketing depends on the processing of information, for example, about the availability, location and prices of products on farms and in markets and about what consumers want. But information is subject to market failure: it is difficult to sell (the buyer does not know its value until after it is “purchased”) and easy to reproduce (making it hard for the producer to recover costs). Hence one issue which may be addressed is the government’s role in providing information directly or promoting more provision of information by the private sector.

In the value chain, information flows enable value-chain actors to add value through branding and certification schemes, for which many examples exist, but no repository of developing–country–relevant knowledge is yet available (Torero and von Braun 2006; Aker, 2008; Goyal, 2010; Jensen, 2007).

The primary outcomes--with respect to which cost effectiveness is to be assessed, are knowledge and proper use of the improved seeds or better practices and technology; and the returns on farmers’ investment. Where realistic within the time frame of the evaluation, the impact of adoption on productivity, net farm and incomes, child nutrition, and asset ownership shall also be measured. How impact varies by appropriate categories, such as poverty status and gender, should be analysed.

The interventions about which information is being conveyed may include:

1. Abiotic/hidden trait varieties (cooking time, taste, nutrition, quality), disease and pest resistance, agro-ecological zone, soil fertility status, etc.
2. Weather forecasts/climate scenarios, index insurance
3. Market information on where people are selling, price, volume and linkage to value chain actors
4. Cropping systems for specific countries and regions
5. Association nature of farmers (whether the farmers belong to an organization; self-help groups etc.), education level etc.

Other interventions may also be considered.

**Question 2**

**What types of contractual arrangement increase smallholders’ market power, food security, marketed surplus and net returns?**

Contracting is expected to reduce the sellers’ transaction costs of negotiating the terms of sale for every exchange. It also provides farmers with access to technical information, specialized inputs (e.g., certified seed) and credit, hence alleviating market failures for critical inputs for smallholder farmers. However contract farming schemes face failures, especially the risk of side-selling and the lack of long-term commitment from both sides.

Thus different contractual arrangements have been controversial as to whether they strengthen the position of farmers in the value chain. Does structured trading (e.g., contract farming, WRS, commodity exchanges, producing for supermarkets, and out-grower schemes) make farmers better or worse off? Will the emergence of other structured demand markets, such as government procurement, increase farmer production of staple crops? Can farmer organisations operate effective cooperative mechanisms for the sale of farmers’ produce, and so get farmers a better deal? Can agro-dealers significantly improve access to input and output markets in rural areas? What is the role of inventory mechanisms, such as the ‘warrantage’ system run by farmers’ associations in the Sahel?

Furthermore, in most of the developing world contract enforcement through the legal system is costly, lengthy, and uncertain. Thus, this research should explore policy instruments and legal frameworks that stimulate the performance of collective action, and contract enforcement systems for traders, farmers and farmer organizations.

The primary outcomes include household food security and net returns to on-farm activities, and market power and marketed surplus. The causal chain analysis should include consideration of which markets are being served by marketed surplus. Other outcomes of interest include child nutrition and asset ownership. How impact varies by appropriate categories, such as poverty status and gender, agro-ecological zone and farming system, proximity to major markets, should be analysed.
The interventions to be considered include structured demand markets (including contract farming, which includes incorporation into the value chain for supermarkets), WRS, commodity exchanges, access to mobile phones, and farmer organizations as an aggregation and service delivery platforms.

**Question 3**

**What are the cost effective mechanisms to incentivise smallholders to adopt improved seeds, and better practices and technologies?**

*There is a preference for studies focusing on adoption of improved seeds, but adoption of other technologies may be considered.*

Changing behaviour requires changing the incentive environment faced by smallholders. The studies addressing these questions will consider one or more of the following interventions [list to be confirmed through consultation with AGRA and IFAD operations, a scheme promoting improved post-harvest management could be included in the list, but at most five interventions should be included]:

1. Participatory breeding
2. Village-level agro dealers
3. Improving access to credit and markets
4. Farmer field schools
5. Knowledge of post-harvest management and access to storage and services
6. Farmer to farmer learning
7. Farmer support and peer learning groups

Single studies which compare one or more of the above interventions are encouraged.

Studies may consider how pull factors such as access to structured markets incentivise smallholders to adopt improved technologies and acknowledge that adoption constraints vary depending on technology. In this regard, the studies may also explore the extent to which risk preferences affect adoption and explore possibilities for de-risking.

The primary outcomes with respect to which cost effectiveness is to be assessed are knowledge and proper use of the improved seeds or better practices and technology. Where appropriate, and realistic within the time frame of the evaluation, the impact of adoption on productivity, net farm and incomes, child nutrition, and asset ownership shall also be measured. How impact varies by appropriate categories, such as poverty status (land and other capital) and gender, should be analysed.
Question 4

What combinations of Integrated Soil Fertility Management (ISFM) technologies are most cost effective in increasing agricultural productivity and smallholder incomes?

ISFM technologies include the use of: fertilizers (organic and inorganic) and lime where necessary; intercropping of cereals and legumes; rhizobium inoculum; conservation agriculture which has minimum and soil cover components; and agro-forestry. These technologies are commonly used in combination, being proposed in the light of in-country soil test results.

Study teams are expected to propose factorial designs which will allow identification of the most cost effective combinations of these technologies. Where possible, studies should explore potential ISFM policy frameworks to support the uptake of ISFM technologies.

AGRA is considering the distribution of low cost devices for soil testing to village-level agro-dealers. A cost-benefit analysis of such a scheme is a possible study design.

The primary outcomes with respect to which cost effectiveness is to be assessed are proper use of ISFM technologies, levels of uptake, agricultural productivity and net farm incomes. The causal chain analysis will also consider smallholder participation in activities to promote ISFM, knowledge. Final welfare outcomes, such as, child nutrition and asset ownership, should also be included where realistic, within the time frame of the evaluation. How impact varies by appropriate categories, such as poverty status and gender, should be analysed.
ANNEX 2 LIST OF POSSIBLE PROJECTS FOR EVALUATION

This annex lists possible projects for evaluation. The list includes current candidate projects. These projects may not be available for evaluation, and other projects may be added to the list. Any changes to this annex will be shared in the FAQ.

AGRA

Conservation Agriculture for Resilient Food Security and Profitability in Machakos and Laikipia Counties (Kenya). The overall goal of this project is improving food and income security and building the resilience of smallholder farmers, through the use of conservation agriculture in Machakos and Laikipia counties. The project has specific objectives: (1) evaluate and identify cover crop options for conservation agriculture; (2) increase awareness of conservation agriculture among smallholder farmers and extension staff in Machakos and Laikipia counties, through wide-scale demonstration; and (3) improve access to information and communication products on conservation agriculture for practitioners, including policy makers.

Rural Finance Knowledge Management Partnership (Kenya and Tanzania). The goal of the project is to improve access to finance for smallholder farmers, farmer organisations and small and medium enterprises, with a special focus on women. The project aims at strengthening the capacity of key actors on the agricultural and financial value chains such as small holder farmers, farmer groups, small and medium enterprises, formal financial institutions and informal sector service providers, to increase their outreach, produce/service appropriateness and sustainability through the use of knowledge management and information sharing.

Agribusiness Management Solutions for a Competitive Agriculture Project. The goal of the project is to improve the income of smallholder farmers by providing better access to market information through the use of modern Information and communication technologies. The project has specific objectives: (1) enhance information flow within the value-chain actors through the use of modern information and communication technologies; (2) improve logistics and reduce transaction costs of market intermediaries by improving supply-chain management; and (3) put mFarms platform on a sustainable growth path beyond the life of the project by commercialising it better.

Agro-Dealer Development II in Sofala, Zambezia, Manica and Tete Provinces (Mozambique). The aim of the project is to improve agricultural productivity among smallholder farmers in 16 districts in the Beira Corridor, through the development of a strong, sustainable network of agro-dealers that will avail agricultural inputs cost effectively, thereby contributing to increased household incomes and reduced poverty levels. Specifically, the project has these objectives: (1) strengthen and expand the agro-dealer network in target regions; (2) intensify linkages with input and output markets; and (3) develop the capacity of national organizations for scalability and sustainability.
From Price Takers to Price Makers: The effectiveness of a Digital Farmer Aggregation Platform (Tanzania and Zambia). The project seeks to establish and demonstrate the effectiveness of a digital farmer aggregation platform, which will enable smallholder farmers to create and capture more value in the agricultural value chain. More specifically, the platform will facilitate the aggregation of fragmented input demand from smallholder farmers, bulk procurement of critical inputs and bulk marketing of outputs. This initiative will be piloted in Tanzania, in the rice value chain and in Zambia in the dairy value chain.

Development and Promotion of High and Stable-Yielding Consumer Preferred Rice Varieties in Rwanda – Participatory breeding, farmer field schools (Rwanda). The goal of the project is to enhance food security and generate cash incomes for smallholder farmers, through the development and promotion of improved rice varieties. The varieties should have the farmer preferred traits at local market and be resistant to major diseases. The project has these objectives: (1) identify and release five improved rice varieties with traits desired by farmers, processors and consumers, which are high quality (long grain), resistant to blast and rice yellow mottle virus; (2) create farmer awareness of improved rice varieties (through farmers associations, cooperatives and cooperatives’ unions) and the agriculture community (districts, projects and non-governmental organisations’ agronomists) about the availability of newly released varieties, using participatory evaluation approach; and (3) create sustainable hybrid rice seed production systems and the dissemination of the released hybrid rice varieties. This is meant to speed up the rate of adoption of released rice varieties.

**IFAD**

Post-harvest Agribusiness Support Project (Rwanda). Agribusiness component

Project for Financial Inclusion in Rural Areas (Uganda). Agricultural support services; post-harvest innovation and demonstration facilities

Smallholder Market-Led Production Programme (Swaziland). Capacity building delivered to existing commodity associations (and where necessary establish new ones) through work with SNAU and farmers groups and develop a market information system

Community Livestock and Agriculture Project (Afghanistan). Community development, including productive infrastructures and institutional strengthening and livestock and agriculture development

Livestock Access to Markets Project (Pakistan). Strengthening market linkages

Rural Enterprises and Remittances Project (Nepal).
Rural Finance and Community Improvement Programme - Phase II (Sierra Leone). Strengthening and expanding the outreach of the rural finance system of FSAs, CBs and the TAA/APEX.

Ghana Rural Growth Programme (Ghana). Value chain development

Inclusive Growth for Smallholder Farmers in Staple Crop Processing Zones (Nigeria). Community development associations, farmer field schools, community-based seed production, rural farmers’ inputs shops, financial services associations and weatherproof rural infrastructure

Pastoral Community Development Project III (Ethiopia)

Rural Finance Services: Rural Finance Services Programme (Zambia). Capacity development on agriculture and rural finance for MFIs

Youth in Rural Economic Activities (Mali)

Programme to Reduce Vulnerability in Coastal Fishing Areas (Djibouti). Community infrastructure; aggregation component

Value Chain Project (Senegal). Soil fertility improvement; strengthening micro-enterprises

Climate-Resilient Wool and Mohair Project (Lesotho). Organizational strengthening for group-based systems

Meghalaya Integrated Rural Development Project (India). Food security and subsistence farming; linking producer groups to markets; and value-chain development

**IFAD Reserve list**

Agricultural Services Programme for Innovations, Resilience and Extension (Cambodia). This programme has two sub-components, Implementation of Comparative Models of Extension and the Innovation Fund. Both sub-components will seek to support smallholder farmers to develop resilient and sustainable farm businesses within a framework that facilitates rigorous evaluation and comparison between alternative models. The essential difference is that the comparative models will be identified and designed in detail at project design, while the Innovation Fund will invite competitive applications for funding.

Convergence on Value Chain Enhancement for Rural Growth and Empowerment (Philippines). This project includes: (1) Participatory Value-Chain Analysis and Planning to Link Smallholder Farmers to Existing Value-Chain Systems;
(2) Integrated Smallholders Agricultural and Rural Enterprise Development; and
(3) Project Management, Monitoring and Evaluation and Knowledge Management

Shiyan Smallholders Agribusiness Development Project (China). Agribusiness
component; market linkages; value chains

Sustainable Rural Development for the Poor in Ha Tinh and Quang Binh Provinces
(Viet Nam). Capacity building for value-chain development (training/vocational
training component)

Yunnan Agricultural and Rural Improvement Project (China)

Adaptation to Climate Change in the Mekong River Delta Region (Viet Nam).
Adoption of climate resilient varieties/diversification

Rural Growth Programme (Yemen). Improve smallholders’ access to modern
agriculture inputs, technologies and advisory services. Promote new forms of
linkages with private sector input suppliers.