

CALL FOR CONCEPTS FOR ANCHOR FARMERS: COORDINATED CLUSTER FARMING PILOT MODEL IN MPONGWE DISTRICT

1. ABOUT PROSPERO

Prospero Limited supports private sector development and facilitates impact investment, transitioning growth-stage businesses across Zambia into viable recipients for impact capital. We focus on companies that will have an impact on the development of Zambia.

OUR KEY SERVICES INCLUDE:

- Strengthening innovative, inclusive, and environmentally sustainable business models (e.g., designing and developing climate-smart solutions with agribusinesses and renewable energy solutions for rural entrepreneurship hubs in remote locations).
- Enterprise-led market development in key sectors of the Zambian economy (e.g., facilitating development and coordination of market-led value chains).
- Identifying and building capacity of high-growth potential businesses.
- Developing innovative and impactful financing mechanisms.
- Investment facilitation services (e.g., SME investment readiness preparation and investor linkages).

We rely on a combination of the resources, experience, and expertise of external service providers to support our interventions. Some services are procured with service providers contracted according to specific delivery needs.

2. ABOUT THIS PILOT

After analysis and consultation with stakeholders, Prospero has developed this co-financing facility described below.

Facility	Facility Description
<p>Coordinated Cluster Farming Pilot Model</p>	<p>The Call for Concepts for the Coordinated Cluster Farming pilot model will be implemented in collaboration with the Ministry of Small and Medium Enterprise Development, with the first pilot being launched in Mpongwe District. It will exclusively target commercial farmers from Mpongwe District to serve as anchor farmers. Their primary responsibility will be to organize and coordinate emerging farmers within their communities into clusters producing the same commodities. These anchor farmers will play a crucial role in facilitating knowledge transfer, coordinating infrastructure development, and promoting sustainable agricultural practices.</p> <p>The pilot program will incentivize the operations of anchor and emergent farmers by providing tailored assistance such as access to infrastructure, technical assistance, and export linkages for all aggregated crops.</p> <p><i>For the purposes of the pilot, a cluster shall entail the following:</i></p> <ul style="list-style-type: none"> • A group of farmers, preferably from the same geographic area, collaborating to achieve a shared goal as agreed upon by all parties. • This shared goal includes deciding on the type of farming activity to pursue collectively. Clusters have the flexibility to choose one or more crops for cultivation, aiming to achieve economies of scale through aggregation. <p><i>The “anchor farmer” must be a commercial farmer who will be the coordinator of the cluster. The anchor farmers will therefore have the privilege to constitute a cluster with emergent farmers who are keen to be part of the coordinated cluster framing pilot. This process will be overseen by Prospero.</i></p> <p><i>The definition “emergent farmer” refers to medium-scale farmers cultivating 5–20 ha of land and are often characterized as occupying a transitional phase between small-scale, semi-subsistence production and larger-scale, more commercial farming.</i></p>

When reviewing concepts to determine those to move to the next stage, Prospero shall be guided by the specific responses provided in the concept note, including the following:

1. The applicant must be a legally registered entity in Zambia, operating for a minimum of 3 years.

2. The applicant must clearly outline at least one (1) crop to be cultivated by the Cluster.
3. The applicant must state an estimation of the total size of the land (in hectares) to be used by the Cluster.
4. The applicant must be willing to transfer skills and share best practices with members of the Cluster.
5. The applicant must have existing infrastructure and equipment that will contribute to the project's implementation. This may include storage facilities, center pivots, and grain dryers.

Added Advantage

As an added advantage, the applicant may have:

- a. A minimum of 1 year experience in mobilizing farmers or establishing and promoting Farmers Producer Organizations.
- b. Knowledge and expertise in export-oriented infrastructure, cold chain management, supply chain management, branding/marketing.
- c. Experience in providing capacity-building to other farmers such as emergent or small holder farmers,
- d. Proficiency in facilitating and managing the establishment of pre- and post-harvest infrastructure facilities, such as irrigation systems, seed processing units, processing mills, packhouses, warehouses, cold storages, ripening chambers, and primary & secondary processing units.

The funding structure of this facility is:

Facility	Facility Structure	Prospero Contribution (Indicative range)
Coordinated Cluster Farming Pilot Model	Prospero is offering co-financing for this facility in the form of <u>co-investment grants</u> . We expect that these investment projects will be co- financed by the grantee. Our traditional co-financing threshold is <u>50% of eligible total project costs</u> .	£50,000 up to £200,000

3. ADDITIONAL PRINCIPLES FOR COMPETITIVE CONCEPTS

In addition to the guidance in Section 2, applicants must note the following:

- Successful concept notes will proceed to a full proposal stage.
- Only the best value-for-money proposal will be considered for next stage. Funding is not guaranteed.
- Applicants must demonstrate the ability to successfully implement the proposed project. This includes having the necessary technical, management, and financial capacity.

- Female farmers are encouraged to apply and/or participate.

Further guidance will be provided at the proposal development stage.

4. ELIGIBILITY AND SUBMISSION GUIDELINES

- a) Who may apply:
- Registered and tax-compliant entities are eligible to apply as an anchor farmer. Individuals are **NOT** eligible to apply as an anchor farmer.
- b) Submission guidelines:
- Applicants should visit the Prospero Limited website (<https://prospero.co.zm/>) to review the information, specifying their preferred sector and initiative. After you submit these details, you will receive a concept note template and a corporate self-assessment form.
 - **Note: If you have not received the concept note template and corporate self-assessment form, please make sure to check your spam or junk folder. Alternatively, you can reach out to grants@prospero.co.zm for assistance.** Applicants should complete the relevant concept note template with as much concise clarity as possible.
- c) Please email the following documents to grants@prospero.co.zm the subject line formatted as such: “[**Name of submitting organisation**] – Concept note for [**Coordinated Cluster Farming Pilot Model**]”.
- A fully completed concept note template.
 - A budget estimate in Zambian kwacha (ZMW) or British Pounds (GBP) only (as accurate as possible)
 - Certificate of Incorporation, tax compliance certificate and any other support documentation.
- All applicants will receive feedback following Prospero's review of concept note documents. Submissions of Concept Notes that do not contain **ALL** the relevant documents may be disqualified.
 - Concept Notes will be accepted on a rolling basis until **15th June 2024** (or sooner, at the discretion of Prospero).
 - Applications will be evaluated in the order in which they are submitted.
 - Prospero retains the right to cancel the Call for Concept Notes under circumstances such as insufficient responses, changes in project requirements, legal or regulatory compliance issues, or budgetary constraints, ensuring transparency and adherence to legal obligations.
 - Prospero’s decisions on the Call for Concept Notes applications are final.