

Re: West Africa Trade and Investment Hub: Promotion of Catalytic Business Concepts (APS-WATIH-459)

Amendment #: 2

Issue Date: May 11, 2020

Amendment No. 2

The purpose of this amendment is to:

1. Modify Attachment 1 Section A.1
2. Modify Attachment 1 Section A.2
3. Modify Attachment 1 Section A.4
4. Modify Attachment 1 Section E.1
5. Add Attachment 4 (Trade Hub Performance Indicators Table)
6. Add Attachment 5 (Guide on Gender and Youth Integration for Applicants)

Specific changes are as follows:

1. Pursuant to Attachment 1 Section A.1 "Purpose", modify the statement there in to include the following Ghana specific information:
"The purpose of the USAID West Africa Trade and Investment Hub (Trade Hub) in Ghana is to partner with firms, research institutions, universities, investors, and financial service providers poised to efficiently increase domestic and international trade and investment in order to create new jobs, increase incomes, expand exports, and enhance productive capacity".
2. Pursuant to Attachment 1 Section A.2 "Background," modify the statement therein to include the following Ghana specific information:

“In Ghana, the Trade Hub will encourage private-sector growth in strategic export-oriented sectors including, but not limited to, agriculture and agricultural processing, services to enable greater exports, garment and apparel production, light manufacturing, and enabling factors like affordable energy services (including renewable energy) and logistics to stimulate exports. The Trade Hub will also promote activities that increase trade between Ghana and international markets, notably the United States under AGOA in accordance with the [Prosper Africa](#) initiative.

The Trade Hub is seeking partners poised to make catalytic investments driving large-scale development impacts in Ghana, including new job creation and private investment, higher household incomes, enhanced productive capacity, and export expansion. All viable export-oriented activities with catalytic potential will be well considered. Potential co-investments in Ghana may also include the following:

- Focus in high-priority value chains: maize, shea, soy, cowpea, groundnut, fish, and high-value export commodities (including horticulture).
- Other export-oriented activities outside these strategic value chains and regions.
- Impact to the 17 USAID/Ghana Global Food Security Strategy Zone of Influence districts in the Northern, Upper East and Upper West regions [Zoi Map Page 10](#)
- Activities that increase access to finance and management consulting services benefiting business operations and management.
- Activities that enable entrepreneurs and smallholder farmers to improve their business or agronomic practices.
- Activities that include women and youth-owned businesses. Activities that support job creation, capacity building, and income generation for women and youth.
- Activities that strengthen resilience and market systems in the agricultural sector.
- Activities that align with [Prosper Africa](#), [W-DGP](#), or [Global Food Security Strategy](#) initiatives”.

3. Pursuant to Attachment 1 Section A.4 “Illustrative Activities,” modify the statement therein to include the following Ghana specific information:

- “To expand its customer base in the United States and Europe, a yam exporter needs to ensure maximum freshness and quality of product sourced from women and youth smallholders. The exporter and Trade Hub partner to train smallholders on best harvesting and post harvesting practices to optimize the quantity and quality of yams produced enabling increased trade, exports, and business expansion.

- An apparel manufacturer would like to increase production to fulfill a large export order to the United States. In order to service the order, the firm needs to operate more efficiently. The manufacturer seeks targeted management consulting to improve operations, including raising the technical skill level of employees. It is expected that doing so will create an additional 750 jobs, including 500 jobs for women, and enable the firm to obtain additional large contracts.
 - An investor interested in emerging African markets is willing to make debt and equity investments if the right opportunities can be identified. The investor might partner with the Trade and Investment Hub to provide promising export-oriented businesses with business development services to help them meet eligibility requirements for financing.
 - A company interested in establishing a new food processing export business (or expanding an existing one) might partner with the Trade Hub to establish efficient operations, recruit and train new employees, and develop local supply chains.
 - A company wants to partner with the Trade Hub to scale up existing production and/or sourcing through activities such as product line diversification, expansion into new geographies for sourcing needs, or quality improvement including the acquisition of available certifications.
 - A company is seeking grant funding to partner with a local company or farmers' cooperative to introduce technologies or processes that will result in increased exports, sales, and household incomes."
4. Pursuant to Attachment 1 Section E.1 "Criteria, Concept Note Evaluation Criteria," replace the statement therein to provide weights and rationale on the evaluation criteria:

The concept note will be evaluated against the following criteria:

SN	Criteria	Weights	Rationale
1	Does the concept propose use of market-based approach to achieve significant socioeconomic results as measured by key project indicators that achieve significant socioeconomic development impact, such as increased exports/sales, increased employment, increased investment and access to finance, and improved incomes and access to technologies and markets for businesses including but not limited to smallholder farmers.	15%	This criterion tests for 5 different components - whether the activity is: i) based on market principles, ii) increased exports/sales, iii) increased employment, iv) increased investment, and v) access to finance, and improved incomes and access to technologies and markets for smallholder farmers/job creation.
2	Is the business model and approach sustainable in terms of the company having incentives to continually generate revenues and sustain/expand the activities once USAID funding is completed	15%	This criterion assesses the ability of the proposed activity to multiply revenue and keep the activity in continuity after the Trade Hub. This includes instances of behavior change through business performance improvement, intentional human capacity development, building productive capacity, and sustained growth.
3	Substantial funding leverage of at least a 1:1 ratio (higher leverage preferred)	15%	This criterion is important and speaks to a key indicator of the Trade Hub activity hence, substantial/higher funding leverage is preferred and will be rated higher.
4	Opportunities to partner with American companies or companies that source from American companies	8%	Trade Hub seeks to link the activities to US companies. Since this is a USAID funded project, a link back to American companies and investment would be relatively important.

5	Clear additionality for USAID funds	9%	This criterion assesses if the activity and the impact results from the investment are larger in scale, at a higher quality, take place quicker, take place at a different location, or take place at all as a result of a Trade Hub grants intervention.
6	Potential to be scaled or replicated	8%	This criterion assesses whether the activity could be replicated or multiplied, increasing the impact of the Trade Hub.
7	Phased results-based execution	5%	This criterion looks at whether there is structure in the way the activity will be executed, which is important.
8	Geographic diversity and impact	10%	This criterion assesses whether the activity has/can have wide scale geographic impact. This would further Trade Hub objectives for impact across West Africa: For Nigeria specific concepts, this criterion looks at not only the seven states but also the five value chains. For Ghana specific concepts, this criterion looks at export-oriented concepts that align with USAID/Ghana development priorities in the 17 Global Food Security Strategy Zone of Influence (Zoi) districts in northern Ghana. While impact to the Zoi is important, Concept Notes that demonstrate the capacity to deliver impact at scale in any district, region, value chain, or business sector will be favorably received.
9	Ability to engage youth and women in expanded economic opportunities	10%	This criterion assesses how women and youth will be engaged or participate in the activity, considering the target of at least 50% women and 50% youth participation.

10	Ability for the grant to attract additional external sources of funding (debt/equity)	5%	This criterion reviews the likelihood of the activity to generate additional funding during implementation beyond the cost share/leverage proposed at the start of the project. It judges how attractive the activity is to investors.
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5. Attachment 4 (Trade Hub Performance Indicators Table) is hereby added for applicants.
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