

## **REQUEST FOR APPLICATION**

# To promote fish based Ready-to-Eat (RTE) food products in the mainstream market channels with focus on export market

### Background

WorldFish is an international nonprofit research institution that creates, advances, and translates scientific research on aquatic food systems into scalable solutions. WorldFish is a member of CGIAR, which unites international organisations engaged in research about food security.

The Feed the Future Bangladesh Aquaculture and Nutrition Activity (Aquaculture Activity) is a five-year project of USAID working to improve nutrition through growth in the aquaculture sector. The project works in 21 districts of southwestern Bangladesh and two districts in the southeast.

Fish is a high-protein, low-fat food that provides a range of health benefits. Fish are an important part of the diet. White-fleshed fish, in particular, is lower in fat than any other source of animal protein, and oily fish are high in omega-3 fatty acids or the "good" fats.

The frozen and processed food industry has seen significant growth-- about 20% per year-- and is expected to grow in the coming years. The urban population is increasing and middle-class incomes and purchase power are rising. Family life is changing more working mothers leading to time-pressed homemakers.

This lifestyle change is creating demand for Ready-to-Eat (RTE) fish items. The convenience of processed and frozen fish is valued in preparing meals, and fish can also be a healthy alternative to junk food as nutritious snacks for children and adults.

The RTE fish product sector faces a range of challenges-- infrastructure constraints, low consumer trust and knowledge, weak distribution and market penetration, and comparatively higher prices. Cold chain management is the heart of the frozen and processed fish business and requires technical know-how, industry-related expertise, and investment. Due to cold-chain management constraints, RTE fish products are only available in modern retail outlet chains and cannot reach mass retail outlets. And consumer awareness of RTE fish is low; these products are relatively new in most markets. Consequently, retail prices remain high. This creates an opportunity for fish processing companies to develop marketing and distribution channels to popularize RTE fish products.

Aquaculture Activity would like to address the constraints of growing the RTE fish sector in partnership with one or more processors to make RTE fish products more available and affordable.

### Objective

Subject to donor approval and availability of funds, the Aquaculture Activity is looking for an organization/ firm that can address the major marketing, distribution, and infrastructural constraints and promote RTE fish products in retail channels to increase fish consumption. Aquaculture Activity works with a very large number of fish farmers, and the successful applicant will present a market penetration strategy, which features a strong procurement strategy to engage these mostly smallholder fish farms.



Proposed business models/concepts must satisfy and support the following:

- Building institutional linkage between large or medium industrial processors and smallholder farmers in the FtF zone.
- Improving farmers' knowledge on aquaculture Better Management Practices (BMP)
- Ensuring a sustainable model (e.g., contract farming) that provide better prices to farmers for their harvest.

### Scope of Work

The selected partner will provide the following key results related to the intervention within eight-month project period.

- Develop a multi-stakeholder consortium to source and process raw fish to make those ready-toeat and ensure availability of RTE fish items at the major cities in Bangladesh.
- Facilitate export or shipment of cultured fish to any foreign market. The fish have to be sourced from FtF zone.
- Improve the capacity of fish farmers and supply chain actors on improved post-harvest management techniques to meet demand from exporters and super shops.
- Establish or improve the supply chain infrastructure (i.e., cool chain, cold storage etc.) to ensure smooth procurement of fish from FtF zone.

### **Key Deliverables**

- A quality, detailed marketing and sales strategy for RTE fish products with focus on export market.
- A realistic and specific plan for logistics including procurement, warehousing, storing, and
- distribution of RTE fish products from sourcing and processing to promotion to the end customers.
- Capacity building modules for the fish farmers and supply chain actors.
- A clear business plan to ensure the sustainability of the business.
- Reporting and documentation as per the Activity requirements.

### **EXPECTED RESULTS:**

The expected results of this partnership are -

- RTE fish products will be available in the major cities.
- Consumption of fish based RTE products will increase.
- At least one shipment of cultured fish will be exported from Bangladesh.

### **Aquaculture Activity Offers**

BAA will provide both technical and financial support to execute the proposed and agreed upon business models/ideas:

- Financial support to leverage the companies' investment. If shortlisted, the final agreement will be negotiated with selected, qualified companies. This support must contribute to a significant that the companies will make
- Facilitation and co-development of the proposed business models or strategic plans



- Technical support as needed for successful implementation of the proposed models/initiatives
- Facilitation of identifying or developing business linkages with other market actors

### Aquaculture Activity Fund is not for:

- Working capital (e.g., day to day operational costs, salaries of regular staff, rent of buildings, office, warehouse, storage houses, regular purchases)
- Direct payments/subsidies to producers/aquaculture farmers
- Common IT and fixed assets (e.g., computers, cameras, projectors, vehicles, machinery and equipment)
- Common physical assets (e.g., buildings, warehouses, storage rooms)

### **ELIGIBILITY CRITERIA:**

- Have experience and proven success on similar intervention
- Have commercial and profit interest and incentives in the capacity development of aquaculture stakeholders.
- Proposed business models/concepts which satisfy and support one or more of the following will be given preference (i) new and innovative business models, (ii) expansion of successful business models into new and underserved geographic markets and (iii) expansion of the business models targeting underserved customers in the rural areas, such as youth and women
- Proposed business models must demonstrate continuity and sustainability.
- Cost- share should be at least 50% of the total proposed budget.
- The cost-share amount must be verifiable and should not come from other USAIDassisted projects or programs.
- An active certificate of incorporation (for individual companies, a trade license);
- Joint stock registration certificate (if applicable);
- An organizational organogram of key personnel, inclusive of the names of such personnel;
- Tax Identification Number (TIN);
- VAT registration number;
- Proof of a segregated bank account (providing the name and address of such an account);
- The consulting firm must bear all annual income tax (AIT).
- The percentage of VAT and total amount of VAT should be mentioned in the proposal.
- Other valid papers (provided by government institutions).

Note: Only "for profit" companies/firms are eligible to apply who have legal registration. Program is not eligible for Non-Government Organizations (NGO's), Consulting Firms, or Associations.



### **GRANTS AWARD PROCESS:**

Step 1:Once BAA received the Apllications along with the Budget from interested parties, BAA will evaluate the applications based on specific criteria and due diligence Step 2: BAA will invite the qualified applicats to detailed planning meetings and co-development of final business model, strategic planning, identify what technical support can BAA provide and development of detailed budget

Step3: BAA will develop a Subgrant Agreement with selected companies/firms detailing out the objectives, clear and defined responsibilities, milestones and deliverables. The agreement will also include WorldFish General Terms and Conditions.

### **EVALUATION**

SI.No.	Evaluation criteria	Score
1	Organizational profile	
1.1	Organizational background, management, governance	10
1.2	Organizational network, reputation, experience working in relevant areas	15
2	Clear alignment with the goals and objectives of the Activity	10
3	Details of proposed ideas/concepts	
3.1	Market challenges/opportunities	5
3.2	Business ideas/concepts and innovations	15
3.3	Target groups, geographic areas	10
3.4	Key activities	10
3.5	Expected results	5
4	Finance	
4.1	Cost-effective budget with justification	10
4.2	Co-investment (share from the organization)	10
	TOTAL	100

#### SUBMISSION DETAILS

Interested parties should submit application by using the attached application form and budget template on or before 08 October 2022 to: <u>wfbanaproject@cgiar.org</u> mentioning the title of solicitation or Request for Application (RFA) in the subject line. Due to the high volume of applications, only shortlisted applicants will receive a response from WorldFish.

