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REISSUE - REQUEST FOR PROPOSALS: BUSINESS PLAN FOR A SHEA BUTTER PROCESSING UNIT IN AGAGO DISTRICT, UGANDA

Date of Issue	June 26 th 2023
Contract Title	Comprehensive business plan for a community-based shea butter processing unit in Agago District, Uganda
Closing Date and Time	July 7 th , 2023 5.00 PM (East African Time)
Expected Duration	15 working days
Contracting Authority	East African Women in Business Platform (EAWiBP)

1.0 Background to EAWiBP, UWEAL & ASCPPCCS

East African Women in Business Platform Ltd. (EAWiBP) is a forum that brings together businesswomen from across the East African Community (EAC). Its membership and board comprise of; national apex bodies/ associations/ networks of business-women (including associations of women formal and informal cross-border traders); professional women associations; and civil society organizations working to promote business-women and women’s socio-economic advancement.

EAWiBP received a grant from the Enhanced Integrated Framework to fund the project “Generating increased pricing and new markets for the women engaged in the shea butter value chains of South Sudan and Uganda.” EAWiBP (referred to as “the client”) is the main implementing partner and is partnering with Uganda Women Entrepreneurs Association Limited (UWEAL), as the national implementing partner.

Uganda Women Entrepreneurs Association Limited (UWEAL) is a National Women Entrepreneurs organization founded in 1987 to provide a platform for empowering women entrepreneurs to improve and expand their businesses so as to competently exploit business opportunities and create wealth. UWEAL’s Vision is “A wealthy woman, a wealthy nation” and the mission is “To promote women entrepreneurship, empower women to start and grow sustainable enterprises in Uganda.”

The Acoli Shea Collectors, Producers, Processors and Consumers Cooperative Society (ASCPPCCS) is a secondary cooperative formed by nine primary cooperatives participating in the above EIF-funded project. ASCPPCCS will host the shea processing unit referenced in this RFP.

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1.1 Project Overview

East African Women in Business Platform Ltd. (EAWiBP) in partnership with UWEAL are implementing a 2-year project titled “Generating increased pricing and new markets for the women engaged in the shea butter value chains of South Sudan and Uganda” The project will increase the participation of 7,400 women and men in the shea butter value chains of Uganda and South Sudan, resulting in improved product quality, new markets, increased exports, increased prices, increased foreign exchange earnings and increased participant incomes. The project will also result in the provision of decent work along with an improved means of earning a livelihood for participants. The project is being implemented in 24 districts across Northern Uganda’s Shea belt. One of the major outputs of this project is to construct shea nut processing and shea butter extraction facility, referred to in this RFP as the shea butter processing unit.

1.2 Project Objectives

The overall project objective is to increase women’s effective participation in the shea value chains. The specific objectives of the project are; to improve the quality of production to international standards; to increase the value of exports generated and to conserve shea trees in the 24 targeted districts. Participants will be able to engage in the full value chain and gain access to improved pricing at both the post-harvest and post shea butter extraction level.

1.3 Uganda Geographical Location/Coverage: The 24 project districts are:

- West Nile sub-region: Arua, Koboko, Terego, Madi-Okollo, Yumbe, Moyo and Packwach
- Acholi sub-region: Gulu, Adjumani, Lamwo, Kitgum, Nwoya, Pader, Agago, Oyam and Omoro
- Lango sub-region: Lira, Alebtong, Otuke and Dokolo
- Teso-Karamoja sub-region: Amuria, Otuke and Abim and Kaberamaido (Karaki)

2.0 Purpose of the Assignment

A consultant will be retained to develop a three-year business plan for the shea butter processing unit. The business plan will also include recommendations for a suitable governance framework.

The business plan will provide production and revenue projections for the proposed **community-based facility**. The community-based facility will meet community shea nut processing needs. It should be designed for and with people, facilitate community access to affordable technology for processing shea butter and serve as a "community hub" within the framework of a secondary cooperative society. Services provided should be affordable and profitable for both the secondary cooperative (ASCPPCPS) and the surrounding community.

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The business plan will help EAWiBP gain a clear understanding of business alternatives for the profitable operation of this shea butter processing unit and clearly identify the associated benefits and risks. The business plan will allow EAWiBP to understand the range of opportunities and services the proposed processing facility can provide, how the facility should be managed and all related costs.

Specifically, in the context of a secondary cooperative, the business plan will;

- i. Confirm the economic potential of the processing unit by basing projections on potential products, access to raw materials, ease of transportation (to and from the processing unit) and coordination of the users of the processing unit by the secondary cooperative
- ii. Develop a product development, marketing and promotion plan
- iii. Identify the environmental and social impact that the proposed facility is likely to have on the community
- iv. Develop appropriate financing models and funds mobilization strategies
- v. Suggest an appropriate management model that will ensure oversight as well as maximum community engagement and the sustainability of the processing unit.

2.1 Scope of the assignment

The business plan will be prepared for a shea butter processing unit in Agago District, under the guidance of EAWiBP. The Consultant will be expected to evaluate different areas including;

i. Market analysis. The analysis should give the client the clearest picture of the expected revenues and return on investment. Some things to consider are the geographic influence on the market, consumer demand for shea butter and shea products, sales forecasts, industry trends in terms of market demographics, analyzing competitors (strengths and weaknesses of potential competitors and partners), the value of the market and what the share of the facility will be and if the market is open to expansion (potential growth projections to expand customer base), as far as possible, define a market in terms of size, structure, growth prospects, trends, and sales potential. The competitive advantage of the facility should also come out clearly

ii. Technical feasibility: The consultant will outline several operational factors that might influence the success of the facility, including the selected production methods and technology versus available alternatives and related costs.

iii. Organisational feasibility: The consultant will define the organizational philosophy for the processing unit. Thus, this section will help EAWiBP understand the following issues:

- Financial costs - user contributions to capital, maintenance and operating.
- Equity/access - community access to the facility
- Multi/single use - usage and programming.

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- A suitable organizational structure
- A recommended legal structure for the processing unit in the context of a community-based, cooperative processing unit
- Management team's competency, professional skills, and experience
- Suitable staffing for the processing unit

iv. Financial feasibility: the consultant will project the financial feasibility of the shea butter processing unit by clearly expressing the expected return on investment and the amount of funds needed to profitably run the facility. Specific costs and financial returns will be provided.

The financial analysis may typically include these items:

- A twelve-month profit and loss projection
- A three- or four-year profit-and-loss projection
- A cash-flow projection
- A projected balance sheet
- A breakeven calculation

v. Proposed Work Plan: This section will guide the cooperative in implementing the recommended activities in the business plan.

3.0 Methodology The consultant may include but is not limited to the following methods;

- Desk review of relevant existing documents and review of context including project document, relevant studies/documentation (both academic and project based),
- Interviews with Key Informants e.g. shea project community trainers / cooperatives leaders, shea processors/ traders/ exporters and, local leaders and district technical officers (e.g. District Commercial and Marketing Officers, Community Development Officers, Forestry Officers, Production Officers, Agricultural Officers etc.).

4.0 Key deliverables:

The Consultant will produce the following deliverables:

1. Consultancy work plan and a detailed Inception Report
2. Draft business plan
3. Review meeting with Client
4. Final business plan

5.0 Time frame: The assignment is expected to be completed within 20 calendar days from the signing of the contract.

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6.0. Minimum Qualifications and Requirements:

i) Education

A master's degree in development studies, economics, business management, social sciences or any other related fields.

ii) Experience

- Demonstrated experience in preparing at least 3 product business plans for firms operating in Eastern Africa
- Demonstrated familiarity with the concepts, methods, and tools related to business/enterprise development, cooperatives management and women/gender relations.
- Experience in developing business models, manufacturing models and market research studies
- An understanding of public-private business models that involve community ownership, payment of user fees, cooperatives and/ or association-based processing plants
- Familiarity with the Northern Uganda Shea belt and oil extraction production processes will be an added advantage
- Knowledge of the shea butter industry including related legislation, policies, national strategies and export standards will be an added advantage.

iii) Language and other skills

- Proficiency in oral and written English
- Strong interpersonal skills
- Computer literacy and familiarity with word-processing software
- Demonstrated excellence and track record in organizing, facilitating, delivering presentations, communication and high-quality report writing skills.

7.0 Supervision and oversight Reporting:

The consultant (s) in all undertakings and processes related to this assignment shall report to EAWiBP.

8.0. Performance evaluation

The consultant's performance will be evaluated based on timeliness, responsibility, initiative, communication, accuracy, and quality of the products delivered.

9.0 Payment Terms:

20% upon signing of the contract. 40% upon EAWiBP approval of the draft business plan. 40% upon EAWiBP approval of the final business plan.

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10. Submission process:

Interested candidates are requested to submit their electronic application to:

procurement@eawibp.org no later than 4:00pm (East African Standard Time) on **7th July 2023**.

Subject: Reissue – Shea Butter Processing Unit Business Plan. Only shortlisted applicants will be contacted.

Submission of package

1. Cover letter;
2. A detailed CV of the Consultant (s) and the research assistants including their qualifications and outline of recent experience on assignments of a similar nature. For each assignment, the outline should indicate the duration of the assignment and Consultant's involvement.
3. Technical Proposal that clearly spells out interpretation and suggestions on the terms of reference (TORs), proposed methodology and work plan for performing the assignment (inception report, draft business plan, final business plan).
4. A financial proposal in a separate document. The financial proposal should specify a total lump sum amount per each deliverable, including any administrative fees, transport etc. **The lump sum costs must be accompanied by a detailed breakdown of costs calculation.** The Financial Proposal should be presented in Uganda shillings (UGX).
5. 2 page writing sample.
6. The names and contact information of 3 referees from similar assignments conducted in the last five years.