

LINE OF CREDIT TO LOCAL FINANCIAL INSTITUTIONS TO INCREASE FUNDING FOR THE ADOPTION OF CLIMATE SMART AGRICULTURE PRACTICES (CSA)

**CALL FOR EXPRESSION OF INTEREST FOR THE SELECTION OF
“FINANCIAL INTERMEDIARIES”**

The objective of this Open Call for Expression of Interest ("Call") launched by the Regional Fund for Agriculture and Food (RFAF) within the framework of WAICSA, is to select local financial institutions to play the role of Financial Intermediaries as part of funding a portfolio of loans targeted at farmers, cooperatives and agro-entrepreneurs, to increase the adoption of Climate-Smart Agriculture (CSA) practices as hereinafter indicated.

All expressions of interest to be submitted to the RFAF must comply with this Call.

The following documents have been attached to the Call for Bids:

1. Annex I: Model Expression of Interest and Annexes;
2. Annex II: Criteria for Selecting the Financial Intermediary
3. Annex III: General Information on WAICSA and its Response Mechanism
4. Annex IV: Eligibility Criteria for Final Beneficiaries

TABLE OF CONTENTS

1. INTRODUCTION	4
2. NAME OF THE FINANCIAL INSTRUMENT	5
3. ELIGIBLE FINANCIAL INTERMEDIARIES	5
4. DEFINITIONS AND INTERPRETATIONS	6
5. SUBMISSION PROCEDURE	7
6. TRANSMISSION OF THE CALL FOR EXPRESSION OF INTEREST	8
7. SELECTION PROCEDURE	9
7.1 Pre-selection	9
7.2 Due diligence	12
7.3 Selection	12
7.4 Publication of information on the Financial Intermediaries and Final Beneficiaries	12
8. RFAF’s TRANSPARENCY POLICY	12
ANNEXES.....	13
ANNEX I: Open Model of Expression of Interest For Selecting Financial Intermediaries within the Framework of RFAF’s “WAICSA” Financial Instrument	14
ANNEX II.....	23
ANNEX III.....	26

1. INTRODUCTION

In response to the impacts of climate change on agricultural productivity in West Africa, particularly on small-scale producers (who supply up to 80% of the region's products), following the West African Declaration on Climate Intelligent Agriculture adopted at the High Level Forum held in Bamako, Mali, from 15 to 18 June 2015, and the creation of a Framework of Intervention for the development of climate-smart agriculture within the framework of the implementation processes of the West African Regional Agricultural Policy (ECOWAP), and the West African Alliance, established to support the implementation of this Framework of Intervention, the Economic Community of West African States (ECOWAS) has developed the West African Initiative for Climate-Smart Agriculture (WAICSA).

WAICSA is an integrated financial mechanism of the ECOWAS Regional Fund for Agriculture and Food (RFAF).

The RFAF which is under the management of the ECOWAS Bank for Investment and Development (EBID), is the key financial instrument of the ECOWAS Agricultural Policy (ECOWAP).

The objective of WAICSA is to promote the adoption of modern, profitable, and sustainable practices in the forestry, agriculture, and fisheries sectors in the face of climate change.

The WAICSA consists of two facilities:

- The Financing Facility provides loans, guarantees, and investments of equity capital to small agricultural holdings, small farmer organizations, and agro-business entrepreneurs either directly or through local financial intermediary institutions. WAICSA's financial products include terms and conditions designed to encourage small-scale producers to adopt CSA¹ practices, thus reducing their vulnerability to climate risk;
- The Technical Assistance Facility is financed through ECOWAS grants and subsidies and by financial backers. It helps the financial intermediaries to design loan portfolios consisting of in-built CSA-related compliance requirements; it also helps the small-scale producers to implement CSA practices adapted to the local situation including the provision of portfolio coverage of loans administered through financial intermediaries.

These two facilities will finance concurrently and in a complementary manner "climate-friendly" projects of the Final Beneficiaries, thereby having a knock-on effect on the regional financial intermediaries, and by extension, the agricultural value chains.

¹ The most commonly used definition of CSA (Climate-smart Agriculture) is that of the Food and Agriculture Organization of the United Nations (FAO), according to which CFS is "agriculture that sustainably increases productivity and resilience (adaptation), reduces/eliminates greenhouse gases (mitigation) to the extent possible, and enhances the achievement of national food security and development goals". According to this definition, the three pillars of AIC are as follows:

- sustainably increase the productivity and agricultural incomes of producers ;
- adapting and building resilience to climate change;
- reducing or eliminating greenhouse gas (GHG) emissions, where practicable.

Utilizing this financial mechanism, the ECOWAS Commission hopes to improve the food security of 90 000 households of small-scale agricultural producers in the region and convert more than 185 000 hectares to Climate-smart agricultural practices.

To achieve this aim, the ECOWAS Commission decided to make available resources derived from the contributions of its Member States, including concessionary resources from technical and financial partners and also to mobilize investments from EBID and private investors.

WAICSA will target six (6) of the 15 ECOWAS Member States in the project's pilot phase, the objective being to extend coverage to the 15 Member States once the concept has been piloted.

Based on this principle, priority will be given to investment projects that mainly target Climate-smart agricultural practices (CSA) including those that prove to be profitable and sustainable in the forestry, agriculture and fisheries sectors, with a special focus on adaptation and mitigation to climate change. The following, among others, will be considered:

- Use of different varieties or species;
- New cultivation practices (for instance, at different calendar of planting);
- Soil restoration, carbon capture, management of organic matter, waste and composting;
- Increased use of conservation technologies and water management;
- Diversification of activities on the farms and value addition/processing of agricultural products;
- Improvement of agricultural bio-diversity;
- Appropriate management of livestock and grazing lands;
- Improved management of pests, animal diseases and weeds; and
- Improved use of short-term and seasonal weather forecasts to minimize production risks.

The choice of CSA techniques and eligible productions will be adapted and made consistent with the country's CSA strategy.

2. NAME OF THE FINANCIAL INSTRUMENT

West African Initiative for Climate-Smart Agriculture (WAICSA)

3. ELIGIBLE FINANCIAL INTERMEDIARIES

The Regional Fund for Agriculture and Food must select an intermediary or intermediaries on a country-by-country basis to implement the WAICSA Financing Facility according to the procedures outlined in Section 7 below.

This Call for Expression of Interest is targeted at and limited to all financial institutions established and authorized to operate in the ECOWAS Member States.

It must be noted that EBID's specific provisions (towards weakly regulated, non-transparent, and uncooperative jurisdictions as well as the fight against money laundering and financing of terrorism in the region, etc.), will be applied in the selection of financial institutions.

4. DEFINITIONS AND INTERPRETATIONS

In this Call for Expression of Interest, unless otherwise expressly defined, terms in capitalized letters shall have the following meaning:

Operational Agreement	Refers to a loan agreement for the establishment of a line of credit between a Financial Intermediary and the RFAF for the implementation of the WAICSA Financing Facility based on this Call to Bid and the outcome of the selection process described below.
Farmers	Refers to: <ul style="list-style-type: none"> • Farmers who are natural persons; • -Farmers operating under cooperatives; • -Incorporated group of agri-business entrepreneurs
Call	Open Call for Expression of Interest
EBID	Refers to the ECOWAS Bank for Investment and Development, Manager of the Regional Fund for Agriculture and Food (RFAF)
Final Beneficiaries	Refers to small farms, smallholder organizations, agro-entrepreneurs.
Member States	Refers to the 15 ECOWAS Member States
RFAF	Regional Fund for Agriculture and Food
Financial Intermediary	Refers to a local financial institution operating in an ECOWAS Member State and having been selected in accordance with this Call for Expression of Interest.
Expression of Interest	Refers to the Expression of Interest sent to the RFAF by a Bidder in response to this Call by the set Deadline and drawn up in accordance with the Model provided in Annex I of this Call.
Portfolio	Refers to the projects of the Final Beneficiaries having benefited from the financing by the Financial Intermediary within the framework of WAICSA after approval by EBID, as described comprehensively in Annex III of this Call for Expression of Interest.
Bidder	Refers to an entity that responds to this Call for Expression of Interest as a potential Financial Intermediary.

5. SUBMISSION PROCEDURE

To be considered as a potential Financial Intermediary, local financial institutions wishing to bid in the Call must send an Expression of Interest to the RFAF by the deadline.

Per Annex I of this Call, the EOI must include the identification of the Bidder and must include the information required in Annex I Part 3, together with the corresponding documents.

The information provided, as requested in Annex I, Part 3, shall highlight the following, in particular:

- a. the actions envisaged for the successful implementation of the line of credit, in particular for its launch (timetable, target customers, activities, types of products, etc.);
- b. an estimate of the absorption capacity in the Member State, i.e. the expected volumes of Financing to eligible Final Beneficiaries to be included in the Portfolio;
- c. proposed improvements in the conditions offered to the Final Beneficiaries as compared to the normal/usual conditions applied to the Final Beneficiaries in the form of reduced interest rates, reduced collateral, reduced equity contributions, better loan terms or other forms;
- d. the capacity to grant credits and management capacity of credit risks; and
- e. the Financial Intermediary's targeted offer strategy to respond to WAICSA's thematic concerns.

The Bidders may send questions concerning the Call or the nature and terms of the Operational Agreement by email to waicsa@bidc-ebid.org

EBID, the manager of the RFAF, will analyze the questions received and may publish the answers in the form of a "Frequently Asked Questions" ("FAQ") document in the "Calls for Expression of Interest for the Selection of Financial Intermediaries" section of EBID's website (www.bidc-ebid.org). EBID reserves the right to update the FAQ document when it deems appropriate.

The Expression of Interest may be written in English or French, to the exclusion of any other language.

EBID may contact the Bidders in case of possible errors, inaccuracies, omissions, or others, or to clarify elements of a technical nature in the Proposal.

Note on Joint Expressions of Interest:

A network of local financial institutions may submit a Joint Expression of Interest as a group. In this case, the EOI must specify which of the Participating Entities is the Bidder. The Bidder shall bid in the name and on behalf of the Participating Entities and shall indicate to EBID the reason for the Joint Expression of Interest.

Following the selection of such a Joint Expression of Interest and agreement on all terms and conditions, and Operational Agreement may be signed with the selected Bidder acting on behalf of the Participating Entities. Alternatively, separate Operational Agreements could be signed with the

selected Bidder and each of the Participating Entities. The final decision on the form of the Operational Agreement will be taken by EBID.

All information required under Annex I, Part 3 shall be provided by the Bidder and by each Participating Entity covered by the Joint Expression of Interest.

6. TRANSMISSION OF THE CALL FOR EXPRESSION OF INTEREST

The Expression of Interest must be submitted by the Deadline (see paragraph below) by electronic mail ("Email").

Requested Annual Reports may be communicated through a link to the online Annual Reports.

EBID reserves the right to extend the Deadline. Any change in the Deadline will be officially communicated on EBID's website through the publication of an information notice.

The Deadline applies to the date of actual receipt by EBID of the electronic mail. The Expression of Interest must indicate the name of the Bidder and it must be transmitted to the following address: **waicsa@bidc-ebid.org** and the email subject line must indicate: "WAICSA" - Expression of Interest: "Bidder's Name".

Bidders may withdraw their Expressions of Interest at any time during the selection process by sending (i) an email and (ii) a registered letter to EBID's address.

An acknowledgment of receipt will be sent by EBID to the Bidders by email and will stipulate the following:

- a unique reference number (Expression of Interest Number), to be used in all subsequent correspondence relating to the Expression of Interest; and
- confirmation that the Expression of Interest has been received by the Deadline.

The acknowledgment of receipt shall not be interpreted by Bidders as a statement validating the completeness of the Expression of Interest and the accompanying documents submitted thereto, nor shall it be deemed as a form of evaluation or approval of the Expression of Interest.

7. SELECTION PROCEDURE

Financial Intermediaries will be selected based on EBID's policies, rules, and procedures and per the objectives of the WAICSA window under the RFAF, following an open, transparent, and non-discriminatory procedure and avoidance of conflicts of interest.

Following receipt of the EOI, EBID will evaluate the EOI(s) in accordance with the selection process described below. This process includes:

- 1. Pre-selection**
- 2. *Due diligence***
- 3. Selection**

Following the pre-selection based on the EOI, EBID will carry out due diligence of the pre-selected Bidder, following which EBID will decide (or not) to propose to the RFAF authorities the approval of an Operational Agreement with the selected Bidder. The contract negotiation process cannot be viewed as finalized until the internal approval of the RFAF has been obtained, and in any case, it is not concluded until the RFAF and the Bidders have agreed in respect of all the relevant terms and conditions. Each of these three stages is detailed below in Sections 7.1 to 7.3.

At any time during the various stages of the selection process and before entering into an Operational Agreement with a Bidder, RFAF reserves the right to select or not to select Bidders (and Participating Entities in the case of Joint Expressions of Interest), and under no circumstances may a Bidder (or any Participating Entity) assert any right or claim to be selected or be considered to be finally selected as a Financial Intermediary. The negotiation of the terms and conditions of the Operational Agreement does not put the RFAF under any obligation to enter into such an Operational Agreement with the relevant Financial Intermediaries.

EBID shall send a rejection notice to Bidders whose Expression of Interest has been rejected at any stage of the selection process. EBID may, but shall not be obliged to, assign reasons for such rejection.

7.1 Pre-selection

Expressions of Interest will be evaluated according to the criteria of the Call for Expressions of Interest. The pre-selection consists of the following three stages (based on the evaluation criteria detailed below and summarized in Annex II of this Call):

1. Pre-selection Phase 1: Formal evaluation of the Expression of Interest;
2. Pre-selection Phase 2: Qualitative assessment of the EOI;
3. Prequalification Phase 3: Evaluation of the Bidder's financial capacity and the Portfolio.

Only EOIs that pass the pre-selection stage 1, as described in section 7.1.1, will be eligible to move on to pre-selection stage 2, i.e. the qualitative assessment of the EOI.

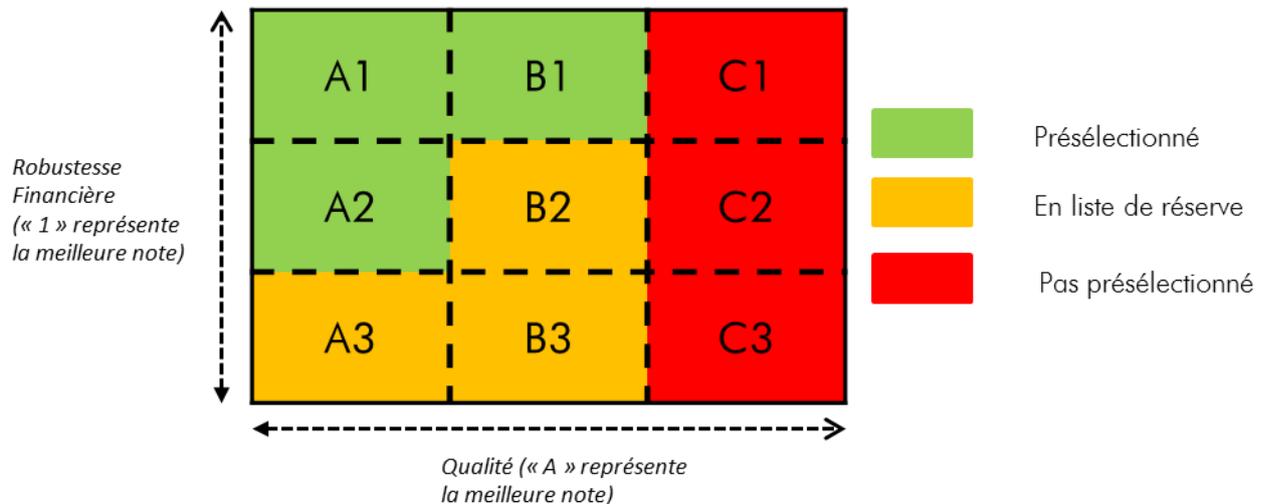
During the qualitative evaluation (described in detail in Section 7.1.2), EBID will evaluate the overall quality of the EOI. All the criteria listed in Section 7.1.2 will be evaluated at EBID's discretion, based on pre-defined coefficients for each of the said criteria.

Based on the qualitative evaluation, EBID will give the EOI a quality rating corresponding to A, B, or C.

In the pre-selection phase 3 (described in greater detail in section 7.1.3), EBID will evaluate the Bidder's financial strength and the Portfolio. Based on this evaluation, EBID will give the EOI a Robust/Portfolio rating corresponding to 1, 2, or 3.

Only Expressions of Interest with a combined "Quality" and "Robust/Portfolio" rating of A1, A2, or B1 can be pre-selected. Expressions of Interest with a combined rating of A3, B2, B3 may be pre-selected and indicated in a reserve list, and they will be valid until 31 December 2023. Expressions of Interest with combined scores of C1, C2, or C3 are not pre-selected.

The ranking table below summarizes the possible pre-selection results:



All Bidders will be notified of the outcome of the pre-selection process. Pre-selected Bidders proceed to the Due Diligence phase (see Section 7.2).

7.1.1 Formal Evaluation Criteria

EBID shall assess whether the Expression of Interest was sent in due time and prepared in accordance with the provisions of this Call.

The Bidder (and each Participating Entity, in the case of a joint Expression of Interest) shall:

1. Have the legal capacity and be authorized to undertake its activity in the Member State;
2. Present a viable economic and financial situation in the Expression of Interest;
3. Have in place an adequate internal control system

Furthermore, the Expression of Interest must be:

- Duly signed, including the declarations and undertakings in the Expression of Interest and those in Part 2 of the Expression of Interest;
- Transmitted within the stipulated timelines; and
- Complete and communicate in English or French.

Expressions of Interest that do not meet the formal evaluation criteria will be rejected. In the case of joint Expressions of Interest, if the Bidder or any Participating Entity covered by the Expression of

Interest does not comply with the formal evaluation criteria, the Expression of Interest shall be rejected as a whole.

7.1.2 Qualitative Evaluation

After an evaluation of the formal evaluation criteria, and after having obtained from the Bidders any additional information or clarifications required, EBID will carry out a qualitative assessment of the Bidders (and of each of the Participating Entities, in the case of a joint Expression of Interest). This qualitative evaluation of the Bidder will be based in particular on the criteria set out below, according to the weightings mentioned in Annex II:

1. Quality, credibility, and strength of the proposal with, among other things, a specific focus on:
 - i. the supply strategy implementation plan
 - ii. marketing and advertising of the line of credit
 - iii. the strategy for the deployment of the line of credit
2. Proposed improvements in the conditions offered to the Final Beneficiaries compared to the normal/usual conditions applied to the Final Beneficiaries in the form of reduced interest rates, reduced equity contributions, better loan terms or other forms;
3. The Bidder's experience and ability to develop a financing portfolio to the Final Beneficiaries within a predefined time frame (i.e. the absorption capacity of the line of credit);
4. The Bidder's operational capacity to undertake evaluation, risk management, and monitoring, taking into account the investment strategy.
5. Ability to provide the required data (including accounting data) for EBID to conduct its analysis and evaluate the Bidder's past and future activities; and
6. Proven ability to comply with reporting/report submission requirements (a model of the reporting/report submission will be available upon request from EBID).

7.1.3 Qualitative Assessment of Bidder's Financial Strength and Portfolio Evaluation.

The evaluation will also take into consideration the following factors according to the weightings mentioned in Annex II:

1. The financial situation of the Bidder (and of each of the Participating Entities, in the case of a Joint EOI) according to its external credit rating and/or through a financial analysis of the Bidder, in particular, to determine the capacity to deploy the resources necessary to grant loans to the Final Beneficiaries; and
2. The credit risk profile of the Target Portfolio, diversification of the Portfolio in terms of the number of individual borrowers and terms of agricultural sectors and/or diversification, the number of loans to the agricultural sector (average amount and maximum amount), the dynamics of building the portfolio of new loans.

7.2 Due diligence

The pre-selected Expressions of Interest will be subject to a due diligence process, conducted in accordance with EBID's internal rules and procedures, during which the financial and operational issues related to the implementation of the line of credit will be further analyzed.

The objectives of the due diligence include in particular the assessment of the Financial Intermediary's ability to build the envisaged Portfolio, the improvements in the conditions offered to the Final Beneficiaries, the risk profile of the envisaged Portfolio, the quality of the procedure for providing funding, the marketing and advertising of the credit line, the strategy of the branch network, risk management, the collection processes, the IT (information technology) systems and the ability to comply with reporting requirements, and in general to verify more precisely the elements assessed in the previous phases. The due diligence phase includes an on-site visit, the need for which will be assessed by EBID. The due diligence process does not include legal negotiations.

7.3 Selection

Based on the pre-selection results and the outcome of the due diligence process, EBID will decide on either to:

1. Select the Bidder;
2. Place the Bidder on the Reserve List;
3. Reject the Expression of Interest.

If a Bidder is selected, EBID may enter into an Operational Agreement with the said Financial Intermediary subject to (i) conclusive negotiations and (ii) the internal approval of the transaction by the RFAF Supervisory Committee.

Bidders placed on the reserve list could be considered for selection at a later stage.

7.4 Publication of Information on Financial Intermediaries and Final Beneficiaries

EBID may publish a list of Financial Intermediaries on its website throughout the implementation of the Financial Instrument. This list may refer to the name and address of the Financial Intermediary, an indication of the type of contract concluded, and the corresponding amount.

EBID may also publish a list of Final Beneficiaries who may have benefited from the Operational Agreement(s). This list may refer to the name and address of the Final Beneficiary, an indication of the type of contract concluded, and the corresponding amount.

8. RFAF's TRANSPARENCY POLICY

Within the framework of the RFAF's Transparency Policy, EBID is committed to the principle of promoting transparency in its operational and institutional activities.

In line with this guiding principle and commitments aimed at promoting transparency and good administrative practices, EBID will thus adopt the practice of publishing the deliberations of its Supervisory Board on its website.

Published deliberations of the Supervisory Board may indicate only those transactions that have been approved and, as a general rule, they will contain a summary indicating the name of the project, the nature of the transaction, and the geographical location.

ANNEXES

Annex I: Model Expression of Interest and its Annexes

Annex II: Financial Intermediary Selection Criteria

Annex III: General information on WAICSA and its response mechanism

ANNEX I: Open Expression of Interest Model for Selecting Financial Intermediaries
Within the Framework of the RFAF's "WAICSA" Financial Instrument

TO:

ECOWAS Bank for Investment and Development
For the Attention of Management Unit of the Regional Fund for Agriculture and Food
Department of Operations, Public Sector
128, Boulevard du 13 Janvier
BP: 2704 – Lomé (TOGO)
Email: **waicsa@bidc-ebid.org**

EXPRESSION OF INTEREST

Identification of the Bidder submitting the Expression of Interest:

[Name of the Bank/ Financial Institution]

[Registration Number]

Vice President, Operations,

Kindly find enclosed in the documents below our Expression of Interest on behalf of [Name of Bidder] [and Participating Entities] in response to the Open Call for Expression of Interest dated [Date] under the WAICSA Financial Instrument of the RFAF.

The undersigned, in his capacity as the representative duly authorized by the [Bidder] [and Participating Entities], by signing this form, hereby certifies, declares and undertakes:

- i. that the information contained in this Expression of Interest and its Annexes is complete and correct in its entirety;
- ii. that he/she has read and understood EBID's Ethics Policy;
- iii. that [the Bidder] [and the Participating Entities] does not engage in any illegal activity in accordance with the relevant legislation in his/her country of the establishment; and
- iv. Authorizes EBID to send its supervision missions to carry out due diligence and audit at any time throughout the Operational Agreement, and to allow persons duly authorized by EBID free access to all the documents relating to the line of credit and to collaborate with them to enable them to effectively discharge the tasks assigned to them under optimal conditions.

Within the framework of EBID's transparency policy, as indicated in the Call for Expression of Interest, and subject to the approval of the transaction concerned by the Supervisory Board, the Bidder, by signing this form:

[Please, tick the appropriate box]

Confirms that the bidder agrees to publish a summary of the transaction (the name of the project, the nature of the transaction, the geographical location) in the minutes of the RFAF Supervisory Board meeting published on the EBID and RAAF websites, after the approval and signing of the said minutes.

OR

Declares that (i) the bidder does not agree to publish a summary of the transaction (the name of the project, the nature of the transaction, the geographical location) in the minutes of the Supervisory Board of RFAF published on the website of EBID and RAAF after the approval and signing of the said minutes and that (ii) such publication may undermine the commercial interests of the said transaction.

In the case of joint implementation, this sworn statement must be completed separately by the Bidder and the Participating Entity.

Yours Sincerely,

[Name of the Bidder]

[Signature of Bidder]

[Bidder's stamp (if possible)]

Name of signatory

Title of signatory

Location

Date (DD/MM/2020)]

Parts to be submitted under the Expression of Interest:

- Part 1: Identification of the Bidder/Participating Entities
- Part 2: Solemn Declaration
- Part 3: List of documents to be attached

Part 1 of the Expression of Interest:

IDENTIFICATION OF THE [BIDDER] [AND PARTICIPATING ENTITIES]

INFORMATION SOUGHT	
BIDDING FOR:	- THE WAICSA LINE OF CREDIT.
BIDDING IN MY CAPACITY AS:	- BIDDER - PARTICIPATING ENTITY
NAME:	
LEGAL FORM:	
CONTACT DETAILS:	-Title: -Name: -First Name: - Function: -Address: -Telephone number: -E-mail:

Part 2 of the Expression of Interest

SOLEMN DECLARATION BY THE BIDDER [AND PARTICIPATING ENTITY]

The undersigned [name of the signatory(ies) of this declaration], representing the following legal entity: Name of the Bidder/Name of the Participating Entity] (the "Financial Intermediary")

- Full name and address:
- Official legal form:
- Registered under reference number:

Declares that the Financial Intermediary is not in one of the following situations:

- a)** The Financial Intermediary, as at the date of this declaration, is in a state of bankruptcy or insolvency, or liquidation; or its affairs are administered by the court. In this regard, during the five (5) years preceding the date of this Declaration, the Financial Intermediary has, as of the date of such declaration of cessation of activity, entered into an arrangement with its creditors and is the subject of proceedings concerning those matters; or as at the date of this declaration, is facing a similar situation arising from a similar procedure under national laws and regulations;
- b)** During the five (5) years preceding the date of this declaration, the Financial Intermediary (or persons vested with the power to represent, decide or exercise control over it) has been convicted of an offense due to its professional conduct by a judgment having the force of res judicata, which would affect its ability to implement the Financial Instrument. Alternatively, where such judgments exist, the undersigned declares that the Financial Intermediary can prove that adequate measures have been taken against the persons vested with the power to represent, decide or exercise control over it, and who is the subject of such judgment;
- c)** During the five (5) years preceding the date of this declaration, the Financial Intermediary (or persons vested with the power to represent, decide or exercise control over it) has been the subject of a judgment having the force of res judicata for fraud, corruption, participation in a criminal organization, money laundering or any other illegal activity, where such illegal activity is detrimental to the financial interests of ECOWAS. Alternatively, where such judgments exist, the undersigned declares that the Financial Intermediary can prove that adequate measures have been taken against the persons vested with the power to represent, decide or exercise control over it, and who are subject to such judgment;
- d)** As of the date of this declaration, the Financial Intermediary has been found guilty of misrepresentation regarding the information provided in the selection of the Financial Intermediary or has failed to provide such information.

Signatories(s)

Name of signatory

Title of signatory

Place and date

Part 3 of the Expression of Interest:

LIST OF INFORMATION TO BE PROVIDED

The points below refer to the list of headings for which the minimum amount of information is required. In the case of joint applications, all of the following information must be provided by the Bidder and each Participating Entity.

A template of the requested quantitative data is available on the same site as the Call for Expression of Interest (template of the requested quantitative data is available for download). This Excel file can be modified, where necessary, by the Bidder and must be attached to the application.

1. ACTIVITY OF THE SELECTED FINANCIAL INTERMEDIARY

1.1 General Information

1.1.1. General description of the Bidder (date of establishment, number of employees, shareholders, banking group, distribution network, number of branches, etc.).

1.1.2. Bidder's status and legislative framework, Bidder's situation concerning the regulatory capital adequacy framework.

1.1.3. Description of the Bidder's segmentation of its activities (segmentation of customers, type of agricultural activities, by Final Beneficiaries, by the purpose of operations, by maturity, by the region where the borrower is located, ...)

1.1.4. Location of the Bidder and geographical coverage of its activities (including its local network and agencies specialized in providing financing to Final Beneficiaries) in the Member State.

1.2 Description of the Bidder's Lending Activities

1.2.1. Description of the activity of loan products offered to Final Beneficiaries as follows: Description of the loan products offered to the Final Beneficiaries, the purpose of the financing, minimum and maximum loan maturity, financing rate (as a % of the borrower's financing needs), minimum and maximum amount, repayment terms and conditions, etc. Please ensure comparable information for each financing product described (see example in the data request template).

1.2.2. Bidder's current business strategy and prospects (e.g.: positioning in its market, objectives, strengths, usual products, geographical areas/targets, market share, main competitors).

2. FINANCIAL SITUATION

2.1 Key financial figures available for the last three (3) years (full years) according to the table presented in the requested data template.

2.2 Audited annual reports for the last three years (including financial statements and the independent audit report: balance sheet, income statement, activity report, and their annexes. The online report can be incorporated into or attached to the electronic format of the EOI).

2.3 The latest audit report of the WAEMU Banking Commission and any other certified supervisory authority; (or the summary of its findings), and the correspondence on the implementation of the recommendations made by the supervisory body.

3. IMPLEMENTATION

The Financial Intermediaries must communicate the following elements:

a) Description of their previous experience in financing the agricultural sector and the total amounts allocated to final beneficiaries);

b) The time required to launch the product on the market following the signing of the Operational Agreement;

c) The time needed to build the proposed Portfolio taking into account the necessary prior implementation actions (an adaptation of IT systems, staff training, adjustment of loan contracts towards Final Beneficiaries, etc.). **These forecasts will have to be communicated every quarter;**

d) Description of the organizational strategy to be established for internal purposes (and roles) for the implementation of a potential Operational Agreement, including the potential identification of a dedicated "CSA project team" (or unit) and/or internal incentive mechanisms for the implementation of this Financial Instrument;

e) Description of other measures to be taken to facilitate the timely building of the Portfolio (e.g. marketing and advertising efforts, training of the sales staff and internal approval processes, etc.);

4. DESCRIPTION OF THE MODE OF OPERATION (RELATING TO AGRICULTURAL SECTOR FINANCING):

4.1.1. Description of the procedures for approving credits (processes, a delegation of decision-making authority (delegation ceilings), etc.).

4.1.2. Risk assessment procedure for loans in the agricultural sector):

4.1.3. Description of procedures and systems for monitoring credit repayments, alert procedures, etc.

4.1.4. Description of the procedures for recovery through litigations (description of the established procedure, stages of implementation, departments involved, procedures carried out internally and/or externally).

5. LOANS OFFERED TO FINAL BENEFICIARIES

5.1 Volumes of Loans Allocated to Final Beneficiaries

5.1.1. Number and volume of new Financing to eligible Final Beneficiaries for each of the last three (3) years, broken down as follows:

- i) Segmentation (as defined by the Bidder's internal definition) of customers (e.g. farmers, farmers' organizations, agri-business enterprises);
- iii) Type of agricultural activity;
- iv) Region or city where the borrower is located;
- v) Purpose of operations;
- vi) Maturity of operations;
- vii) Guarantees required.

5.1.2. The number and outstanding amount (residual capital at the end of the reference year) of loans to eligible Final Beneficiaries on the most recent year-end or mid-year date; and broken down by:

- i) Rating class/risk (i.e. internal rating/probability of default/expected losses);
- ii) Segmentation (according to the chosen classification);
- iii) Type of agricultural activity;
- iv) Region or city where the borrower is located;
- v) Purpose of operations (Investment vs. Cash/Working Capital Requirements);
- vi) Maturity of operations;
- vii) Type of guarantee.

5.2 Interest rates and remuneration

A detailed description of the current policy on interest rates, application fees, and other charges paid by borrowers (for comparable loans). Description of the influence of borrower quality on loans and the individual interest rates applied.

5.3 Guarantees/Collaterals

A detailed description of the current policy on personal and real guarantees to be acquired for comparable loans

LIST OF DOCUMENTS TO BE ATTACHED BY THE BIDDER

The Know Your Customer ("KYC") documents to be attached are:

1. Legal documents (articles of association, authorizations, etc.);
2. Strategic Plan or any other equivalent document;
3. Information brief (major characteristics, actors, market share and other relevant indicators);
4. Certified financial statements, activity/annual reports, and auditors' reports for at least the last three years;
5. The latest portfolio review report;
6. The statement of cash assets-liabilities serving as ALM (if available);
7. The latest audit report of the WAMU Banking Commission or any other authorized supervisory body; (or the summary of its findings), correspondence on the implementation of the recommendations made.

ANNEX II

Criteria for Selecting the Financial Intermediary

Phase 1.	<i>FORMAL EVALUATION CRITERIA (Yes/No)</i>
	The Bidder (and each Participating Entity in the case of a Joint EOI) must:
1.1	Have the legal capacity and be authorized to carry out its activity within the applicable regulatory framework and, in particular, be empowered to carry out the necessary tasks for the deployment of the dedicated credit line;
1.2	Present a solid economic and financial situation in the EOI;
1.3	Have in place an adequate internal control system;
	Furthermore:
1.4	<ul style="list-style-type: none">▪ The Expression of Interest must be duly signed, including the declarations and undertakings of the Expression of Interest and those of Part 2 of the Expression of Interest;▪ The Expression of Interest must have been sent within the specified deadline;▪ The Expression of Interest must be complete and communicated in English or French.

Phase 2.	QUALITATIVE EVALUATION CRITERIA	Weighting
2.1	<p>Quality, credibility, and reliability of the proposal for the implementation of the credit line, with particular attention to, inter alia:</p> <ul style="list-style-type: none"> a) The time needed to launch the product on the market following the signing of the Operational Agreement. b) The time required to build the proposed Portfolio by taking into account the necessary prior implementation measures (an adaptation of IT systems, staff training, adaptation of financing contracts to the Final Beneficiaries, etc.). These forecasts must be communicated every quarter; c) Description of the organization to be established internally (and roles) in implementing a potential Operational Agreement, including the potential identification of a dedicated "CSA project team" (or unit) and/or internal incentive mechanisms for the implementation of this Financial Instrument; d) Description of other measures to be taken to facilitate the timely building of the Portfolio (e.g., marketing and advertising efforts, sales staff training, and internal approval processes, etc.); 	30%
2.2	Proposed improvements in the loan conditions offered to the Final Beneficiaries compared to the usual conditions applied. For example, improvements in the form of reduced interest rates, reduced guarantees, reduced equity contributions, better loan terms, or other forms.	20%
2.3	<p>Experience and ability of the Bidder to produce a portfolio of financing within a predefined period (i.e. the absorption capacity of the credit line in the Member State, because of an Inclusion Period).</p> <p>This will be evaluated by EBID based on the Bidder's track record concerning the financing granted to the sector, its capacity to mobilize resources, and its business plan for the building of the Portfolio.</p>	20%
2.4	Bidder's operational ability to assess and manage risk while safeguarding its interests and limiting potential conflicts of interest.	10%
2.5	Ability to provide the requested data (including accounting data) to enable EBID to carry out its analysis and evaluate the Bidder's past and future activities.	10%

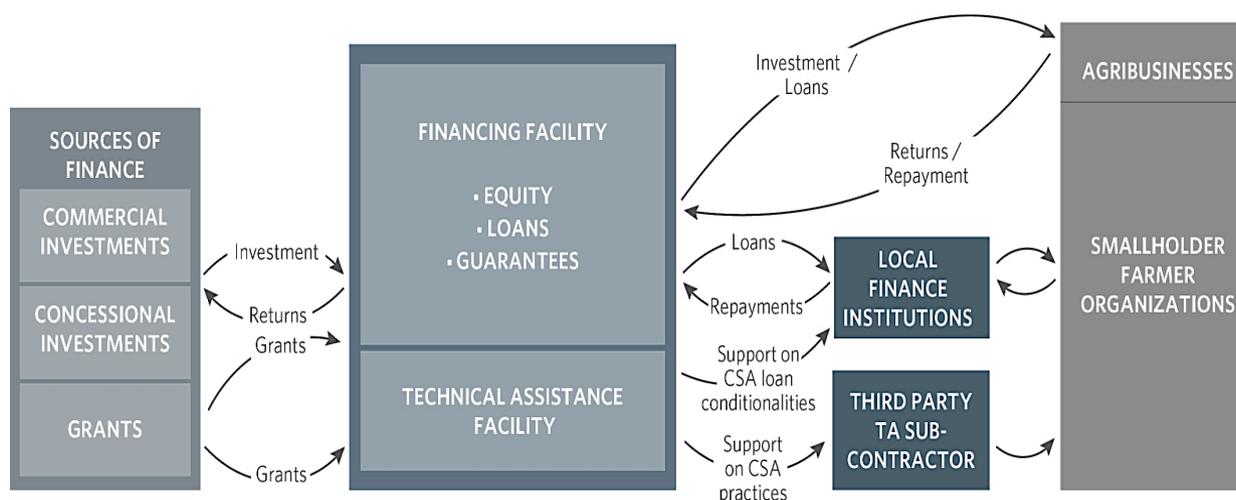
2.6	Proven ability to comply with the reporting/report submission requirements (A template of the reporting/report submission will be available upon request from EBID.	10%
3.	QUALITATIVE ASSESSMENT OF THE BIDDER'S FINANCIAL STRENGTH AND PORTFOLIO EVALUATION	<i>Weighting</i>
3.1	The financial situation of the Bidder (and of each of the Participating Entities in the case of a Joint EOI) according to its external credit rating and/or through a financial analysis of the Bidder (and of the Participating Entities), in particular, to determine the capacity to deploy the necessary resources to grant the loans to the Final Beneficiaries.	20%
3.2	Diversification of the Portfolio in terms of the number of individual borrowers and terms of agricultural sectors, the ability to build the portfolio of new loans.	80%

ANNEX III

General information on WAICSA and its response mechanism

In response to the impacts of climate change on agricultural productivity in West Africa, particularly on small producers, the Economic Community of West African States (ECOWAS) has developed a financial mechanism integrated into the Regional Fund for Agriculture and Food (RFAF) code-named the “West African Initiative for Climate-Smart Agriculture (WAICSA)”.

The objective of WAICSA is to promote the adoption of modern, cost-effective, and sustainable practices in the forestry, agriculture, and fisheries sectors as a response to climate change through the following mechanism:



The WAICSA comprises of two facilities:

- **The Financing Facility**, which provides loans, guarantees, and equity investments to small farmer agricultural holdings, smallholder farmer organizations, agri-business entrepreneurs, either directly and through local financial institutions. WAICSA's financial products include conditions designed to encourage small-scale producers to adopt CSA practices, thereby reducing their vulnerability to climate risk;

The Technical Assistance Facility is financed by grants and subsidies from ECOWAS and donors. It assists financial intermediaries to design loan products consisting of CSA-related conditionalities and it guides small-scale producers to implement CSA practices adapted to the local context. It also provides loan portfolio coverage to financial intermediaries.

These two facilities will finance in parallel and a complementary manner "climate-compatible" projects carried out by the Final Beneficiaries, thus creating a knock-on effect vis-à-vis regional financial intermediaries and, beyond that, the agricultural value chains.