

# 2008 Global Development Marketplace Grant Competition

## Sustainable Agriculture for Development

### DM2008 COMPETITION GUIDELINES

#### INTRODUCTION

Development Marketplace (DM) is a competitive grant program administered by the World Bank and supported by various partners that identifies and funds innovative, early-stage projects with high potential for development impact. Since its inception in 1998, DM has awarded roughly US\$40 million to more than 1,000 projects through global, regional and country-level Marketplaces. Using DM funding as a launching pad, many projects go on to scale up or replicate elsewhere, winning prestigious awards for social entrepreneurship.

#### THEME

The 2008 World Development Report (WDR2008) on *Agriculture for Development* is renewing the consensus on the positive role that agriculture plays at three levels: agriculture as an engine of growth, agriculture as an instrument of poverty alleviation and agriculture as a provider of environmental services. This 2008 Global Development Marketplace competition (DM2008) seeks proposals on the theme of *Sustainable Agriculture for Development*, with sub-themes that aim to address the three functions of agriculture as outlined in the WDR2008.

Proposals for DM2008 are welcome from all development innovators—civil society groups, social entrepreneurs, private foundations, government agencies, academia and the private sector (please see eligibility criteria below).

#### ELIGIBILITY CRITERIA

DM2008 is open to individuals or organizations of any type, subject to criteria outline below. Proposals will be screened to ensure that they conform to these requirements. Those that fail to meet the eligibility requirements will not be considered.

##### 1. Sub-themes:

- Linking Small-Scale Farmers to Input-Output Markets: Farmers are defined broadly to include those who make a livelihood through crops, livestock, agro-forestry, fisheries or aquaculture. Well-functioning agricultural markets can reduce the cost of food and uncertainty of supply, thereby improving food security for both poor and non-poor households. Better markets also result in higher net returns to farmers, derived from reduced post-harvest losses, lower transaction and transfer costs, access to a broader base of consumers and potentially greater value addition. By contrast, inefficient markets and institutional constraints impede growth and lead to welfare losses for smallholders, threatening their competitiveness and, in many cases, their survival. Linking small-scale farmers to better markets requires productivity-enhancing change at the farm level that will make their products more attractive to buyers in terms of quality, consistency of supply and price. It also requires institutional innovation in the marketing system that will reduce delays, costs, service gaps, information asymmetries that prevent both availing of opportunities and achieving better market trust and reputation. Ultimately such changes reduce risk. Under DM2008, proposals for institutional and organizational innovation in marketing systems are sought primarily for: (i) financial and business development services that expand opportunities for more efficient technology adoption and resource allocation by small-scale producers and market agents; (ii) effective producer organizations that can reduce transaction costs and improve efficiency in the marketing chain; (iii) innovations that improve the access of small-scale producers and market agents to transport services, physical markets, telecommunications and electricity in ways that improve supply chain logistics; and (iv) improved sourcing and selling arrangements such as contract farming that will increase access to more lucrative value chains.
- Improving Land Access and Tenure for the Poor: Land is the key asset for hundreds of millions of poor around the globe who work in agriculture. Land and the resources derived from it is the primary source of not only nutrition and income, but identity, wealth and credit access. Thus, the nature of rights to land and resources (including common property and aquatic resources) and the way in which they are documented and can be exchanged are key determinants for and sustainable agricultural development as well as



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improved livelihoods for those in the rural sector. This sub-theme seeks out innovative, low-cost and scalable ways to strengthen access to and improve productive use of land by the poor, especially women. These include: (i) legal aid/awareness campaigns and increasing access to records of land and aquatic rights through private-public partnerships to enhance transparency and reduce corruption; (ii) local resource mapping and registration to develop and codify arrangements for effective use of common property resources in a way that benefits the poor; (iii) decentralized settlement of conflicting land claims in post-conflict settings; (iv) local negotiation to allow regularization of existing occupation by marginal or poor populations or access to land through implementation of reform legislation for land and aquatic rights, or through land markets; and (v) technical and other support to enable those received land through such mechanisms to make the most productive use of it.

- *Promoting the Environmental Services of Agriculture in Addressing Climate Change and Biodiversity Conservation:* Agricultural development and environmental protection are closely intertwined. The reliance of agriculture, forestry and fisheries on natural resources means that they can create beneficial and detrimental environmental outcomes. The impact of these activities can be local (agriculture is often the largest water user, for example) as well as global (contributing, for example, up to 30 percent of greenhouse gases). Improvements in agricultural and forestry practices can thus have beneficial impacts at multiple levels: agriculture's large environmental footprint can be reduced, farming systems made less vulnerable to climate change and agriculture harnessed to promote more global environmental improvement and produce gains locally as well. However, there are often trade-offs between local incentives and global goals. This sub-theme seeks to elicit innovative systems that ensure local gains to battling two global environmental problems (Climate Change and Biodiversity Conservation). Innovations are sought in the following areas: (i) development and production of sustainable biofuels; (ii) methods to scale up payments to ecosystem services; (iii) increased local incentives and benefits to the poor in Payment for Environmental Services schemes; (iv) enhancement of community-level adaptation to climate change in rural areas; (v) reducing the contribution of agriculture and fisheries to greenhouse gases; and (vi) sustainable use and promotion of biodiversity at the local level.

#### **2. Organization type:**

NGOs, civil society organizations, foundations or development agencies that are based in the country of implementation may apply without additional partners. All other groups must apply in partnership with at least one organization, subject to the conditions below:

- At least one of the parties involved in the proposal must be based in the country of implementation
- Both parties cannot be private businesses or individuals
- Both parties cannot be academic institutions
- Both parties cannot be local or regional government institutions

*\*\* Individuals cannot apply without a partner. Entities that are active in World Bank supported programs can apply, while World Bank staff and units are not eligible.*

#### **3. Implementation time frame:**

Proposed activities must be completed within two years of receiving the initial disbursement from Development Marketplace.

#### **4. Results:**

The results of projects should be measurable within the timeframe of implementation and have a direct impact on outcomes within your sub-theme. Projects with the primary output of research or knowledge, such as publications or conferences, are not eligible for the competition.

#### **5. Award size:**

Requests for DM funding should not be greater than US\$200,000 or less than US\$50,000. The average DM grant size is approximately \$180,000.

#### **6. Past winners and applicants to regional and country DMs:**



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If your project is already being funded by the World Bank or if you are a past DM winner (global, regional or country-level), you may submit a proposal that is substantially different from the project for which you have received funding. You may not submit the same idea or project.

### **7. Language:**

Proposals must be submitted in English.

## **ASSESSMENT CRITERIA**

Proposals will be assessed according to the following criteria:

### **1. Innovation**

How does the project differ from existing approaches? \*\* Innovation is a major differentiating element of DM competitions compared to other development grant programs. All proposals selected for funding should incorporate new methods that go beyond standard agricultural development projects. Please see the Annex for details.

### **2. Growth Potential**

Does the idea have the potential for expansion? Can it be replicated elsewhere?

### **3. Results**

Will the project have clear and measurable results that will have a direct impact on linking small farmers to markets, improving land access by the rural poor or ensuring local gains in addressing biodiversity conservation and climate change?

### **4. Realism/Organizational Capacity**

Does the project have a realistic implementation time frame and budget? What is the organization's capacity to implement the project?

### **5. Sustainability**

Does the project have the potential to continue beyond DM funding?

## **HOW TO APPLY**

**Proposals must be submitted through the Development Marketplace website.** For detailed application instructions please visit our website at [www.developmentmarketplace.org](http://www.developmentmarketplace.org). If you are unable to access the website, please send an e-mail to: [DMinfo@worldbank.org](mailto:DMinfo@worldbank.org). **The Development Marketplace Team must receive your proposal by 6 p.m. Washington DC time (23:00 GMT) on MARCH 21<sup>st</sup>, 2008.**

## **COMPETITION TIMELINE AND KEY STEPS**

*January 22<sup>nd</sup> – March 21<sup>st</sup> 2008: Call for proposals*

All proposals for DM2008 should be submitted through our website ([www.developmentmarketplace.org](http://www.developmentmarketplace.org)).

*March 22<sup>nd</sup> – June 22<sup>nd</sup>, 2008: Review of proposals*

Proposals will be reviewed against the assessment criteria mentioned above.

*June 23<sup>rd</sup>, 2008: Announcement of finalists*

Assessors will select roughly 100 finalists.

*June 24<sup>th</sup> – July 28<sup>th</sup>, 2008: Submission of finalists' proposals*

All finalists will be asked to submit a more detailed proposal by July 28th. Finalists will be invited to the 2008 Marketplace and showcase their ideas before an international jury. The World Bank will cover the cost for one representative from each finalist team to attend the event.



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*September 24<sup>th</sup> – 25<sup>th</sup>, 2008: Global Development Marketplace & Knowledge Exchange, Washington, D.C.*  
At the Marketplace, an independent jury comprised of World Bank staff and leading individuals in development outside the Bank (academia, civil society, foundations, government, other donor institutions and the private sector) will evaluate each proposal and select 25-35 winners.

To take advantage of the presence of a variety of development actors together in one place, DM convenes a Knowledge Exchange at the event to share ideas and engage finalists with other representatives of the development community.

### **AWARDS**

The World Bank Group and its partners expect to provide roughly US\$4 million to the winners selected by an international jury. Other award categories may be announced in the months leading up to the event, or at the Marketplace itself.



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### ANNEX: DEFINING INNOVATION

Innovation is a major differentiating element of DM competitions compared to other development grant programs. All proposals selected for funding should incorporate new methods that go beyond standard agricultural development projects. Here are the elements of innovation as defined by DM competitions, with illustrative examples:

- **New technologies**
  - Use of GPS and digital maps for spatial mapping of productive clusters and source areas with respect to access roads
  - Local resource mapping to develop and codify arrangements for effective use of common property resources in a way that benefits the poor
  - Low-cost technologies for sustainable cellulose-based biofuel production
- **New products, benefits and results**
  - Use of radio frequency identification technology to improve traceability of pallets of agricultural products
  - Decentralized settlement of conflicting land claims in post-conflict settings
  - Community/company partnerships around reducing deforestation, afforestation (adaptation), processing and payment for environmental services
- **New delivery methods and services**
  - Use of appealing graphics to train illiterate small farmers in EureGAP principles and requirements for certification of agricultural products
  - Transmission of market price data in rural areas using SMS text messaging coupled with a relational database of growers and products
  - Increasing access to land records through public/private partnerships to enhance transparency and reduce corruption
- **New financing methods**
  - Use of warehouse receipts financing for perishable products
  - Post-transfer support to those who have received land through government programs
  - Increasing the share of payment for environmental services revenues that go to poor landholders and the landless
- **Application of demonstrated approaches to new types of beneficiaries\***
  - Legal aid/awareness campaigns for women who have to deal with inheritance issues or with land acquisition by outside investors
  - Sustainable use of biodiversity by indigenous communities
  - Certification of small-holder and indigenous community forests (with access to processed biodiversity products for international markets)

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*\* Proposals identified under this category will need to provide additional information on the unique institutional or cultural barriers that have prevented use of existing means to reach these target populations/areas and how the innovation proposed for DM funding will overcome these barriers.*