



WATER and
ENERGY
for **FOOD**



EOI-WE4F-2021- Call for Expressions of Interest (EOI) from Potential Investment Partners in Support of Water and Energy for Food (WE4F): A Grand Challenge for Development

Partner with Water and Energy for Food (WE4F): A Grand Challenge for Development to increase commercial investment in water-energy-food nexus enterprises in the MENA region

Through this Expression of Interest (EOI), WE4F aims to identify potential partners and innovative approaches that will work together with WE4F implementers to increase commercial investment in line with WE4F objectives, priority sectors, and countries.

I- Submission of Questions – Questions will be accepted on a rolling basis by emailing we4f@berytech.org or sabine.saliba@berytech.org and will be responded to on at least a monthly basis via email to applicants.

II- Submission of EOIs – EOIs will be accepted on a rolling basis via submission by emailing we4f@berytech.org or sabine.saliba@berytech.org.



Government of the Netherlands



Introduction

WE4F is a joint international initiative of the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Union (EU), the Ministry of Foreign Affairs of the Government of the Netherlands, Sweden through the Swedish International Development Cooperation Agency (Sida), and the U.S. Agency for International Development (USAID). WE4F aims to:

- Increase food production along the value chain through a more sustainable and efficient usage of water and/or energy.
- Increase income for base-of-the-pyramid (BoP) women and men in both rural and urban areas.
- Sustainably scale innovators' solutions to meet the challenges in the WE4F nexus.
- Promote climate and environmental resilience and biodiversity through the sustainable, holistic management of natural resources and ecosystems.

About the WE4F Middle East and North Africa Regional Innovation Hub

The WE4F Middle East and North Africa (MENA) Regional Innovation Hub (RIH) is based in Beirut, Lebanon, and responsible for WE4F activities in 10 MENA countries (Check Appendix I: WE4F MENA RIH Country List).

By 2024, WE4F MENA RIH objectives are to:

- Identify and support at least 20 total WE4F innovators across the region;
- Guide innovators in reaching a minimum of 750,000 smallholder farmers and other end users, of which 25% are women;
- Help farmers increase food production while increasing water and energy efficiencies;
- Increase investment to innovators; and
- Enhance the enabling environment for WE4F innovations through advocacy and capacity building activities.

To achieve these goals, the WE4F MENA Regional Innovation Hub (RIH) works with the primary target group of Innovators/SMEs with demonstrated potential for financially sustainable scaling and a clear go-to market plan. The RIH supports the scaling of these innovations/SMEs by: 1) providing direct milestone-based grants to selected innovators

in the region; 2) providing technical assistance and business advisory services to these innovators; and 3) facilitating the deployment of capital (debt, equity or mezzanine financing) into these supported companies, with the inclusion of catalytic blended finance structures wherever possible, and with the assistance of a dedicated investment facilitation / transaction advisory function.

The WE4F MENA RIH houses a Brokering Unit, managed by Berytech, that works with innovators/SMEs and investors alike to deliver customized financing solutions that address investment constraints, mobilize additional private capital, and produce development results for the water, energy, and agriculture sectors and its associated sub-sectors. These deployments of capital are intended to crowd in additional commercial, or less risk-tolerant, tranches of capital to increase a supported company's ability to reach its full capital raising targets.

The Brokering Unit recognizes that increasingly private investors and businesses are looking at emerging markets for new opportunities. However, investing in these markets is complex, and the Unit intends to build and engage a network of partner organizations with valuable investment and finance expertise, including those that have not worked extensively with multi-donor funded programs, like WE4F, in the past.

Objectives of the EOI

Through this Request for Expressions of Interest (EOI), WE4F MENA RIH aims to identify potential partners and innovative approaches that leverage WE4F resources to catalyze commercial investment in line with WE4F MENA RIH objectives and priority sectors and countries (see Appendices I: Priority Countries, Sectors, and themes and Appendix III: WE4F Resources).

Approaches that also engage the private sector to integrate thematic areas like gender mainstreaming, BoP impact, and environmental sustainability as well as address the economic impacts of Covid-19 in these priority sectors and countries are encouraged.

In employing a blended finance approach for solutions in these sectors and countries, WE4F aims to create avenues to mobilize private capital investment into commercial opportunities that advance development outcomes in the agriculture, energy, and water sectors. In addition, given the economic disruption caused by Covid-19, WE4F is interested in identifying opportunities to align with the private sector to provide recovery support to affected businesses in the WE4F priority countries and sectors, where possible.

Specifically, we are interested in the following two approaches:

1. Catalytic capital from funds, investment vehicles, individuals and/or products capable of mobilizing finance to advance WE4F development objectives in grant or any form of relevant instrument, including but not limited to, equity investment, debt, convertible debt, or comparable mezzanine financing, further commitments of blended finance capital grant, first loss capital and/or support for operational costs.

Responding to this EOI does not obligate any organization to commit capital; rather, it signals a respondent's willingness to consider deploying capital into WE4F MENA pipeline companies following appropriate due diligence

2. Support from transaction advisory firm, those who intend to pool in investors with an aim to participate in investment rounds for WE4F innovators and additionally, may choose to provide direct support to enterprises, enable WE4F partnerships to facilitate greater access to finance in WE4F MENA RIH priority sectors and countries (see Appendix I: Priority Countries and Sectors/themes)

Please note that transaction advisory services or any other type of applicable technical assistance will not be financially compensated through this EOI. There is a separate WE4F MENA RIH process in place which solicits offerors for paid advisory and TA work. Contact tina.elboustany@beryltech.org to learn more.

Additionally, we are seeking new ideas and creative approaches to investment, beyond those listed above and look to organizations submitting Expressions of Interest to bring fresh thinking to how WE4F partners might use their resources to support innovations/SMEs in its priority sectors and countries.

Illustrative activities include but are not limited to:

- Contributing to innovative finance approaches such as first-loss tranches of capital in food security vehicles or pay for performance activities, to lower risks and catalyze commercial capital interested in exploring this space.
- Reducing key investment barriers for potentially investable SMEs, by providing support including but not limited to reducing information asymmetries, identifying appropriate and interested capital sources.

- Providing support to investors/investment funds to identify investment opportunities that align with WE4F priorities in select countries
- Advisory support for existing guarantees or other innovative financing mechanisms.
- Collaborating to access funds/partnerships towards end-user financing efforts

WE4F has defined certain Key Performance Indicators (KPIs) and illustrative indicators (see appendix II), which the program aims to monitor, evaluate and report on. WE4F is required to collect data, from onboarded investment partners, on a handful of selected indicators (also indicated in appendix II).

Who May Apply

WE4F MENA RIH hopes to work with stakeholders from different parts of the investing ecosystem including investors, asset managers, intermediaries (bring in pool of investor money) to provide financing and/or develop inclusive finance solutions in the water, energy, and agriculture sectors. We encourage submissions from stakeholders proposing interest and/or activities that augment WE4F MENA RIH's activities goals and objectives in priority countries and sectors. Expressions of Interest may come from any of type of organization that has interest, experience and capabilities in line with the objectives of this solicitation.

Submission and Formatting Instructions

Expressions of Interest should illustrate the submitting organization's background interest, capabilities, and/or experience in providing solutions towards WE4F objectives above. Submissions should highlight an organization's capabilities and qualifications to implement the proposed interest (s) and/or activity(-ies) within a priority country or countries and corresponding priority sector(s). If a respondent is not able to provide the requested information below via the online portal, they may instead indicate initial interest then hold a follow-up call with the WE4F MENA RIH to relay these details.

Respondents are encouraged to provide extra information they feel is relevant in the context of this solicitation. Examples of required information are mentioned below:

1. Company Overview

- 1.1. Complete registered name of company
- 1.2. Type of business
- 1.3. Overview of your company and legal structure

- 1.4. Brief summary of your services
- 1.5. Country of registration
- 1.6. Country(ies) covered by mandate, portfolio, operations, etc.
- 1.7. Year of establishment
- 1.8. Address of company
- 1.9. Website

2. Authorized Point of Contact

- 2.1. First name
- 2.2. Last name
- 2.3. Title
- 2.4. Position
- 2.5. Email
- 2.6. Phone Number

3. Capacity for making / catalyzing potential investments¹

- 3.1. Total amount allocated for investment in WE4F Organizations;
- 3.2. Range of tickets size per WE4F Organization;
- 3.3. Type of instrument(s);
- 3.4. Expected Tenor / Holding date;
- 3.5. Pricing / expected return;
- 3.6. Country(ies) of interest;
- 3.7. Sector(s) of interest;
- 3.8. Expected leverage ratio if applicable²
- 3.9. Other requirement(s); Funding approval time

EOI Process and Timeline

EOI submissions should present concepts with an implementation timeframe, if applicable. Please indicate in your submission an estimated timeline for completing the proposed activities.

Expressions of Interest should:

¹ For professional service providers, please describe the types of transactions with which you most commonly are involved; questions that are not applicable need not be answered but should be acknowledged by respondent entering 'N/A'.

² The capital to be leveraged with WE4F's first lost tranche, or the capital mobilized through transaction advisory services leading to investments.

- Be in English
- Be submitted electronically to the following e-mail addresses:
we4f@berytech.org or sabine.saliba@berytech.org
- Be no more than six (6) PowerPoint slides in length, in addition to references
- Include a title slide (not counted against slide limit) with the following information: Respondent Name/Group; Contact Information; and Response Title. To note that additional information may be requested on due course for compliance and vetting purposes.
- Include two submission attachments in email, one in .ppt and one in .pdf format.
- Respondents are encouraged to provide extra information that they feel is relevant in the context of this solicitation

Selection Process

WE4F MENA RIH will review and evaluate submitted concepts based on the guidelines set forth in this EOI. From this evaluation, WE4F MENA RIH will develop a list of pre-qualified firms and individuals from the submitted offers that will be given an option to participate in subsequent investment rounds of eligible WE4F innovators. Please note that WE4F MENA RIH will only facilitate the communication between interested investors and WE4F innovators and thereon, is not responsible for any further commitment (monetary or non-monetary) based on WE4F innovator's conversation with the participating investors.

WE4F MENA RIH reserves the right to check the past performance, references, and other pertinent information. Previous experience of working with donor partners of WE4F is not required.

WE4F MENA RIH reserves the right not to review any Expressions of Interest that do not meet the guidelines. Please note that due to the expected large number of Expressions of Interest, WE4F MENA RIH is unable to provide detailed information to those EOIs that are not selected to move forward.

Issuance of this solicitation does not constitute a commitment, award, or engagement on the part of WE4F nor does it commit WE4F to any future commitment, award, or engagement.

Thank you,
Ramy Boujawdeh
WE4F MENA RIH Manager
we4f@berytech.org

Appendix I: Priority Sectors, themes, and countries

The WE4F Founding Partners have identified priority thematic areas under the water-energy-food nexus in which innovation is urgently needed as mentioned below. Innovations supported by *Water and Energy for Food* could include but are NOT limited to the themes mentioned below:

THEME 1: Innovations in food production to reduce water usage

THEME 2: Efficient use of water resources for food production

THEME 3: Sustainable use of energy and water on farms

THEME 4: Energy innovations for food processing, and / or logistics

THEME 5: Food production with efficient energy use

THEME 6: Leveraging food waste for energy

WE4F MENA RIH Country List

<u>Algeria</u>	<u>Iraq</u>	<u>The Palestinian Territories</u>	<u>Sudan</u>
<u>Egypt</u>	<u>Lebanon</u>	<u>Tunisia</u>	<u>Yemen</u>
<u>Jordan</u>	<u>Morocco</u>		

Appendix II: WE4F Impact metrics and key performance indicators

Below is an abbreviated list of KPIs and/or illustrative indicators related to investment facilitation and financing that WE4F innovators report towards. These will be collected in collaboration *with investment partners onboarded through this EOI process*:

- KPI9: Value of investment in US Dollars that the Innovator has mobilized from external sources
- GIN21: Share of innovators that are assessed as "investment ready" by potential investors or loan providers from the WE4F network
- GIN40: Number of contacts of potential investors provided to innovators by WE4F
- GIN26: Number of finance institutions engaged by RIH investment facilitators that have adapted their portfolio to meet needs of end-users in WE4F nexus
- GIN25: Number of finance institutions that have participated in instances of technical assistance regarding business opportunities in WE4F nexus
- GIN19: Share of innovators that had personal meetings with at least 3 potential investors

Appendix III: WE4F Resources

- WE4F MENA press release announcing first call for innovation winners, <https://we4f.org/program-news/mena-press-release>
- WE4F Middle East and North Africa Investment Landscape Mapping Report, https://we4f.org/wp-content/uploads/2020/02/WE4F-MENA-Summary-Report_Public.pdf
- WE4F MENA Regional Innovation Hub - introduction slide deck https://we4f.org/wp-content/uploads/2020/09/20200928_HubKickoff_MENA.pdf
- WE4F Middle East and North Africa Regional Innovation Hub - virtual kick-off video, [MENA Kick-off video](#)
- WE4F Environmental, Social, and Governance (ESG) guidelines, https://we4f.org/wp-content/uploads/2020/10/WE4F_Environmental-Social-and-Governance-ESG-Guidelines.pdf

