



AGRINOVA: BUSINESS PLAN COMPETITION IN A RURAL CONTEXT

Guidelines for implementation

AGRI INOVA!

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OBJECTIVES

General objective

To train, support, finance and accompany young entrepreneurs active in rural areas, in the value chains of anchor companies; to create competitive micro-processing enterprises and thus contribute to job creation.

Approach

1 Supporting the development of entrepreneurial skills of young people in peri-urban and rural areas.

2 Subsidize business plans of micro-enterprises that process or provide services for anchor company value chains.

3 Supporting young entrepreneurs in the creation of micro-enterprises and jobs.



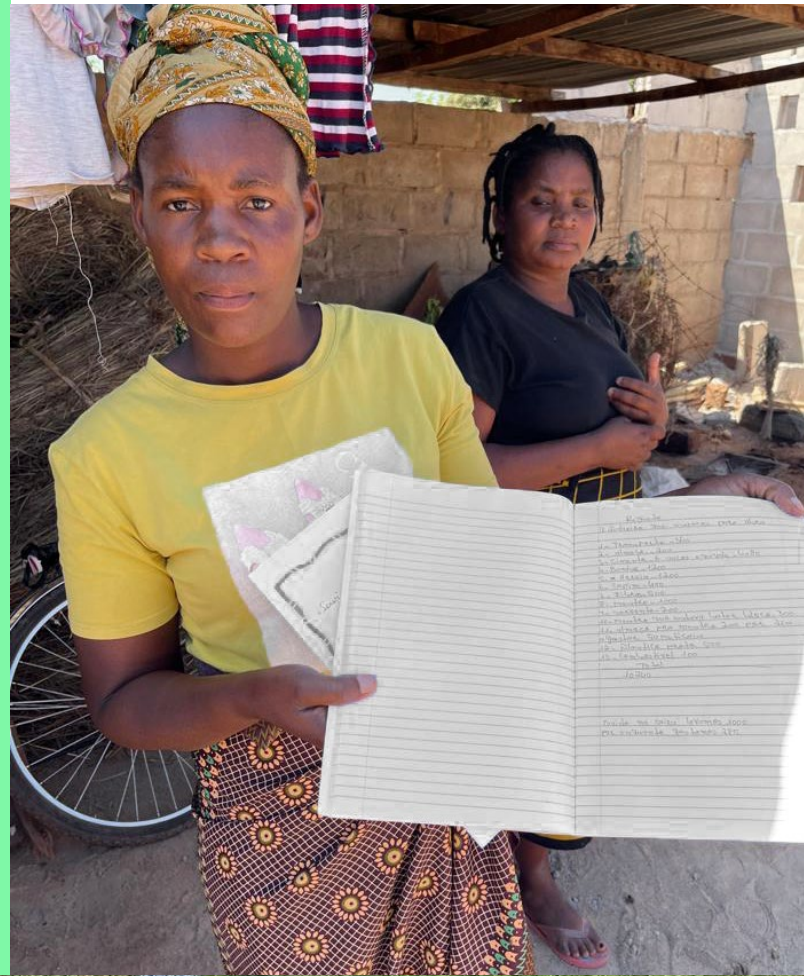


TARGET GROUP

The AGRINOVA initiative is aimed at young people, in particular women, living in rural areas who have already received some training in Personal Initiative, or Farmer Business School and Financial Literacy. Through these trainings, they have already awakened their entrepreneurial attitude and developed basic business management skills.

These young people are already producers integrated into the value chains of the anchor companies that are partners of the initiative. This implies that young people are not dispersed individuals, but people who are known to companies, with whom they have links to the market and therefore have an interest in maintaining a good reputation. These can be found among the members of savings groups, producer associations, or simply individual integrated into the value chain, as well as suppliers in an *out-grower scheme*.

The implementation of the pilot editions of the initiative was promoted by the Emprega Rural project with the companies Nhamadzi Comercial in Gorongosa District (Sofala Province), and Oruweru in Ribaué District (Nampula Province).





IMPLEMENTATION TEAM

The AGRINOVA team can be composed of a project team, an INEP team, or a team organized directly by a private company. The team requires:

Team Leader

Has strong experience in the design, development and implementation of entrepreneurship programs (ideally 10 years). The Team Leader is responsible for coordinating the activities on the ground, reporting to the partners and ecosystem stakeholders who are involved with the initiative. The Team Leader is also responsible for ensuring that the training tools are personalized and relevant to the target audience.

Entrepreneurship Training Specialist

According to the number of locations and the number of beneficiaries, this role should be covered by technical staff, with a strong experience in providing training to the target audience and a good understanding of the initiative. These team members need to go through the Training of Trainers on AGRINOVA tools, given by the Team Leader. Once selected, grantees are responsible for coordinating ongoing technical assistance to identify service providers, equipment suppliers, and supervisory visits.

Administration and Logistics

These team members may vary based on the number of beneficiaries and locations covered. They are responsible for coordinating enrollment in the training program and communication to community leaders or associations to ensure their participation in the training. They are responsible for identifying and booking training venues, catering, preparing and printing training materials, preparing and collecting registration forms, collecting and managing on-site attendance lists, printing certificates of attendance and award letters. Once selected, grantees will be responsible for signing disbursement contracts and collecting activity reports.



ACTIVITIES

- 1** The AGRINOVA team, in collaboration with the anchor company, identifies existing business opportunities in the value chain, which add value to the marketed product or allow producers to create additional sources of income.
- 2** The AGRINOVA team prepares examples of simplified business plans for each identified business opportunity, using the tools of the initiative (a) Business Plan, b) Trainer's Guide, c) Participant's Guide.
- 3** The AGRINOVA team organizes an event to present the initiative, in collaboration with the anchor company, which invites the participants, based on the agreed target audience. During this event, the terms and conditions of participation are presented.
- 4** Interested young people apply to participate in the training on „identification of business opportunities and simplified business plan“. The application form must include the request to the young person for confirmation of:
 - 1) Availability of space and/or facilities for the creation of the company.
 - 2) Commitment to the participation of the company or proponent with 10% of the amount to be received in subsidy. The amount can be paid in instalments or in cash.
- 5** The pre-selected young people participate in the training in a simplified business plan, presented by the AGRINOVA team. Each training day includes 6-8 hour sessions, which allow you to cover the topics related to the business plan of 1 microenterprise. It is advisable to submit a maximum of 3 micro-enterprise activities per training cycle.



6 Participants are provided with a template with all the details to be included in the business plan. Based on the simulation made throughout the training, participants have 7 days of time to complete their own business plan, including details of costs, prices, distances and exact raw materials based on their own location.

7 Participants submit their application forms that include their own business plan. These can be presented by individuals or in small groups of 3-4 people.

8 The AGRINOVA team, in collaboration with the anchor company, analyses the applications received and invites eligible candidates to make their presentation in person before a panel of evaluators.

9 The panel of evaluators is composed of 5 members, including at least 1 representative of the anchor company, 1 representative of the public institutions of the District, 1 representative of a local financial institution and 1 representative of the project.

10 The AGRINOVA team organizes a face-to-face meeting with the shortlisted candidates, who present their business plan. The presentation can be made in Portuguese or in the local language. This process makes it possible to identify the most engaged people, regardless of their language skills and their level of literacy and grammar, making the process even more inclusive for women.

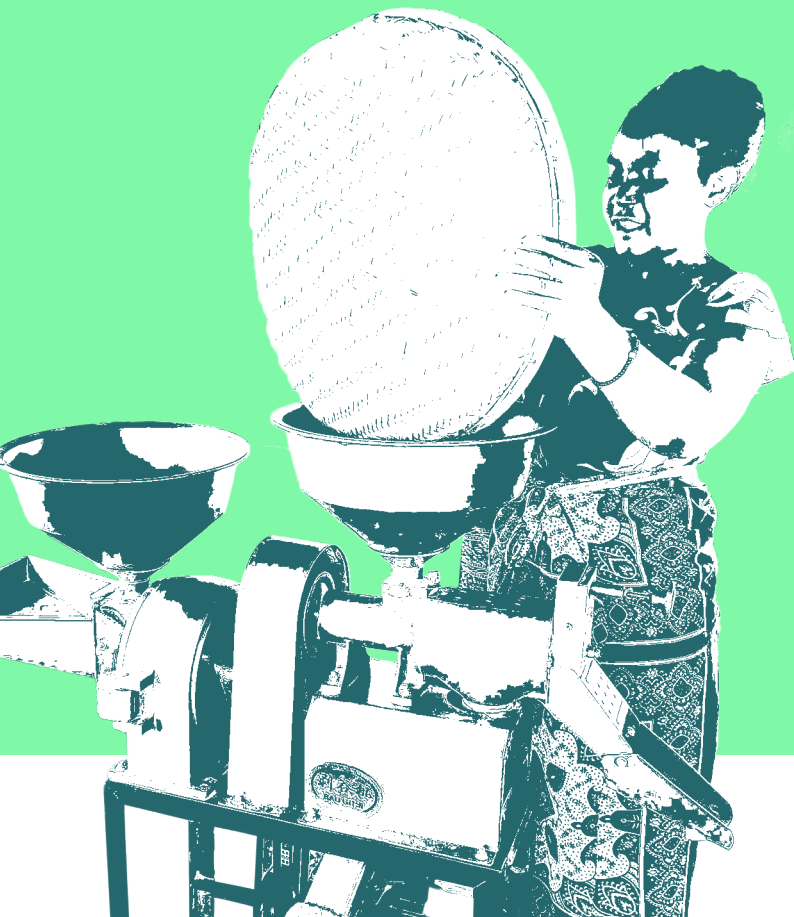
11 The evaluation is based on criteria designed on the basis of the project's objectives. In the case of the Emprega project, the evaluation was based on 1) identified local market potential for the solution, 2) clarity of the business plan, 3) entrepreneur profile and commitment to the business activity, 4) preference for women-led businesses.

12 At the end of the presentations, the panel of evaluators selects the business plans that can be financed, and makes the announcements, with a consequent award ceremony with the delivery of certificates and the signing of the grant contracts.

13 Selected business plans receive an initial grant (starter kit) of at least MZN 20,000 for the achievement of pre-established goals and sole proprietorship registration.

14 At the end of the preliminary phase (\pm 8 weeks), the awardees receive the amount of at least 60,000MZN which must be complemented by at least 10% of the amount by the entrepreneur.

15 The AGRINOVA team, in collaboration with the anchor company, is responsible for providing technical support to entrepreneurs in the establishment and start-up phase of the





DISBURSEMENT OF GRANTS (STARTER KITS)

AGRINOVA offers selected winners access to co-financed grants, to be disbursed via prepaid cards or into bank accounts. This makes it easier to keep track of expenses, facilitates the financial inclusion of beneficiaries, and allows youth to start operating as a company, without having to go through all the processes of formalizing limited liability companies and opening company accounts.

Description	Value (MZN)	Conditions	Average Workload
Starter Kit 1 Initial Grant	20,000	Business Plan selected by the evaluation committee after the training	0
Starter Kit 2 Investment	60,000	Achieved the preliminary results agreed with the RYE team, based on the business plan	10% (up to 6,000MZN)





IMPLEMENTATION TIMELINE

Activity	Months									
	1	2	3	4	5	6	7	8	9	10
1. Identification of business opportunities in the value chain	█									
2. Preparation of simplified business plans	█									
3. Presentation of the initiative		█								
4. Submission of application to participate in the trainings		█								
5. Training (from 1 to 3 days)		█								
6. Submission of application forms		█								
7. Submission of business plans			█							
8. Pre-evaluation of business plans prior to the convening of the panel of evaluators			█							
9. Presentation of business plans to evaluators			█							
10. Assessment of business plans by the Investment Committee			█							
11. Disbursement of the initial grant			█							
12. Subsequent disbursement				█						
13. Follow-up				█	█	█	█	█	█	█



BUDGET

The most important costs for the implementation of the initiative are:

Costs of 2/3 days of training

Material, logistics, location and catering for participants.

Grant costs

Depending on available budget, but minimum of 80,000MZN ($\pm 1,200$ EUR) per selected beneficiary.

Costs of technical assistance

To ensure the effectiveness of the initiative, it is important for the technical team to establish close communication with the beneficiaries, and to carry out frequent field visits, especially in the first months of implementation, after receiving the grant. The specific costs depend on the distances and the geographical area covered.



MORE INFORMATION

You want to know more about AGRINOVA?
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