

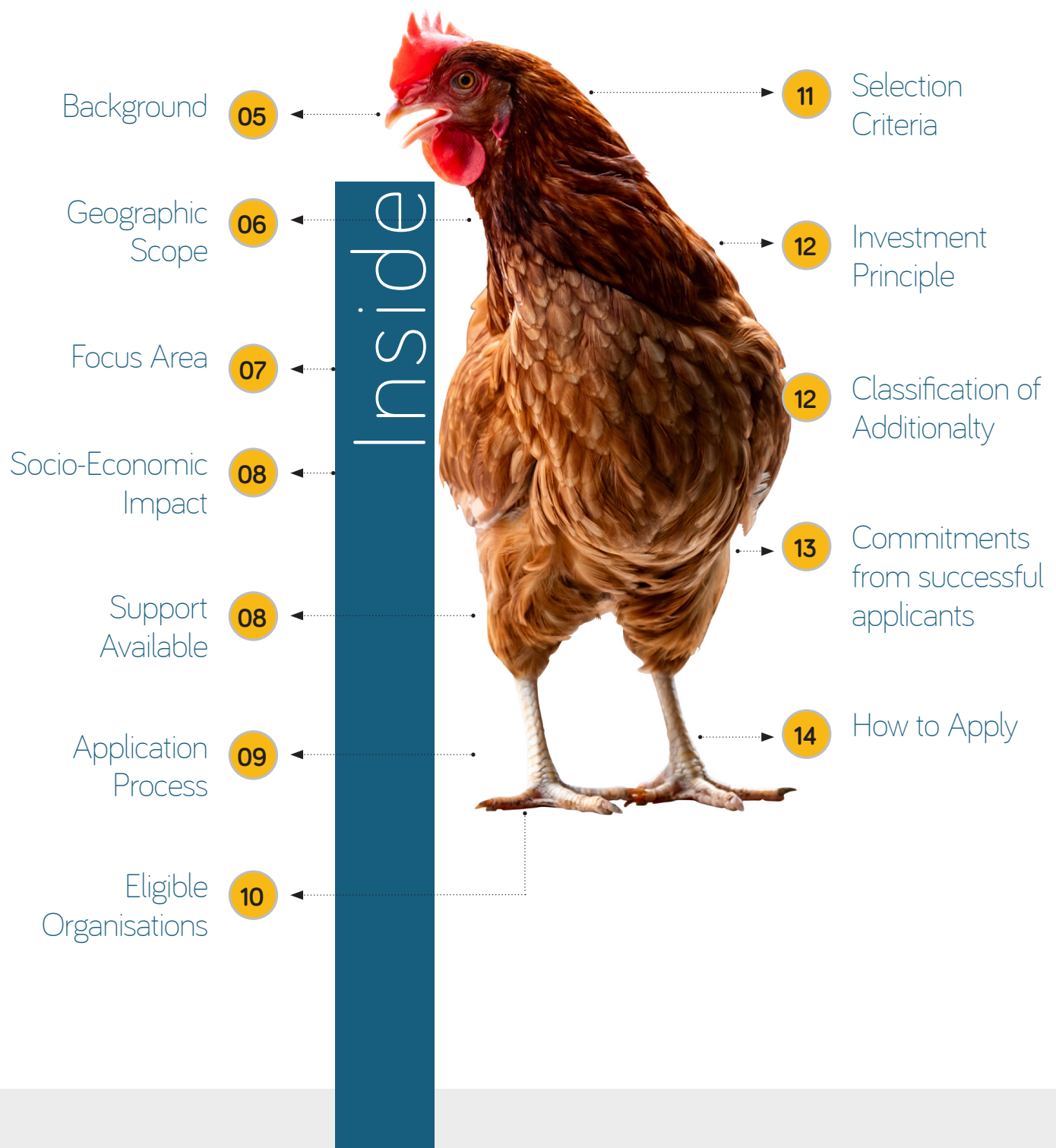
THE SOUTHERN AFRICA POULTRY INITIATIVE

Poultry Feed Accelerator Grand Challenge

TERM SHEET FOR
APPLICANTS

2026





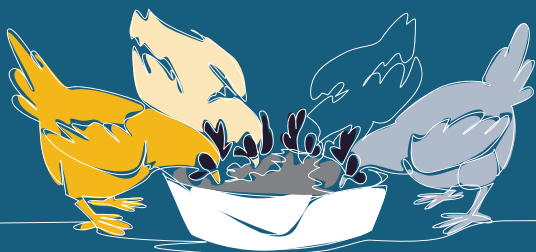
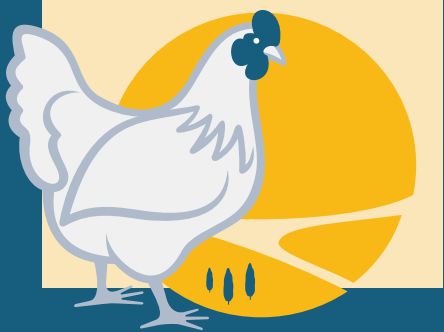
Poultry Feed
Accelerator
Grand Challenge



01 Background

CALL-TO-ACTION

- **Surfaces innovative ideas** across business, government, civil society, academia
- **Develops up to 10 ideas:** financing proposals for 2026
- **Goal:** Lower feed costs, boost inclusion, improve incomes



The Southern Africa Poultry Initiative (SAPI) is a flagship programme designed to drive inclusive and sustainable growth in the region's poultry sector. Anchored within the Food Action Alliance (FAA) and led by AGRA, SAPI is supported by a strong coalition of partners, including SACAU, AECF, Cargill, GAIN, ILRI, WEF, and the governments of several SADC member states.

SAPI was established to unlock the untapped potential of poultry as a catalyst for food security, economic inclusion, and job creation—particularly for women and youth. Poultry remains the most affordable source of animal protein in Southern Africa, yet its growth is constrained by structural challenges. With the region's population projected to double by 2050, there is an urgent need to ensure affordable protein, create employment opportunities, and build climate-resilient food systems.

Reducing feed costs is central to lowering overall poultry production costs, thereby making poultry more affordable and boosting consumption. Achieving this requires multiple strategies—improving on-farm productivity, increasing grain production volumes, cutting post-harvest losses, upgrading processing technologies, introducing novel feed ingredients and blends, and lowering transport costs. It also calls for innovative business models that share risk and reduce prices, such as long-term contracting with cereal out-growers, co-farming arrangements between value chain actors, crop and yield insurance schemes, strengthening cooperative operations, and adopting production systems that leverage existing subsidy programmes.

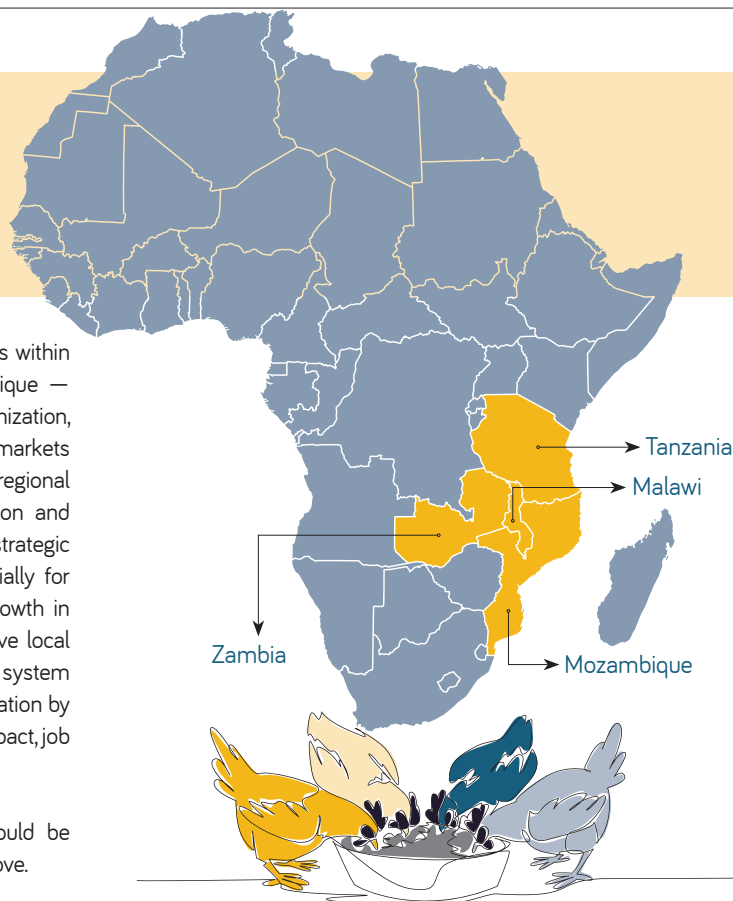
The feed sector's core challenge lies in overcoming both technological and market barriers to reduce feed costs while ensuring equitable inclusion of farmers – in particular women and youth - enabling them to expand production and improve their incomes.

The Poultry Feed Accelerator Grand Challenge will surface and develop innovative ideas from business, government, civil society and academia that have the potential to address systemic issues at any point in the poultry feed value chain. It will provide resources to further elaborate up to ten ideas in preparation for submitting a more comprehensive financing proposal to key partners in 2026.

02 Geographic Scope

The Poultry Feed Accelerator Grand Challenge focuses on countries within the SADC — specifically Zambia, Tanzania, Malawi, and Mozambique — where poultry markets are experiencing rapid growth driven by urbanization, rising incomes, and increasing demand for affordable protein. These markets remain underserved, with per capita poultry consumption below regional averages despite significant growth potential. Expanding production and strengthening value chain capacity in these countries presents a strategic opportunity to improve food security, boost rural incomes—especially for women—and reduce dependence on imports while stimulating growth in related agro-industries. Targeted investments can unlock competitive local feed production, displace costly imports and enhance feed and food system resilience. Moreover, the sector's barriers to entry and strong participation by women entrepreneurs amplify its potential for inclusive economic impact, job creation, and sustainable returns.

Applicants can come from any of the SADC countries but should be implemented in one or more of the four target countries outlined above.



UNLOCKING INCLUSIVE GROWTH IN SOUTHERN AFRICA'S POULTRY SECTOR

Why Poultry Matters

- Most affordable source of animal protein in the region
- Demand rising (population to double by 2050)
- Critical for food security, rural incomes, women & youth employment



Target Countries

Zambia | Tanzania | Malawi | Mozambique

- Rapidly growing poultry markets
- Urbanization & rising incomes = higher demand
- Current consumption below regional averages: large growth potential



Strategic Opportunity

Targeted investments can:

- Unlock competitive local feed production
- Reduce costly imports
- Boost food system resilience
- Stimulate agro-industries
- Empower women entrepreneurs
- Create jobs + inclusive growth



03 Focus Areas



Applicants are invited to submit proposals aimed at significantly reducing the cost and improving the availability of poultry feeds. It targets farmers of all sizes but has a focus on improving the accessibility and affordability of feed for smallholder poultry farmers. Proposals should contribute to the sustainable development of the poultry value chain by enhancing feed manufacturing efficiency, increasing productivity, and fostering market growth with a strong emphasis on delivering high-quality, cost-effective poultry feeds.

Support will be provided exclusively to initiatives focused on innovative poultry feed production models. Proposals must demonstrate strategic partnerships that improve access to critical inputs and services—such as affordable finance, extension support, and reliable market linkages—to maximize the benefits for end-users.

Recognizing the critical challenge of feed costs in poultry production, applicants should focus on leveraging local raw materials, advanced feed formulation techniques, and efficient processing technologies.

Key factors for consideration:

a). Enhancing accessibility and affordability of poultry feeds

Proposals should present clear strategies to expand the availability of affordable, high-quality poultry feeds to smallholder farmers. Effective distribution networks, competitive pricing models, and partnerships with local agro-dealers or cooperatives are essential to widen reach, especially in rural and underserved areas.

b). Demonstrating a viable and growing market for poultry feeds

Applicants must provide at least preliminary evidence of market demand, including data on market size, growth trends, and confirmed interest or commitments from buyers where possible. This market validation ensures sustainability and facilitates scale-up, but can be further elaborated during the implementation of the grant.

c). Aligning production with market requirements

An understanding of market needs—such as feed formulation standards, nutritional profiles, quantity demands, and price sensitivities—should guide production. Proposals could include plans for investments in supply chain infrastructure, including storage, quality assurance, and logistics, to maintain product consistency and timely delivery.

d). Improving feed manufacturing efficiency and innovation

Proposals should incorporate proven methods and emerging technologies to reduce production costs and improve feed quality. These include, for example:

- Utilizing locally available and sustainable raw materials to reduce dependence on costly imports.
- Adopting energy-efficient and scalable processing equipment suited for local contexts.
- Implementing precision feed formulation technologies that optimize nutrient balance, reduce waste, and improve bird performance.
- Establishing quality control systems compliant with regional feed safety standards to enhance consumer confidence.
- Streamlining operational processes to minimize losses and maximize productivity.

e). Promoting inclusive participation of women and youth

Proposals must detail how women and youth will be actively engaged and empowered to benefit from affordable poultry feeds. This may involve customized capacity-building programs, entrepreneurship support, and facilitation of their integration into feed production, distribution, and utilization value chains.

04 Socio-economic Impact

The socio-economic impact of the concept that will be developed by the Poultry Feed Accelerator Grand Challenge will be assessed using the following indicators:

- i. **Reach to direct beneficiary households:** Providing an estimate of the number of households that will be reached by the innovation and how these households will benefit with an explanation of how these figures have been arrived at.
- ii. **Net additional jobs created:** The number of full-time equivalent jobs directly or indirectly sustained or created, disaggregated by gender and age to monitor the inclusivity of employment opportunities.
- iii. **Increased acreage planted by smallholder farmers:** If the concept aims to promote improved varieties of crops among smallholder farmers, the increase in acreage planted with these improved varieties should be estimated

The impact of supported innovations will be measured by:

1. Direct Beneficiary Household
2. Net Additional Jobs Created
3. Increased Acreage by Smallholders



05 Support Available

The Poultry Feed Accelerator Grand Challenge will offer successful applicants up to \$20,000 to fund comprehensive technical assistance in various areas. Expertise will be deployed to support the applicants to analyse, test and structure their innovative ideas around affordable poultry feeds.

This will entail coaching and mentorship that will enable them present convincing and compelling pitch decks for subsequent inclusion in a financing proposal. The key areas include:

- I. **Capacity building on climate-smart technologies and innovation in production of poultry feeds raw materials:** The Grand Challenge grant will provide expertise in the latest advancements and techniques related to raw materials production. This assistance aims to enhance the quality, yield, and consistent availability of affordable raw materials.
- II. **Business management:** The Grand Challenge recognizes the importance of sound business management practices surrounding all aspects of value chain development. It will help in areas such as strategic planning, financial management, human resources, and operational efficiency to ensure that innovations are rooted the business models are effectively managed and operated.
- III. **Marketing and distribution:** The Grand Challenge will provide guidance on market analysis, branding, product positioning, and distribution channels to help concepts effectively reach their target customers and maximize their market potential.
- IV. **Financing:** In addition to direct financing, the Grand Challenge will provide guidance on securing additional funding sources, accessing loans, and managing financial resources effectively through investment readiness and facilitation training.
- V. **Poultry feed processing:** The Grand Challenge acknowledges the importance of efficiency and effectiveness in feed processing to ensure the cost of the end product is minimized. The programme will provide technical support on feed formulation and processing approaches.
- VI. **Monitoring and evaluation:** To ensure accountability and measure the impact of the supported business models, the Grand Challenge will provide tools and guidance for effective monitoring and evaluation.

06 Application Process



Applicants are expected to submit a brief funding application outlining their innovative concept and their requirements for support using the online application portal. This information is limited to details about the applicant, the solution being provided to the Grand Challenge, expected outcomes from the subsequently developed project and resources that will be provided by the applicant to show their own commitment.

Applications will be reviewed on an ongoing basis by a panel of experts.



07 Eligible organisations



The Poultry Feed Accelerator Grand Challenge is open to the private sector, industry associations, academia NGOs and government. To qualify for funding, applicants must satisfy the following requirements:



i. Operational History and Financial Standing:

- The applicant should have been in operation for the past two years.
- Applicants must have achieved an annual turnover or operating budget of at least US\$50,000.

ii. Poultry Sector Alignment and Location:

- The applicant must be specializing in poultry feed processing.
- The applicant must be located in the SADC, with a focus on one or more of the specified focus countries.

iii. Compliance with Regulations:

- The applicant should comply with investment regulations in target countries, such as local ownership, where applicable.
- The applicant must adhere to international human rights, labour standards, environmental management laws, and seed laws/policies.

iv. Legal Registration and Establishment:

- The applicant must be legally registered. It does not have to be physically established in the target country(ies) to apply but must be able to effectively deliver in the target country(ies) should their proposal be subsequently funded.

v. Non-Involvement in Terrorism:

- The applicant must not be involved in any acts of terrorism or provide support to terrorist activities.
- Regular due diligence regarding this matter must be allowed.
- The screening will be conducted for all applicants and associated parties against provisions such as; <https://sanctionssearch.ofac.treas.gov/>, <http://www.worldbank.org/debarr>,

vi. Demonstration of Additionality:

- The company should demonstrate how its activities contribute to additional positive impact beyond what would typically occur without the funding (refer to section 12 for more clarification on additionality).

08 Selection Criteria

Each applicant will be evaluated against the following criteria:



- 1 Outline a commercially sustainable business model.
- 2 Outline how smallholder farmers – and particularly women and youth – will sustainably benefit.
- 3 Demonstrate sound leadership and strong team capacity to successfully implement the business model. Provide a track record of successes made from existing markets.
- 4 The poultry feeds must meet acceptable quality standards for marketing within the country and the region or be in the process of obtaining the required licensing.
- 5 Demonstrate sound financial health, including three-year record financial accounts, established financial management processes and procedures and dedicated financial management and extension staff.
- 6 Demonstrate understanding of the country context and culture where the intervention is proposing to operate, and how this will be integrated with the proposed model;
- 7 Present a sound plan on partnerships to deal with the weakest links or critical success factors in the model e.g., Sourcing of quality raw materials, aggregation models and warehouse receipt system, quality and distribution of poultry feeds.
- 8 The company should be willing to comply with AECF ESG and gender policies.
- 9 Demonstrate how the model will crowd in youth and women as employees, suppliers/farmers, trainers, or distributors.

09 Investment principles

This section outlines the fundamental principles for making funding decisions within the Poultry Feed Accelerator Grand Challenge. These investment principles serve as guidelines for evaluating project ideas and determining final award decisions.

- I. **Private sector demand-driven:** Even if applicants are not private businesses, the Grand Challenge focuses on empowering the private sector. It operates on a demand-driven approach, leveraging the private sector's initiative and implementation capacity to achieve positive economic and social outcomes for the underprivileged.
- II. **High-impact models:** Projects supported by the Grand Challenge must demonstrate significant social impact based on key indicators outlined in the Monitoring and Evaluation (M&E) Framework.
- III. **Systemic change:** Supported initiatives should showcase the potential for generating pro-poor economic and social impact beyond their immediate scope, leading to transformative changes within the market.
- IV. **Address market failure or demonstrate additionality:** The Grand Challenge supports initiatives that encounter barriers in accessing finance within targeted markets. Alternatively, projects must show that they will deliver additional social and economic benefits that could not have been achieved without this support.
- V. **Competition:** The application process and term sheets of the Grand Challenge are publicly available, ensuring equal opportunities for all eligible organizations to compete and promoting transparency in the selection process.
- VI. **Additionality:** The initiative under the Grand Challenge is expected to generate social and economic benefits that would not have been achievable without the support provided by the Programme.



10 Classification of additionality

While we recognize that additionality is context-specific (e.g., geography, sector, etc.), below is a description of our broad check of it:



FASTER:

The applicant could be expected to invest in other sources in several years to come, meaning development impact is delayed or lost. The Grand Challenge can be used to enable the proposed investment/business to launch sooner, create transformational change quicker and expose the business to attract additional investments.



WIDER SCOPE:

The applicant could be expected to invest in other sources, but AECF resources will enable it to expand the scope of the goods or services geographically or to different groups of beneficiaries to multiply the development impact, participation, and recognition of effort into its development.



MORE INCLUSIVE:

The applicant will be able to access people closer to the bottom of the pyramid than it would otherwise. Youth and Women tend to be difficult and expensive to reach, requiring physical networks, smaller packages of goods with smaller profit margins (or none), longer repayment terms, actualized by irregular payment patterns, and/ or susceptible to greater payment default. Applicants/ companies should be able to demonstrate how funds sourced will be used to cushion their businesses from such operating environment risks

11 Commitments from successful applicants

Each applicant will be evaluated against the following criteria:



1



Be open to the due diligence process and provide all the information that AECF will seek in making an investment decision.

2



Share data, including performance against indicators and milestones. All data shared will be treated confidential unless otherwise agreed in advance.

3



Gather, analyze, and share learnings from the project with AECF.

4



Ensure that financial data and other management systems are accessible upon request



12 How to Apply

One-step application process:

Applicants are required to complete a Grand Challenge online application form available on the website www.aecfafrica.org

Eligibility is based on a completed online form

This call for application is not binding upon The AECF and no legal right or obligation arises therefrom. The AECF reserves the right to determine the structure of the selection process, the number of short-listed applicants, the right to withdraw from the process, the right to change timetables at any time without notice and reserves the right to withdraw this call for applications at any time, without prior notice and without incurring any liability to indemnify, compensate and/or reimburse any party whatsoever.



West End Towers, Kanjata Road off Muthangari Drive/Waiyaki Way, Nairobi, Kenya
Tel: +254 111035000 | Email: info@aecfafrica.org | Web: www.aecfafrica.org

