

TERMS OF REFERENCE

Consultancy Support: Agri-Value Chain Demand-Side Market Scoping and Rapid Investment Pipeline Identification

Small Business Growth Initiative (SBGI) – Alternative Capital Sleeve (ACS)

I. BACKGROUND

The Small Business Growth Initiative (SBGI) is a catalytic market-shaping platform led by the National Advisory Board for Impact Investing (NABII) Zambia in partnership with the Bank of Zambia and supported by GSG Impact. The initiative seeks to expand access to appropriately structured finance for Small and Growing Businesses (SGBs) through a blended architecture comprising two mutually reinforcing components:

- A **Debt Sleeve**, focused on expanding lending to SGBs through a credit guarantee architecture designed to crowd in domestic financial institutions; and
- An **Alternative Capital Sleeve (ACS)**, designed as a catalytic **Fund-of-Funds platform** mobilizing equity, quasi-equity and other forms of flexible capital aligned with enterprise growth cycles.

Evidence across Zambia's productive sectors suggests that the key constraint is not only the supply of capital, but also the absence of structured intelligence on enterprise demand for alternative capital instruments. Many enterprises within Zambia's agricultural and agro-processing ecosystem operate with seasonal revenues, long investment cycles and governance structures that are poorly aligned with conventional debt financing.

To support the design of the ACS, NABII Zambia is undertaking targeted market diagnostics to better understand the demand characteristics of enterprises within priority value chains.

Given the time-sensitive nature of the ACS design process, this assignment will be conducted as a rapid diagnostic exercise, focusing on the generation of practical insights and an indicative pipeline of enterprises that could potentially absorb alternative capital instruments.

2. PURPOSE OF THE ASSIGNMENT

The purpose of this consultancy is to undertake a rapid demand-side market scoping exercise of enterprises operating within Zambia's agri-value chain ecosystem.

The assignment will generate practical intelligence required to inform:

- the design parameters of the Alternative Capital Sleeve (ACS);
- identification of enterprise segments suitable for alternative capital instruments;
- indicative investment ticket sizes and financing horizons; and

- identification of a preliminary enterprise pipeline for potential ACS deployment.

The assignment is expected to produce actionable insights rather than a comprehensive sector study, given the three-week implementation window.

3. SCOPE OF WORK

The Consultant will work closely with the SBGI Design Team and the Financial Structuring Technical Expert to implement a Rapid Agri-Value Chain Demand-Side Market Diagnostic.

The assignment will focus on four core analytical components.

3.1 Rapid Agri-Value Chain Ecosystem Scan

The Consultant shall undertake a rapid scan of Zambia's agricultural and agro-processing ecosystem in order to:

- identify priority value chains with strong enterprise growth potential;
- identify key enterprise typologies across the value chain; and
- highlight segments with the greatest potential demand for alternative capital.

This component should rely primarily on existing studies, sector reports and expert consultations.

3.2 Enterprise Segmentation and Financing Needs Analysis

The Consultant shall identify and segment a sample of enterprises using a practical framework that considers:

- stage of growth;
- revenue scale;
- value-chain positioning;
- governance maturity; and •
indicative capital requirements.

The analysis should identify:

- typical financing needs across enterprise segments;
- indicative investment ticket sizes; and
- common financing gaps within the ecosystem.

3.3 Instrument Alignment Analysis

The Consultant shall assess which forms of capital may be most suitable for different enterprise segments.

Indicative instruments may include:

- minority equity
- mezzanine capital
- revenue-based financing
- patient capital structures

The objective is to generate practical insights that can inform ACS structuring decisions.

3.4 Rapid Investment Pipeline Identification

To support early ACS design and market engagement, the Consultant shall identify a preliminary pipeline of enterprises that may potentially be suitable for alternative capital instruments.

This pipeline should include approximately 10-15 enterprises and provide indicative information on:

- enterprise activity
- growth stage
- approximate capital requirement
- investment readiness
- potential financing instrument alignment

This pipeline is intended to be illustrative rather than exhaustive.

4. METHODOLOGY

Given the three-week execution window, the Consultant should adopt a rapid diagnostic methodology, combining:

- desk review of existing SBGI and sector analytical materials;
- targeted enterprise interviews;
- consultations with selected ecosystem stakeholders; and
- synthesis of available market intelligence.

Indicatively, the analysis should include engagement with:

- 20–25 enterprises across different agri-value chain segments;
- 5–10 ecosystem stakeholders (aggregators, associations, development partners);
- selected investors or funds active in the sector.

The methodology should prioritize speed, practicality and actionable insights.

5. EXPECTED DELIVERABLES

Given the rapid execution timeline, the consultant will produce **three concise outputs**.

1. Rapid Agri-Value Chain Demand-Side Diagnostic Note

A concise report (approximately 15–20 pages) summarizing:

- key value chains with investment potential;
- enterprise segmentation insights;
- indicative financing gaps; and
- priority constraints affecting enterprise investment readiness.

2. ACS Instrument Alignment Brief

A short analytical note outlining:

- enterprise segments with strongest capital absorption potential;
- indicative investment ticket sizes; and
- potential financing instruments suitable for deployment through the ACS.

3. Preliminary Enterprise Pipeline List

A structured list of 10–15 potential enterprises including:

- enterprise activity;
- growth stage;
- indicative capital need; and
- potential instrument alignment.

6. DURATION AND TIMELINE

The consultancy will be implemented over a three-week period.

Indicative timeline:

Week 1 - Desk review, ecosystem consultations and initial enterprise interviews.

Week 2 - Enterprise interviews, segmentation analysis and preliminary synthesis.

Week 3 - Preparation of final diagnostic note, instrument alignment brief and pipeline list.

Key Milestone:

- Submission of Final Deliverables: 27 March 2026

7. QUALIFICATIONS AND EXPERIENCE

The ideal consultant or consulting firm should demonstrate:

- experience in SME finance or enterprise diagnostics in emerging markets;
- familiarity with agricultural value chains in Sub-Saharan Africa;
- experience conducting rapid market assessments or investment ecosystem studies;
- understanding of alternative capital instruments such as equity, mezzanine or revenue-based financing; and
- strong analytical synthesis and stakeholder consultation capabilities.

8. APPLICATION GUIDELINES

Interested consultants or firms should submit the following to secretariat@nabii.org.zm clearly indicating in the subject line:

“SBGI ACS AGRI-VALUE CHAIN DEMAND-SIDE MARKET SCOPING”

Submissions should include:

- Technical Proposal outlining approach, methodology and work plan;
- Financial Proposal including detailed budget;
- Consultant or Firm Profile including CVs and relevant experience;
- Examples of similar assignments or publications.

The proposals will be reviewed on a rolling basis, and the submission deadline is 11 March 2026.