Market orientation

Financial Product development for irrigation - ref. 202609164

Organisation: The Netherlands Enterprise Agency

The Netherlands Enterprise Agency (in Dutch: Rijksdienst voor Ondernemend Nederland, RVO) supports private and public organisations with funding, international business partners, knowledge, and regulations.
More information about RVO can be found on: www.rvo.nl and http://english.rvo.nl/.

Context
Ghana remains the world's second-largest cocoa producer, generating $2.2 billion in annual foreign exchange and supporting approximately 800,000 smallholder farming households across eight cocoa-growing regions. Yet beneath this economic significance lies a productivity crisis that threatens both farmer livelihoods and national economic sustainability.

For the past decade, national average cocoa productivity has stagnated at 400-500 kg per hectare. According to the Business development for irrigation in Ghanaian cocoa sector study, commissioned by RVO, attainable yields of 1,700-2,500 kg per hectare are achievable under irrigated conditions combined with good agricultural practices. This represents a 65-80% unrealized productivity gap far exceeding typical agricultural performance disparities.

The study indicates that during field assessments, farmers consistently documented physiological stress during the dry season (November-March): leaf shedding, flower abortion, and cherelle wilting. The 2024 season exemplified this crisis, when below-normal rainfall and high temperatures caused cocoa flowers to fail setting fruit at normal rates. When asked about production constraints, farmers uniformly identified water scarcity as their primary challenge during critical growth periods.

The challenge is not merely drought but increasing rainfall variability. While annual rainfall volumes remain historically normal in many zones, temporal distribution has become erratic: delayed rain onset forces farmers to postpone seedling transplanting (slowing farm renewal), mid-season dry spells coincide with critical fruit development stages, and shortened relief periods compress maintenance windows. Critically, seedling survival rates have collapsed to 50% during drought years, compared to 94% under irrigation. COCOBOD and Ghana's Cocoa Research Institute recognize that climate adaptation through irrigation is no longer optional—it is strategically essential.

Despite widespread recognition among farmers, cooperatives, and COCOBOD that irrigation is necessary, actual adoption remains near zero (<0.5% of cocoa area). Farmers report various constraints in adopting irrigation. One of the challenges is the lack of access to affordable finance.

The agricultural financing ecosystem compounds this problem. While seasonal input credit flows exist through Licensed Buying Companies (LBCs) and government fertilizer schemes, no viable mechanism exists for durable capital asset financing in cocoa. Also, equipment suppliers explicitly stated they will not extend credit to individual farmers due to perceived credit risk and administrative burden.

Purpose of the assignment, goals, and deliverables
This project seeks to develop a new financial product in the form of a lease-to-own construction for cocoa farmers. The project will provide the means to pilot the product with at least ten farmers.

Deliverables
1. A financial product is developed for Ghanaian cocoa farmers with at least 5 acres of land under cultivation for irrigation;
2. A financial product is tested with at least 10 farmers;

3. A financial product is locally embedded and adjusted based on the pilot information and ready to be scaled.

The purpose of the assignment, its goals, and deliverables are outlined in the terms of reference, attached as Appendix 1.

Extent and duration
The project is expected to run after the commencement of the contract in January 2027, up to and including December 2028.

Budget indication
The maximum total price is €124.000 including 0% Dutch VAT* and (if applicable) including local VAT and fees, including travel and all other costs.

*Given the nature of this assignment, which includes development cooperation that exclusively benefits a developing country, a VAT rate of 0% applies to the amount specified on the quotation provided the Contractor is established in the Netherlands and his organisation is registered as an entrepreneur for VAT purposes. For extra certainty in this matter, you must request a declaration of exemption from VAT from the tax inspector. More information on this matter can be found within the decree issued by the Ministry of Finance on 21 September 2015 (no. BLKB/2015/76M).

Purpose of the notification
The purpose of this market orientation is to identify qualified organizations to carry out this assignment.

Interested parties are requested to express their interest and answer the questions below.

Name company	
Website	
Name contact person, position + e-mail address	
Do you intent to work together with other organisations on this project	Yes / No, in case yes, please list down the names
Can the party carry out the assignment in accordance with the terms of reference?	Yes / No
Can the party carry out the assignment within the maximum budget?	Yes / No
What is the estimated amount of co-financing that you are willing to contribute to this pilot (in EUR). This could be either in cash, equipment or working hours.	
Is the party available to carry out the assignment from January 2027 up to and including December 2028?	Yes / No
How would you ensure completion of the assignment within the indicated timeline?	
Relevant experience: You are requested to provide a brief explanation, based on your previous experiences and skills, of why you believe you are capable of completing this assignment. See appendix 1 for relevant requested qualifications.	

If applicable: You are requested to list the name of the company, contact person, position and e-mail address of the consortium partner(s).	

Application
Interested companies are invited to send an expression of interest to the Netherlands Enterprise Agency, by sending an e-mail to Amber Nijland, amber.nijland@rvo.nl of the Procurement Office. Please state the name of the contact person of your company and their e-mail address.

You do not have to send any documents; please only send a short message that you are interested.

As a result of the market orientation, RVO may decide to initiate a procurement procedure. Interested parties can be invited to submit a request for proposal as part of this process. If more than 5 applicants respond to the market orientation, a supplier selection can take place on the basis of a selection prior to the request for quotation. This will be done on the basis of the filled in table above, specifically the section on relevant experience.

Please note that your response to this market orientation does not guarantee an invitation to participate in the procurement procedure. In case of a procurement procedure, no distinction will be made between parties that have or have not participated in the market orientation.

Deadline

The deadline for responding to this market orientation is set at **17 November 2026, 23:59 PM CET.**