PROPOSAL FOR INTERNAL APPROVAL

CAYAB AGRI-INNOVATION MICRO-GRANT FACILITY

Integrated with the 100-Acre Local Agriculture First Policy Youth Agrifood Incubator Pilot

CENTRAL PROPOSITION

Verified institutional demand will guide production. The 100-acre campus will organize the supply ecosystem. Micro-grants will finance the youth-led capabilities required to deliver safe, reliable finished products.

Submitted to	CAYAB Executive and authorized decision-making body
Proposed by	CAYAB Secretariat / LAFP Pilot Development Team
Version	v0.1 — Draft for Internal Approval
Date	3 September 2026
Status	Decision required before external circulation or fundraising

CONFIDENTIAL WORKING PROPOSAL

This proposal does not represent a funding commitment, procurement award or government approval.

1. Decision Requested

APPROVAL SOUGHT

Approve the development of the CAYAB Agri-Innovation Micro-Grant Facility as a financing mechanism within LAFP country pilots, beginning with preparation of a feasibility-tested 100-acre Youth Agrifood Incubator model.

CAYAB is asked to authorize the following actions:

- Adopt the proposed programme concept as the basis for technical development and partner engagement.
- Authorize preparation of a detailed feasibility study, institutional-demand assessment, site assessment, implementation plan and costed grant proposal.
- Authorize CAYAB to invite CARDI to explore serving as fund administrator and technical partner, subject to due diligence and a formal agreement.
- Authorize consultations with interested Member States, institutional buyers, FAO and other partners without implying prior commitment.
- Require all external materials to describe the facility and 100-acre campus as proposed until the relevant approvals and financing are secured.

2. Executive Summary

The Local Agriculture First Policy (LAFP) seeks to strengthen structured local procurement, youth participation and the capacity of Caribbean agrifood systems to meet institutional food demand. This proposal recommends creating an Agri-Innovation Micro-Grant Facility that directly finances the youth-led enterprises, technologies and shared capabilities required by approved LAFP pilots.

The initial demonstration concept is a 100-acre Youth Agrifood Incubator Campus organized around verified demand from schools, hospitals, prisons, social services and other participating institutions. Production, aggregation, cold storage, processing, packaging, logistics and business support would be coordinated so that the campus can supply compliant finished products—not merely uncoordinated raw produce.

Micro-grants would be awarded against clearly identified gaps in this supply ecosystem. Every award would be linked to a defined campus requirement, measurable milestones, training obligations and an accountable pathway from grant support to productive activity. The proposed facility therefore shifts the model from “fund enterprises and search for markets” to “verify demand and finance young people to build the system capable of supplying it.”

3. Strategic Rationale

Young farmers and agrifood entrepreneurs frequently face several barriers at the same time: limited access to land, finance, infrastructure, technical assistance, reliable demand and suitable procurement pathways. Addressing only one barrier can leave the enterprise unable to trade. A demand-led campus model allows these constraints to be addressed as one coordinated system.

- Institutional buyers gain a more reliable, traceable and coordinated supply interface.
- Young people gain access to land, skills, shared services, market information and performance records.

- Grant resources finance capabilities tied to actual supply requirements rather than isolated activities.
- The pilot generates evidence that Member States and regional partners can evaluate before expansion.
- Local purchasing can retain more economic activity within participating communities and supply chains.

4. Proposed Theory of Change

> **DEMAND-LED SEQUENCE**
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> Institutional demand → purchasing forecast → production and product plan → youth enterprise grants → coordinated campus production → aggregation and processing → compliant finished products → delivery and payment → enterprise growth and graduation

If participating institutions communicate credible demand and appropriate procurement pathways are established, and if young people receive coordinated access to productive resources, technical support and milestone-based finance, then youth-led enterprises can contribute to reliable institutional supply while building sustainable businesses and measurable implementation evidence for the LAFP.

5. Programme Objectives

1. Demonstrate a governed LAFP country-pilot model linked to institutional food demand.
2. Build youth-led production, service, processing, logistics and technology enterprises.
3. Produce safe, traceable and competitively supplied finished products for participating institutions.
4. Create transparent pathways from training and incubation to finance, supply performance and graduation.
5. Generate operational, economic and social evidence to inform policy refinement and possible replication.

6. Operating Model

6.1 Begin with verified demand

Before grants are opened, the pilot should document the products, volumes, specifications, delivery frequencies, price-setting method, procurement rules, payment arrangements and seasonal requirements of prospective institutional buyers. No production promise should be made until the demand and purchasing authority are verified.

6.2 Build the production plan backwards

The campus operator and technical partners would translate demand into crop schedules, livestock or fisheries plans, processing requirements, quality controls, infrastructure needs and enterprise opportunities. Grant calls would then target the verified gaps in that plan.

6.3 Use one accountable supply interface

Individual tenants should not be expected to invoice multiple institutions independently. Subject to the approved legal and procurement structure, the campus operator or designated aggregator would coordinate orders, allocate production targets, inspect and aggregate output, process or package products, deliver orders, invoice buyers and distribute payments using published rules.

7. Proposed Grant Windows

Grant window	Purpose	Examples	Asset treatment
Youth tenant establishment	Create the campus production base.	Planting material, small tools, irrigation, protective equipment, production records.	Recipient-use assets subject to grant terms.
Value-chain innovation	Fill essential service and technology gaps.	Nurseries, mechanization, GIS, composting, maintenance, traceability.	Individual or service-enterprise assets.
Shared infrastructure	Provide facilities used by multiple tenants.	Packhouse, wash station, cold room, processing, solar, water and connectivity.	Owned by the campus, cooperative or approved public-interest entity.
Finished-product development	Convert campus output into products institutions can purchase.	Formulation, testing, costing, packaging, labelling and trial production.	IP and equipment governed by award agreement.
Graduation and expansion	Help proven tenants become independent suppliers.	Commercial equipment, certification, jobs and market expansion.	Competitive second-stage award based on verified performance.

8. Illustrative Finished-Product Example

If a national school-feeding programme requires a safe, nutritionally appropriate vegetable soup mix, the campus could organize a complete youth-led supply chain:

- Production of pumpkin, sweet potato, cassava, carrots and herbs.
- Seedling, irrigation, mechanization and extension services.
- Harvest coordination, washing, grading and aggregation.
- Processing, formulation, food-safety testing, packaging and labelling.
- Cold storage, delivery scheduling, invoicing and payment distribution.

The micro-grant facility would finance the specific enterprises and shared assets needed to close gaps in this chain. Product specifications and nutrition requirements would be determined with the relevant competent authorities and buyer institutions.

9. Participant Pathway and CALS Integration

1. Register and complete eligibility screening.
2. Complete required CALS/Agrifood Ambassador foundation learning.
3. Undertake technical, safeguarding and enterprise assessment.
4. Prepare a demand-linked business and production plan.
5. Receive a milestone-based grant and enter incubation.

6. Participate in coaching, extension and financial-management support.
7. Produce or provide services within the campus supply plan.
8. Build a verified quality, delivery and financial-performance record.
9. Become eligible to compete for expansion finance and appropriate supply opportunities.
10. Graduate into an independent enterprise, service provider or campus mentor.

10. Proposed Governance and Institutional Roles

Proposed actor	Proposed role—subject to agreement
CAYAB	Programme founder; youth-policy alignment; Youth Standard safeguards; strategic oversight; youth accountability and communications.
CARDI	Potential fund administrator and technical partner, subject to due diligence, board/authority approval and a formal agreement.
Participating government	Land or site arrangements; institutional demand; enabling approvals; buyer agencies; procurement and regulatory compliance.
FAO and development partners	Potential financing and technical assistance; no role or commitment should be represented without written agreement.
Campus operator	Production coordination, shared-asset management, aggregation, processing, logistics, records and tenant services.
Independent selection mechanism	Conflict-managed assessment, scoring, recommendations, complaints and appeal handling.
CALS training partners	Leadership, governance, enterprise, compliance and technical capacity development.
Research/evaluation partner	Baseline, monitoring, cost and market analysis, learning, evaluation and dissemination.

11. Grant and Procurement Safeguards

> **NON-NEGOTIABLE SAFEGUARD**
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> A grant may prepare an enterprise to participate, but it must not be represented as a guarantee of a government contract. All purchasing must comply with applicable national law and approved procurement arrangements.

- Publish eligibility, assessment criteria, scoring weights, available amounts and decision timelines before applications close.
- Separate grant assessment from purchasing and order-allocation decisions.
- Require conflict-of-interest declarations and independent review of related-party applications.
- Use milestone-based disbursement, verification, financial records and proportionate audit rights.
- Define asset ownership, maintenance, insurance, permissible use and disposal before purchase.
- Provide complaints, feedback and appeal procedures with documented response times.
- Apply the CAYAB Youth Standard, safeguarding requirements, data-protection controls and minor-participant restrictions.
- Require environmental, food-safety, decent-work and nondiscrimination compliance.

12. Indicative US$2 Million Funding Framework

The following allocation is an initial planning scenario only. It is not an approved budget and must be replaced by a feasibility-based cost model before submission to a funder.

Funding area	Share	Indicative amount
Youth tenant and production grants	25%	$500,000
Value-chain and technology grants	15%	$300,000
Shared campus infrastructure	25%	$500,000
Product development and food safety	10%	$200,000
Training, extension and mentorship	10%	$200,000
Monitoring, research and digital systems	5%	$100,000
Fund administration, audit and safeguards	10%	$200,000
TOTAL	**100%**	**$2,000,000**

13. Proposed Results Framework

- Institutional demand documented and converted into an approved purchasing and production plan.
- Number and profile of youth enterprises supported, including sex, age group, country and enterprise type.
- Hectares or production units activated and proportion operating to schedule.
- Volume and value of compliant products aggregated, processed, delivered and paid for.
- On-time delivery, rejection, food-safety and buyer-satisfaction performance.
- Jobs, enterprise revenue, repayment or reinvestment capacity and graduation outcomes.
- Share of awards reaching women, persons with disabilities and underserved communities.
- Grievances, conflicts, safeguarding incidents and corrective actions reported and resolved.
- Evidence used to revise the LAFP, grant model and country-pilot design.

14. Principal Risks and Mitigation

Risk	Required mitigation
Demand is informal or not funded	Require written buyer validation, procurement review and realistic payment terms before production commitments.
Campus becomes an expensive real-estate project	Complete site, water, infrastructure, environmental, market and operating-cost feasibility before acquisition or construction.
Grants are perceived as patronage	Use published criteria, independent scoring, conflict controls, decision records and appeals.
Young enterprises remain dependent	Use staged support, performance records, graduation targets and links to appropriate commercial finance.
Shared assets deteriorate	Assign ownership, access rules, fees, maintenance reserves, insurance and operator accountability.

Risk	Required mitigation
Late institutional payment harms tenants	Assess working-capital needs and evaluate lawful payment-risk mechanisms before launch.
Production or food-safety failure	Apply technical protocols, extension, traceability, testing, contingency suppliers and recall procedures.
CAYAB assumes liabilities beyond its capacity	Use legal review, written role boundaries, insurance and qualified operating/fund-management partners.

15. Phased Development Pathway

Phase 1 — Internal authorization: Approve the concept, decision boundaries and authority to consult.

Phase 2 — Feasibility and demand validation: Confirm institutional demand, legal options, land/site conditions, infrastructure, youth pipeline, costs and risks.

Phase 3 — Partnership and instrument design: Negotiate government MOU, fund-administration agreement, grant manual, procurement pathway, safeguards and evaluation protocol.

Phase 4 — Resource mobilization: Prepare the full donor proposal, costed implementation plan and co-financing strategy.

Phase 5 — Controlled pilot: Launch a bounded cohort and product portfolio with baseline data, stage gates and independent oversight.

Phase 6 — Evaluation and scale decision: Assess results, publish lessons, revise the LAFP model and seek authority for replication or expansion.

16. Documents to Be Developed After Concept Approval

- Country-pilot feasibility study and institutional-demand assessment.
- Site-selection criteria and 100-acre campus master development brief.
- Detailed theory of change, logical framework and monitoring/evaluation plan.
- Costed implementation plan, cash-flow model and sustainability strategy.
- Government–CAYAB pilot MOU and operating arrangements.
- CAYAB–CARDI fund-administration and technical-services agreement, if approved by both parties.
- Grant operations manual, eligibility rules, scoring rubric, award agreement and appeals procedure.
- Procurement/legal opinion and institutional purchasing instruments.
- Environmental and social safeguards, youth safeguarding, data governance and risk-management plans.
- Partner/funder proposal and communications protocol.

17. Proposed CAYAB Resolution

DRAFT RESOLUTION

CAYAB approves in principle the development of the CAYAB Agri-Innovation Micro-Grant Facility as a proposed financing mechanism for Local Agriculture First Policy country pilots, including feasibility work for a 100-acre Youth Agrifood Incubator Campus linked to verified institutional food demand. This approval authorizes technical development and partner consultation only. It does not authorize expenditure, fundraising representations, land commitments, grant awards, procurement commitments or external claims of partner participation without the further approvals specified in this proposal.

18. Approval Record

Decision	☐ Approved ☐ Approved with conditions ☐ Revisions required ☐ Not approved
Conditions / comments	
Approved version	v0.1 dated 3 September 2026
Authorized approver	Teesha Mangra Singh, Chairwoman, CAYAB
Signature	
Decision date	

Document-control note

On approval, record the decision, approved version, conditions and evidence filename in the CAYAB document register. Any later revision must receive a new version number; do not overwrite this approval record.