COMPREHENSIVE PROJECT PROPOSAL

AFRIEURO LINKS INTEGRATED VALUE-CHAIN, TRUST AND MARKET INFRASTRUCTURE PROGRAMME

Regenerative cotton, sustainable fashion, renewable oils, permissioned blockchain, traceability and Kenya-European Union market access

Item	Details
Lead Applicant	Labl Group East Africa LTD — registered 20 December 2019; Company No. PVT-PJU92LB; KRA PIN P051868537Y
Consortium Partners	Labl Fashion LTD; Labl Farms LTD; Crostar Energy LTD; Goblis Foundation; Afribiz Consultancy Limited
Technical Service Providers	Afrisol Technologies Limited — system, integration, AI, GIS, cybersecurity and permissioned-blockchain development
Public-Sector Partners	County Governments of Taita Taveta and Kilifi; ministries responsible for Agriculture, Trade and Industrialisation, and Energy; NEMA; KMD; and other competent statutory and technical institutions
Duration	36 months (proposed January 2027–December 2029), with post-project transition and 2030 scale pathway
Funding Requested	KES 138,000,000
Geographic Focus	Taita Taveta and Kilifi Counties; Kenya, East Africa, Dutch and wider European Union markets; gated replication pathway
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Acronyms and Abbreviations

Acronym	Meaning
AFA	Agriculture and Food Authority
B2B	Business-to-Business
EIA	Environmental Impact Assessment
EPRA	Energy and Petroleum Regulatory Authority
ESG	Environmental, Social and Governance
EU	European Union
FTE	Full-Time Equivalent
ICT	Information and Communication Technology
ICS	Internal Control System
KEBS	Kenya Bureau of Standards
KEPHIS	Kenya Plant Health Inspectorate Service
KALRO	Kenya Agricultural and Livestock Research Organization
LGEA	Labl Group East Africa Ltd
M&E	Monitoring and Evaluation
NEMA	National Environment Management Authority
QA	Quality Assurance
SACCO	Savings and Credit Cooperative Society
SME	Small and Medium Enterprise
UCO	Used Cooking Oil
DLT	Distributed Ledger Technology
DPP	Digital Product Passport
EPCIS	Electronic Product Code Information Services
VC	Verifiable Credential
PDC	Private Data Collection

1. Executive Summary

AfriEuro Links is a 36-month integrated market-systems, digital-infrastructure and enterprise-trust programme connecting regenerative cotton, responsible fashion, renewable oils, payments, weather intelligence, assurance and Kenyan-to-European market access. It will establish a shared standards and interoperability layer across Labl Group East Africa LTD, Labl Farms LTD, Labl Fashion LTD and the strategic partner Crostar Energy LTD while preserving the independent governance of LaDOS and CEOS. A permissioned blockchain trust layer will anchor selected cross-enterprise events, signatures and credentials without merging operational databases or placing sensitive personal and commercial data on an immutable shared ledger.

The programme will establish commercially governed producer clusters, whole-farm and quality protocols, GIS and environmental mapping, provider-neutral payment integrations, partner weather-data feeds, AI-supported operational tools, standards-based traceability, permissioned blockchain proofs, verifiable credentials, ESG and climate-finance evidence, pilot production and diversified buyer relationships. The blockchain capability will use authorised membership, minimum on-chain data, multi-party endorsement and off-chain source systems; it is not a cryptocurrency or token-financing programme.

Labl Group East Africa LTD, registered in Kenya on 20 December 2019 under Company No. PVT-PJU92LB and KRA PIN P051868537Y, will serve as lead applicant and AfriEuro Links platform-governance owner. Labl Fashion LTD begins controlled operations on 1 October 2026 and leads customer, product, manufacturing, DPP and circularity functions. Labl Farms LTD begins formal operations on 1 January 2027 and leads farmer services, whole-farm resilience, GIS/environmental evidence, aggregation and stage-gated fibre, colour and oilseed pathways. Crostar Energy LTD is a separate strategic partner and subsidiary of Forest Energy B.V.; it owns CEOS business governance and leads oilseed/UCO, processing, HSE and energy-market pathways.

The programme will establish the infrastructure for Labl Farms' conditional active-farmer pathway of 4,000 in 2027, 8,000 in 2028, 16,000 in 2029 and 32,000 in 2030. These figures are planning targets, not automatic grant attribution, and each increase is gated by demand, service quality, safeguarding, traceability, processing, working capital, timely payment and participant benefit. The programme will also link at least 120 SMEs or producer enterprises, strengthen at least 12 aggregation structures, conclude at least six structured supply arrangements and facilitate at least KES 250 million in cumulative transactions, subject to baseline and market validation.

2. Applicant and Consortium Profile

2.1 Lead Applicant: Labl Group East Africa Ltd

Labl Group East Africa LTD is a Kenyan private social enterprise registered on 20 December 2019 under Company No. PVT-PJU92LB and KRA PIN P051868537Y. It provides group strategy, governance, capital coordination, shared services, partnerships, market development, digital product governance and consolidated assurance. The Rakhasi/Sagalla platform near Voi is the group's six-acre demonstration and production anchor, supported by planned commercial coordination in Westlands, Nairobi from January 2027. Labl Fashion LTD and Labl Farms LTD are separate registered Kenyan operating companies within the group architecture.

Labl Group East Africa has developed its Rakhasi/Sagalla platform near Voi on a six-acre property. The site includes a garment-production facility, electricity, a demonstration farm and a borehole awaiting equipping. Pilot garment production and preparatory community engagement do not count as full operations or active-farmer delivery. Labl Fashion controlled operations begin on 1 October 2026; formal Labl Farms and full group operations begin on 1 January 2027.

Although Labl Fashion B.V. is based in the Netherlands, AfriEuro Links is designed as a Kenya–European Union market-access programme rather than a single-country sourcing arrangement. The Netherlands base will be used to open and coordinate commercial relationships across EU member states, including textile brands, garment and fibre buyers, sustainability and traceability service providers, logistics companies, impact investors and development-finance institutions. This diversified approach will reduce single-market risk and broaden opportunities for Kenyan farmers and SMEs.

2.1.1 Labl Fashion B.V. - Parent Shareholder and European Market Gateway

Labl Fashion B.V., registered and domiciled in the Netherlands, has a shareholder interest in Labl Group East Africa Ltd. It will provide Dutch and wider European Union market intelligence, textile-sector and brand linkages, product-development feedback, buyer introductions, commercial diplomacy support and engagement with potential financing partners. Its Netherlands base creates a direct Dutch earning-capacity linkage while serving as the programme's initial gateway into multiple EU member-state markets rather than a single-country off-take arrangement.

2.2 Crostar Energy Ltd

Crostar Energy LTD is a Kenyan renewable-energy and renewable-oils enterprise incorporated on 1 September 2024 under Company No. PVT-MKU926M6 and KRA PIN P052358605F. It is a subsidiary of Forest Energy B.V. and a strategic partner to Labl Group East Africa and Labl Farms; it is not an LGEA subsidiary. Crostar's Mavueni hub anchors a coastal-first sequence covering Kilifi, Mombasa, Kwale and Taita Taveta, followed conditionally by Tana River and Lamu; Kitui, Homa Bay and Nyeri remain later gated options. CEOS remains independently governed by Crostar.

2.3 Goblis Foundation

Goblis Foundation will serve as the independent community training, inclusion, safeguarding, financial-literacy, accountability and milestone-based community-grant support partner. It will not supervise Afribiz Consultancy Limited and will not approve its own grant or payment evidence.

2.4 Afrisol Technologies Limited

Afrisol Technologies Limited will be contracted as the specialist digital systems provider. It will undertake requirements analysis, solution and data architecture, user-experience design, LaDOS/CEOS/AfriEuro modules, GIS, payment and weather integrations, permissioned blockchain, smart-contract and verifiable-credential delivery, cybersecurity, testing, deployment, maintenance and handover. Technology selection will remain standards-led and subject to total-cost, security, performance and local-support evaluation.

2.5 Afribiz Consultancy Limited

Afribiz Consultancy Limited is a separate programme partner and field-service provider. It will identify and register farmers, cooperatives, community organisations and SMEs; support consent, documentation and data verification; assist onboarding and corrections; and report through a direct contract, work plan, budget, data-processing obligations and acceptance criteria. It will not operate under Goblis Foundation and cannot approve its own eligibility, payments or data exceptions.

2.6 Public-Sector and Regulatory Partners

Institution	Proposed role
County Government of Taita Taveta	Local mobilisation, extension, cooperative support, county coordination, demonstration and replication of cotton and diversified farming models.
County Government of Kilifi	Oilseed farmer mobilisation, extension, cooperative and SME support, local approvals,

Institution	Proposed role
	aggregation planning and integration with county agriculture, trade and climate programmes.
Ministry of Agriculture and Livestock Development	National crop-development guidance; agronomic protocols; coordination with AFA, KALRO and KEPHIS; planting material, plant health, food-security, extension and replication guidance.
Ministry of Trade, Investments and Industry	Trade and industrialisation alignment; SME and value-addition linkages; Dutch and wider European Union export readiness; standards coordination; commercial diplomacy; and national scaling.
Ministry of Energy and Petroleum	Biofuel-policy alignment, renewable-energy coordination and liaison on applicable approvals, technical standards and sector development.
NEMA	Environmental screening, EIA licensing where required, environmental-management conditions, compliance monitoring and environmental audits.
EPRA, KEBS, DOSHS and other regulators	Applicable energy, fuel-quality, occupational-safety, construction, storage, transport, processing and market approvals.

NEMA, EPRA, KEBS, DOSHS and other statutory bodies are regulators and competent authorities, not commercial consortium members. Their inclusion records the approvals, standards, oversight and compliance interfaces required by the project. All licences, permits, certifications and approvals will remain subject to independent statutory review; nothing in this proposal implies prior approval, exemption or guaranteed authorisation.

3. Background, Context and Problem Analysis

3.1 Sector context

Kenya has a long history of cotton farming, ginning, textile manufacture and apparel production. The 2024 draft National Cotton, Textile and Apparel Policy records that the sector once accounted for about 30% of manufacturing employment and provided a market for more than 200,000 small-scale cotton farmers. It also records a decline from approximately 200,000 acres and 70,000 bales annually in the 1970s to about 30,000 acres and 7,000 bales in 2023, with only 15 of 52 textile mills operational. This history shows both the scale of the opportunity and the risk of rebuilding production without reliable market, quality and diversification systems. [IN-1]

The production gap is visible in the pilot counties. The Agriculture and Food Authority yearbook cited in the concept note reports that Taita Taveta and Kilifi together produced only 90.89 metric tonnes of seed cotton from 881 acres in 2024, approximately 1.5% of national output. At the same time, Kenya retains more than 170 medium and large textile and apparel companies and over 70,000 micro and small enterprises outside export-processing zones. Connecting this industrial base to reliable, traceable local fibre and renewable-oil feedstocks is therefore a significant SME, manufacturing and trade-linkage opportunity. [IN-2] [IN-3]

The renewable-oil pathway creates a complementary market. Cotton produces lint for textiles and seed that can generate oil and other by-products. Oil-producing trees and crops can provide additional industrial feedstocks on suitable land, while vegetables and fruits support household nutrition and local sales. The project therefore treats high export-entry costs and limited distribution or procurement opportunities as consequences of two anchor failures: fragmented value chains and weak SME-buyer linkages; and the lack of shared standardisation, quality assurance and traceability. Its response is not a cotton-only revival, but a resilient fibre, renewable-oil and food-production market system.

3.2 Core problem

The core problem is that smallholder farmers and rural SMEs remain excluded from higher-value domestic and export markets because fragmented value chains are not supported by shared standards, quality assurance, traceability, transparent transactions and credible buyer linkages. Farmers sell small and variable volumes, SMEs lack records and working histories, buyers face high verification costs, and public services remain disconnected from end-to-end commercial transactions.

3.3 Problem tree

Level	Problem elements
Root causes	Dispersed producers; weak cooperative governance; limited commercial data; unaffordable certification; weak internal controls; limited digital infrastructure; insufficient coordination among agriculture, trade, energy and environmental institutions.
Core constraints	Fragmented value chains and weak SME-buyer linkages; lack of standardisation, quality assurance and traceability.
Immediate effects	Inconsistent volumes and quality; buyer due-diligence costs; high market-entry risks; consignment rejection; delayed or opaque payment; poor access to finance and insurance.
Long-term effects	Low farmer income; weak rural enterprise growth; underused processing capacity; import dependence; low export competitiveness; and limited Kenya–Netherlands and wider European Union investment and trade mobilisation.

3.4 Rationale for an integrated cotton, oilseed and food model

The proposal deliberately avoids a cotton-only model. Farmers will be trained to produce cotton within diversified farming systems that include approved renewable-oil crops and food crops. Cottonseed will be assessed for oil extraction and industrial energy use, while cotton cake and other by-products will be managed according to applicable food, feed and safety requirements. Fruit and vegetable production will strengthen household nutrition, reduce food expenditure and create local market opportunities. Crop combinations will be based on agronomic suitability, water availability, pest-management considerations and county-specific recommendations.

4. Goal, Objectives and Expected Outcomes

Goal: To improve market integration, competitiveness and inclusive growth for smallholder producers and SMEs in Kenya's regenerative cotton, renewable-oilseed and associated food-value chains by establishing shared aggregation, quality-assurance, traceability and transaction infrastructure linked to structured domestic, Dutch and wider European Union buyers.

4.1 Specific objectives

1. Organise producers and SMEs into commercially functional clusters with transparent governance, contracts and transaction procedures.
2. Establish shared standards, internal control systems, quality assurance and certification readiness for regenerative cotton and renewable-oil feedstocks.
3. Develop and operationalise a secure digital platform covering registration, traceability, quality records, transactions, payments and buyer due diligence.

Deploy a permissioned blockchain trust layer using standards-based events, digital signatures, verifiable credentials, multi-party endorsement and human-approved smart-contract workflows while keeping sensitive records off-chain.

4. Validate diversified cotton, oilseed and food-production models and connect them to processing and structured market demand.
5. Increase participation and economic benefits for women, youth and marginalised groups.
6. Create a scalable public-private model that can be replicated in other Kenyan counties and later adapted for Tanzania and Uganda.

4.2 Expected outcomes

Outcome	End-of-programme target
Outcome 1: Functional aggregation and SME linkages	Infrastructure and service capacity aligned to the conditional Labl Farms active-farmer pathway: 4,000 in 2027, 8,000 in 2028, 16,000 in 2029 and 32,000 in 2030; at least 120 SMEs and 12 clusters commercially linked, with unique-person and unique-source reconciliation.
Outcome 2: Standards and QA	Two quality-management/internal-control systems operational; at least 3,500 initial producers meeting minimum requirements and a scale plan tied to annual active-farmer gates.
Outcome 3: Digital market infrastructure	One deployed modular platform with GIS, traceability, payments, weather, AI and permissioned-blockchain proof from registered source to processing, product, settlement and circular return where applicable.
Outcome 4: Commercial transactions	At least six structured supply agreements, four completed export or cross-border transaction cycles, KES 250 million cumulative facilitated transactions and measurable payment and net-benefit improvement, subject to baseline verification.
Outcome 5: Inclusive benefits	At least 50% women and 35% youth among direct farmer beneficiaries; at least 25 women- or youth-led service enterprises; direct individual registration and payment where applicable.
Outcome 6: Replication readiness	Documented model, cost structure, operating manuals and replication packages adopted or endorsed by partners.

5. Theory of Change and Intervention Strategy

If farmers and SMEs are organised around credible demand; if they use common production, quality and traceability standards; if their records are captured in a secure transaction platform; if cotton is integrated with complementary oilseed and food production; and if anchor buyers, public institutions and regulators coordinate around the same market pathway, then market-entry costs and buyer risk will fall. This will lead to more reliable supply, higher-value transactions, better farmer and SME incomes, greater investment and a replicable Kenya-to-European Union market system.

5.1 Intervention principles

Trust must be layered: operational databases remain authoritative, standards make events interoperable, and permissioned blockchain makes selected cross-party proofs tamper-evident.

- Demand-led production: production targets will be based on buyer specifications and realistic off-take pathways.
- Open infrastructure: common standards and platform services will not be exclusive to one buyer.
- Diversification: cotton income will be complemented by cottonseed utilisation, approved oilseed crops, vegetables and fruits.
- Commercial sustainability: grant support will build shared infrastructure rather than subsidise routine commodity purchases.
- Inclusion by design: women and youth will be registered, paid and represented directly.
- Compliance first: environmental, energy, plant-health, labour, safety, data-protection and product standards will be embedded before scale.

5.2 Additionality and Complementarity

AfriEuro Links addresses a coordination failure that commercial investment and existing public programmes cannot resolve alone. Government programmes support seed distribution, extension, cooperative development and processing capacity, while digital platforms provide farmer information, finance and selected market services. None of the identified initiatives combines diversified cotton-oilseed production, household food security, open SME aggregation, common quality assurance, farm-to-buyer traceability, transaction execution, Dutch and wider EU market linkage and a pathway to investment in Taita Taveta and Kilifi. Existing cotton-revival efforts understandably concentrate on acreage, seed and ginning throughput; energy initiatives focus on feedstock; and general digital platforms serve a broad farmer base. AfriEuro Links connects these agendas at farm, SME, processor and buyer levels so that cotton fibre, cottonseed, complementary oilseeds and food crops reinforce rather than compete with one another.

> INFORMATION NOTE - ADDITIONALITY TEST: The grant is not requested to subsidise routine commodity purchases or proprietary company operations. It finances time-bound, open market infrastructure that no single farmer, SME, buyer, county or company has the incentive or capacity to build alone: cluster governance, shared standards, internal controls, testing, traceability, commercial validation, food-security safeguards, inclusion systems and reusable transaction protocols.

5.2.1 Overview of Existing Initiatives and Project Additionality

Existing initiative	Existing contribution	AfriEuro Links additionality and synergy
National Cotton Revival and Bt Cotton Commercialisation Programme	Commercialisation of Bt cotton was approved in 2019; demonstration farms, seed distribution and farmer training have sought to increase production and revive the cotton-textile value chain. [IN-4]	The project will not duplicate seed promotion. It adds demand-led aggregation contracts, regenerative and buyer-specific standards, lot-level traceability, SME participation, apparel linkage, cottonseed utilisation, diversified food production and Dutch/EU off-take development.
New coastal cotton ginneries in Kwale and Lamu	The ginneries reduce distance and transport cost for farmers in Kwale, Kilifi, Lamu and Taita Taveta and provide essential processing capacity. [IN-5]	AfriEuro Links will create traceable, quality-assured supply streams that can use existing ginning capacity. It coordinates farms, SMEs, ginning, garment production and buyers rather than financing competing gin capacity.
Safaricom DigiFarm	DigiFarm provides digital farmer profiles and access to agronomic information, inputs, finance and market services. [IN-6]	The project will link or interoperate where practical, but will specialise in buyer-specific chain of custody, batch and quality records, contracts, export documentation, multi-stage processing traceability and project grant controls.
Kilifi cooperative-model agriculture and Taita Taveta extension programmes	County programmes mobilise farmers, support cooperatives, distribute inputs, provide extension and coordinate local development. [IN-7]	AfriEuro Links will use county systems rather than create parallel public structures. It adds buyer agreements, SME service markets, shared QA, digital traceability, community-grant controls and structured domestic and EU transactions.

5.2.2 Grant Necessity and Counterfactual

Grant finance is necessary because the core assets are shared market infrastructure. Individual farmers cannot finance certification, laboratory testing or digital traceability; SMEs cannot recover the full cost of an open platform during market creation; county governments can mobilise producers but cannot assume off-take risk or build EU buyer networks; and no single buyer will finance non-exclusive infrastructure that can serve other firms. Nor would one commercial actor normally finance household vegetable and fruit training whose benefits accrue across nutrition, resilience and local markets. The grant makes it possible to design these functions as one interoperable system rather than several disconnected projects.

Without support, the Sagalla and Mavueni pilots would remain small, services would remain fragmented and buyer verification risk would remain high. With support, the consortium can reach transaction scale, lower unit costs, validate several income streams and mobilise private finance. The grant will fund cluster formation, common standards, traceability, commercial validation, diversified livelihood training, inclusion and learning. It will not fund permanent price subsidies, routine commodity purchases, profit distributions or unrelated company expenditure. For-profit partners will work at non-commercial rates, maintain separate project accounts and contribute facilities, personnel, buyer relationships and technical capability.

Additionality also lies in demonstrating that cotton revival need not recreate cotton dependency. Traceable fibre, cottonseed and complementary renewable-oil feedstocks can be developed alongside vegetables and fruits within one farmer-centred market model. Non-proprietary standards, intercropping lessons, food-security safeguards, contract templates and transaction protocols will be available for qualified use by other counties and market actors.

5.3 Systemic Change and Replication Logic

AfriEuro Links is a market-system intervention, not a closed sourcing project. Common standards replace inconsistent specifications; digital records replace unverifiable claims; aggregation replaces isolated selling; diversified cotton, oilseed and food production reduces single-crop exposure; and repeat contracts replace opportunistic transactions. The platform, manuals, contract templates, grant controls and cluster procedures will be reusable by qualified participants in additional locations.

After validation in Taita Taveta and Kilifi, national replication will prioritise the 21 counties reporting cotton production in the AFA data used by the concept note: Lamu, Meru, Busia, Siaya, Homa Bay, Baringo, Kitui, Tharaka Nithi, Taita Taveta, Kilifi, Makueni, Kisumu, Elgeyo Marakwet, Kwale, Embu, Machakos, Bungoma, Kirinyaga, Migori, Murang'a and Tana River. Renewable-oilseed replication will initially consider Baringo, Makueni, Nakuru, Mombasa and Kilifi, together with other counties only where agronomic, environmental, land-use, food-security and market validation confirms suitability. Expansion will not assume that one crop or intercrop is appropriate everywhere. [IN-2] [IN-8]

County governments will embed proven mobilisation, extension and cooperative-support functions in their programmes. The Ministry of Agriculture and Livestock Development will coordinate national crop learning, data and replication; the Ministry of Energy and Petroleum will connect the renewable-oilseed pathway to national biofuel and clean-energy frameworks; the Ministry of Trade, Investments and Industry will support industrial, standards and export linkages; and NEMA and other regulators will be built into the replication protocol. Adaptation in Tanzania and Uganda will follow country-specific regulation, institutions and partnerships.

Verified transaction histories can improve lender confidence; predictable volumes can justify storage and processing investment; quality information can reward better production; diversified farm outputs can stabilise household income and nutrition; and multiple buyers can reduce dependence on one off-taker. The systemic outcome is a lower-cost, diversified route through which small enterprises become traceable, quality-assured and investable suppliers across domestic, Dutch, wider EU and regional markets.

6. Programme Components and Activities

6.1 Component 1: Inception, Baseline and Market Validation

- Conduct inception workshops and formalise consortium and government coordination arrangements.

- Complete baseline studies covering farmer profiles, SMEs, production, current income, quality, market channels, gender, youth and environmental conditions.
- Validate Kenyan, Dutch and wider European Union buyer specifications, demand volumes, price structures, processing requirements, customs and logistics considerations and commercial pathways.
- Prepare county-specific crop-suitability and diversification plans.
- Establish the project management, procurement, safeguarding, grievance and M&E systems.

6.2 Component 2: Community Mobilisation, Registration and Cluster Formation

- Map producer groups, cooperatives, SMEs, ginneries, transporters, processors and service providers.
- Afribiz Consultancy Limited, as a separate programme partner, will support community registration, identity and enterprise verification, farm mapping, consent capture and beneficiary file preparation through its own approved work plan and contract. Goblis Foundation will separately lead training, safeguarding, inclusion and community-grant support.
- Establish or strengthen ten commercially governed aggregation clusters.
- Develop governance charters, membership rules, pricing communication, dispute procedures and segregation of duties.
- Link suitable community organisations to transparent, milestone-based grant support where approved.

6.3 Component 3: Agronomy, Diversification and Food Security

- Train farmers on regenerative cotton, soil restoration, water management, integrated pest management and safe input use.
- Validate intercropping or complementary production of cotton with approved renewable-oil crops, including castor, jatropha, canola and croton where suitable.
- Train households in vegetable and fruit production for nutrition, household savings and local-market income.
- Demonstrate cottonseed collection, handling and potential oil extraction while observing feed, food, safety and energy standards.
- Provide extension materials and train county officers, lead farmers and community facilitators.

6.4 Component 4: Standardisation, Quality Assurance and Certification Readiness

- Develop quality manuals for cotton lint, cottonseed and renewable-oil feedstocks.
- Establish farm registration, input-control, harvesting, storage, contamination control, sampling, testing and corrective-action procedures.
- Create internal control systems and train inspectors and cluster quality leads.
- Undertake laboratory testing and certification gap assessments.
- Prepare selected clusters and SMEs for recognised sustainability, organic, regenerative or buyer-specific standards where commercially justified by verified demand; certification will not be pursued as a stand-alone activity without a realistic market pathway.

6.5 Component 5: Digital Platform Development and Deployment

- Afrisol Technologies Limited will lead discovery, requirements validation and solution architecture.

- Develop farmer, cooperative, SME, buyer and service-provider registration modules, including assisted and offline registration for farmers and enterprises without smartphones.
- Implement georeferenced farm profiles, crop forecasts, batch identification, chain-of-custody, quality results, orders, contracts, deliveries, payments and supplier performance histories. The resulting transaction histories will support due diligence and, where financiers agree, improve readiness for credit, insurance and investment.
- Integrate mobile and bank payment references without storing unnecessary sensitive financial data.
- Provide dashboards, role-based access, audit logs, consent management, offline field capture, cybersecurity and disaster recovery.
- Pilot, test, deploy, train users and provide help-desk and maintenance support.

6.5.1 Permissioned blockchain and verifiable-trust workstream

The programme will implement blockchain only where cross-enterprise trust and tamper evidence justify the cost. The baseline is a permissioned consortium network, subject to architecture and procurement. LaDOS and CEOS will send approved event proofs through an integration layer; personal data, detailed contracts, prices, designs, agronomy and process parameters remain off-chain. Smart contracts will implement endorsement and state-transition rules, not replace legal agreements or autonomously release funds.

Use case	Anchored proof or credential	Responsible owner
Farm and cotton origin	Consent/version proof, lot creation, aggregation, quality and payment-entitlement event.	Labl Farms / LaDOS
Fashion transformation and DPP	Material receipt, transformation, QA release, garment identity and circular-return event.	Labl Fashion / LaDOS
Oilseed, UCO and renewable oils	Source, custody, sample/test, processing batch, HSE and product-release event.	Crostar Energy / CEOS
Organisation and assurance	Verified supplier, laboratory, certifier, permit or training credential and revocation status.	Issuer and AfriEuro Links governance
Payments and community grants	Human-approved entitlement or milestone hash linked to licensed-provider transaction reference.	Finance approvers and licensed provider

6.6 Component 6: Processing and Demonstration

- Use Labl Group East Africa's Sagalla site to demonstrate farm-to-garment traceability, small-batch production and buyer-ready textile products.
- Use Crostar Energy's Mavueni site to validate feedstock aggregation, oil extraction and biodiesel pathway requirements, subject to NEMA, EPRA, KEBS, county and occupational-safety approvals.
- Demonstrate safe handling and productive use of by-products.
- Undertake technical and commercial trials before recommending expansion.
- Document unit costs, quality results, yields, operational risks and scalability.

6.7 Component 7: Market Linkages, Finance and Transactions

- Map and qualify Kenyan, Dutch and wider EU buyers, brands, importers, processors and commercial partners.
- Organise buyer missions, supplier forums, product sampling and commercial due diligence.
- Negotiate supply, off-take and service agreements.
- Assist SMEs with export readiness, costing, documentation, logistics, insurance and finance applications.
- Use Labl Fashion B.V.'s Netherlands presence as a gateway to the wider European Union market, strengthening Dutch earning capacity while mobilising trade, procurement and investment from

Dutch and other EU buyers, brands, logistics providers and financing institutions. Potential engagement with Invest International, FMO and other Dutch or European financing institutions will remain subject to their independent appraisal.

- Complete and review pilot domestic, Dutch and wider European Union commercial and export transactions.

6.8 Component 8: Inclusion, Community Grants and Enterprise Development

- Deliver financial literacy, business planning, cooperative leadership and safeguarding training.
- Support women- and youth-led service enterprises in aggregation, transport, data capture, quality inspection, nurseries, extension, food-production services, processing and storage, and support at least 25 women- or youth-led market-service enterprises and track women's and youth participation directly.
- Operate transparent community-grant windows with public criteria, due diligence, approved budgets, milestone disbursement and verification.
- Ensure women can register and receive payments in their own names.
- Provide accessible grievance, whistleblowing and complaints mechanisms.

6.9 Component 9: Learning, Policy Linkage and Replication

- Produce annual learning briefs and market-system performance reports.
- Convene county and national learning forums.
- Develop replication packages for other cotton and oilseed-producing counties.
- Prepare a regional adaptation framework for Tanzania and Uganda after Kenya validation.
- Publish non-confidential tools, standards and lessons for sector use.

7. Digital System Functional and Governance Requirements

7.1 Core modules

Module	Functions
Registry	Farmers, households, cooperatives, SMEs, buyers, service providers, government and project users.
Farm and production	Geolocation, plot profile, crop plan, expected volumes, practices, inspections and corrective actions.
Traceability	Batch/lot creation, collection, storage, processing, transport, split/merge events and chain-of-custody.
Quality	Specifications, sampling, test results, grading, non-conformance, corrective action and release approval.
Transactions	Orders, contracts, delivery notes, invoices, payment references and supplier histories.
Community grants	Application, due diligence, approval workflow, milestones, disbursement records and verification.
Analytics	Production forecasts, inclusion, sales, quality, compliance, buyer and county dashboards.
Administration	User roles, consent, audit logs, security, backup, incident response and data retention.

Module	Functions
Permissioned blockchain and credentials	Consortium identities; event hashes; endorsements; private-data references; smart-contract state; credential issuance, verification and revocation; correction links; audit queries.

7.2 Technology delivery responsibilities

Actor	Responsibilities
Afrisol Technologies Limited	System architecture, development, testing, deployment, hosting configuration, integrations, cybersecurity, maintenance, documentation and technical training.
Labl Group East Africa Ltd	Product ownership, business requirements, acceptance testing, textile pathway requirements and contract management.
Crostar Energy Ltd	Oilseed, processing, quality and energy-pathway requirements.
Goblis Foundation	Training, inclusion, safeguarding, financial literacy, community accountability and milestone-based community-grant support.
M&E Team	Indicator definitions, dashboard specifications, data-quality assurance and reporting.
Consortium Steering Committee	Data governance, access approvals, intellectual property, change control and sustainability decisions.
Afribiz Consultancy Limited	Independent registration, consent and documentation support, data verification, onboarding, corrections and field-service reporting.

7.3 Data protection and cybersecurity

The system will apply privacy-by-design principles, data minimisation, informed consent, role-based access, encryption in transit and at rest, secure coding, audit logs, backups, vulnerability testing, breach-response procedures and defined retention periods. Personally identifiable information will not be shared with buyers unless legally permitted and operationally necessary. The project will maintain a data-sharing agreement, data-processing agreements with service providers and a clear procedure for beneficiary access, correction and complaints.

7.4 Permissioned blockchain architecture and controls

The permissioned ledger will be an enterprise trust layer rather than a shared master database. Hyperledger Fabric or an equivalent platform will be assessed against privacy, performance, support and total cost. Membership Service Provider or equivalent identity controls will authenticate organisations and users. Channels or private-data collections will isolate confidential relationships; shared blocks will hold only authorised event data and hashes. Endorsement policies will require the relevant organisations to approve critical transitions.

Design decision	Proposal requirement
Data placement	Detailed and personal data off-chain; minimum identifiers, event metadata, hashes, signatures and status on-chain.
Standards	GS1 identifiers and EPCIS 2.0 where applicable; verifiable credentials; DPP-compatible product identifiers and metadata.
Smart contracts	Workflow and endorsement controls only; legal agreements prevail; payments require licensed rails and human approval.
Key management	Named custodians, multi-signature administration, backup/recovery, rotation, revocation and incident procedure.
Governance	Node roles, voting, upgrades, code review, disputes, member entry/exit and data portability documented.
Assurance	Architecture review, code and configuration audit, penetration testing, performance tests and operational acceptance.

7.5 Blockchain boundaries and non-uses

The project will not issue cryptocurrency, promise token returns, store unrestricted personal data on-chain, treat a ledger entry as proof that a field observation is accurate, bypass regulators or banks, or claim that blockchain automatically makes a crop or product sustainable. Any future tokenisation, public-chain anchoring or digital-asset financing requires a separate legal, standards, market and governance case.

8. Implementation Arrangements and Work Plan

8.1 Phasing

Phase	Period	Main outputs
Phase 1: Inception and validation	Months 1–6	Governance, baseline, market validation, approvals roadmap, platform requirements and cluster selection. Blockchain business case, consortium governance, EPCIS/data model and proof-of-concept design.
Phase 2: Build and organise	Months 7–15	Registration, cluster formation, agronomy training, standards, platform development and initial demonstrations. Permissioned-ledger pilot, credentials and smart-contract testing.
Phase 3: Deploy and transact	Months 16–27	Platform rollout, internal controls, certification readiness, buyer engagement, processing trials and first transactions. Blockchain business case, consortium governance, EPCIS/data model and proof-of-concept design.
Phase 4: Scale and transition	Months 28–36	Expanded transactions, cost recovery, evaluation, institutionalisation and replication package.

8.2 Detailed activity schedule

Activity	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
Governance and inception	●	●										
Baseline and market studies	●	●	●									
Regulatory and safeguards planning	●	●	●	●								
Community mapping and registration		●	●	●	●	●	●	●				
Cluster formation and governance		●	●	●	●	●						
Agronomy and food-security training		●	●	●	●	●	●	●	●	●	●	●
QA and ICS development		●	●	●	●	●	●	●	●	●	●	●
Platform design and build	●	●	●	●	●							
Platform pilot and deployment				●	●	●	●	●	●	●	●	●
Demonstration and processing trials			●	●	●	●	●	●	●	●		

Activity	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
Buyer engagement and transactions		●	●	●	●	●	●	●	●	●	●	●
Community grants			●	●	●	●	●	●	●	●		
M&E and learning	●	●	●	●	●	●	●	●	●	●	●	●
Transition and replication									●	●	●	●

9. Governance, Management and Staffing

9.1 Governance structure

Body	Composition	Function
Project Steering Committee	Labl, Crostar, Goblis Foundation, county representatives and invited national institutions.	Strategic direction, annual plans, risk oversight, partner coordination and review of performance.
Project Management Unit	Project Director, Programme Manager, Finance Manager, M&E Manager, Procurement/Compliance Officer and support staff.	Day-to-day implementation, contracting, finance, reporting, coordination and issue resolution.
Technical Working Groups	Agriculture/food security; energy/processing; digital/data; markets/QA; safeguards/inclusion.	Technical design, review, standards and problem solving.
County Implementation Forums	County departments, local administration, cooperatives, community representatives and project field teams.	Local planning, mobilisation, extension, grievances and coordination.
Community Oversight Committees	Elected representatives with women, youth and marginalised-group participation.	Transparency, feedback, community-grant oversight and social accountability.

9.2 Indicative staffing

Position	Indicative responsibility
Project Director	Accountability to the lead applicant and donor; strategic representation.
Programme Manager	Integrated delivery, work planning, partner management and reporting.
Finance and Grants Manager	Budget control, reporting, community grants, audits and financial compliance.
M&E and Learning Manager	Results framework, studies, data quality, dashboards and learning.

Position	Indicative responsibility
Agriculture and Diversification Lead	Cotton, oilseed, food crops, extension and technical coordination.
Quality and Market Access Lead	Standards, ICS, certification readiness, buyer requirements and transactions.
Digital Product Manager	Afrisol contract management, requirements, testing and user adoption.
Community Inclusion Lead	Goblis Foundation training, safeguards, gender/youth inclusion and grievances.
County Coordinators and Field Officers	Mobilisation, registration, training, verification and cluster support.
Procurement and Compliance Officer	Competitive procurement, contracts, assets and regulatory compliance.
Blockchain and Interoperability Architect	Permissioned-ledger design, EPCIS/credentials, smart-contract controls, node/key governance, integrations, performance and handover.

9.3 Partner accountability and service-provider controls

Afrisol Technologies Limited and Afribiz Consultancy Limited will be engaged through written contracts with defined deliverables, milestones, performance standards, data obligations, confidentiality, ownership and acceptance criteria. Payments will be milestone-based and supported by evidence. No service provider will approve its own deliverables or payments. Community registration records will be independently sampled by the M&E team, and software deliverables will undergo user acceptance and security testing before approval.

10. Target Groups, Inclusion and Safeguarding

Target group	Need	Project response
Smallholder farmers	Reliable markets, standards, extension, diversification and transparent payment.	Cluster membership, contracts, training, QA, traceability and buyer linkage.
Women producers and entrepreneurs	Direct recognition, asset access, leadership and financial control.	Individual registration/payment, governance quotas, tailored enterprise support and safeguarding.
Youth	Employment and enterprise opportunities beyond primary farming.	Digital registration, logistics, inspection, aggregation, processing and technology roles.
SMEs and cooperatives	Commercial records, quality systems, buyers and finance readiness.	Business support, traceability, transaction histories, off-take and finance linkage.
Marginalised households and persons with disabilities	Accessible information, participation and grievance channels.	Inclusive mobilisation, reasonable accommodation and targeted referrals.

Target group	Need	Project response
Buyers and investors	Reliable volume, quality, origin and compliance evidence.	Verified suppliers, QA records, traceability, contracts and due diligence.

10.1 Safeguarding commitments

- Zero tolerance for sexual exploitation, abuse, harassment, child labour, forced labour, fraud and retaliation.
- Codes of conduct for staff, partners, contractors and community representatives.
- Confidential and accessible complaint channels with referral and survivor-centred procedures.
- Age verification and child-protection controls during registration and activities.
- Community consultation before land-use, demonstration or processing activities.
- No beneficiary will be required to pay unofficial fees to register or access project support.

11. Results Framework, Monitoring, Evaluation and Learning

Level	Result	Key indicators/targets	Verification	Frequency
Impact	Improved income, resilience and market participation among target producers and SMEs.	Net-income improvement measured against baseline; at least KES 250 million cumulative facilitated transactions; jobs and enterprises created or sustained.	Baseline/endline surveys; platform and audited transaction data.	Baseline, annual, endline
Outcome 1	Functional producer/SME market linkages.	Infrastructure and service capacity aligned to up to 16,000 active farmers by 2029; at least 120 SMEs; at least 12 producer/aggregation structures; minimum 50% women and 35% youth among direct farmer beneficiaries.	Registry, signed agreements, cluster records.	Quarterly
Outcome 2	Improved standards and QA.	Two QMS/ICS systems operational; at least 3,500 initial compliant producers; buyer-specific assurance scale tied to annual active-farmer gates; lower rejection rate.	ICS records, audit reports, quality tests.	Quarterly/seasonal
Outcome 3	Digital traceability operational.	Modular platform live; GIS, payments, weather, AI, EPCIS-aligned traceability and permissioned-blockchain proofs operational; eligible-event coverage and active users monitored.	System logs and user audits.	Monthly
Outcome 4	Diversified production and processing validated.	At least six structured agreements; four completed export or cross-border transaction cycles; at least KES 250 million cumulative facilitated transactions.	Trial reports, extension records, farm visits.	Seasonal
Outcome 5	Inclusive participation.	At least 50% women and 35% youth among direct farmer beneficiaries; at least 25 women- or youth-led service enterprises; direct registration and payment where applicable.	Disaggregated registry and enterprise records.	Quarterly
Outcome 6	Replication readiness.	Replication package; partner	Published tools, minutes,	Annual/endline

Level	Result	Key indicators/targets	Verification	Frequency
		adoption/endorsement; scale-up pipeline.	expressions of interest.	

11.1 Evaluation design

The programme will conduct a baseline, midline review and final evaluation. A cohort approach will track participating and comparison farmers where feasible. Income analysis will distinguish gross sales from net income and account for production costs. Platform data will be reconciled with buyer records, bank or mobile payment references and sample farm visits. Qualitative methods will assess bargaining power, women's control over income, youth employment, buyer confidence and institutional change.

11.2 Data-quality assurance

Blockchain monitoring will track eligible-event coverage, endorsement failures, correction events, credential revocations, node availability, latency, key incidents, privacy complaints and the proportion of verification queries resolved without access to confidential source data.

- Unique beneficiary and enterprise identifiers with duplicate detection.
- Enumerator training, field supervision and spot checks.
- Data validation rules and mandatory evidence for key milestones.
- Quarterly data-quality assessments and corrective actions.
- Independent financial audit and verification of community grants.
- Disaggregation by sex, age, county, enterprise type and disability where voluntarily disclosed.

12. Regulatory, Environmental and Social Compliance

Blockchain records and digital signatures will be designed within applicable Kenyan data-protection, electronic-transactions, evidence, cybersecurity and sector requirements. The legal validity of smart-contract outputs, credentials and cross-border data exchange will be reviewed before production use. EU Digital Product Passport requirements will be validated for each relevant product category and delegated act.

Area	Responsible institution(s)	Programme action
Environmental assessment and licensing	NEMA and county environmental authorities	Screen sites and activities; complete EIA or other instruments where required; implement ESMPs and audits.
Energy and biodiesel pathway	Ministry of Energy and Petroleum; EPRA	Confirm licensing, technical, storage, transport, processing and market requirements before operation.
Product and fuel quality	KEBS and accredited laboratories	Develop specifications and test products against applicable standards before sale or export.
Crop, seed and plant health	Ministry of Agriculture, AFA,	Use approved planting material,

Area	Responsible institution(s)	Programme action
	KEPHIS, KALRO	phytosanitary procedures and evidence-based agronomic protocols.
Occupational safety and health	DOSHS, county fire and public-health functions	Risk assessments, PPE, training, fire controls, incident reporting and inspections.
Data protection	Office of the Data Protection Commissioner and applicable law	Consent, data minimisation, contracts, security, access and breach response.
Land and construction	County governments and land authorities	Confirm land rights, development permissions and building approvals.
Export and customs	Relevant trade, customs and port authorities	Comply with documentation, origin, quality, phytosanitary and logistics requirements.

12.1 Environmental and social management priorities

- Prevent conversion of protected areas, forests or high-conservation-value land.
- Prioritise existing farms, boundaries and suitable marginal land; avoid displacement of food crops.
- Use water-efficient practices and monitor water demand at processing sites.
- Control hazardous materials, methanol/catalyst use, effluent, glycerol, contaminated containers and fire risks in biodiesel-related trials.
- Assess invasive-species risks before promoting any oilseed tree or crop.
- Monitor labour conditions, community health and safety, gender impacts and land-use conflicts.
- Maintain emergency response and incident-reporting procedures.

13. Market Development and Commercialisation Plan

13.1 Cotton and fashion pathway

The cotton pathway will link registered farmers and clusters to ginning, fibre quality assessment, textile production and garment manufacture. Labl Group East Africa's Sagalla facility will demonstrate small-batch, transparent production and provide samples and commercial runs for Kenyan, Dutch and wider European Union buyers. Labl Fashion B.V. will provide the initial European interface and coordinate buyer intelligence, design feedback and market linkage across EU member states. The project will pursue multiple buyers and countries; commercial decisions will be based on tested quality, price, delivery reliability and buyer demand rather than assumed export premiums.

Labl Fashion will prepare DPP-ready product identities linking authorised composition, origin, quality, care, repair, return and circularity evidence. The blockchain layer will verify selected provenance and credential proofs; the full product passport remains decentralised and controlled by the responsible economic operator.

13.2 Renewable-oil and biodiesel pathway

Crostar Energy will aggregate cottonseed and approved oilseed feedstocks, validate extraction and processing economics and establish purchase arrangements with farmers and SMEs. Biodiesel-related processing and sale will proceed only after the required environmental, energy, product-quality and safety approvals. UCO may complement crop-based feedstock, but grant-funded activities will distinguish waste collection, oil extraction and finished-fuel operations and will not represent unlicensed production as operational.

13.3 Farmer food and local markets

Vegetable and fruit production will be integrated into training and demonstration plans. The first objective is household food and nutrition security. Surplus may be aggregated for local markets, hospitality businesses, schools and institutions. Food activities will be measured separately from cotton and industrial oilseed outcomes so that the project can demonstrate whether diversification reduces household vulnerability.

13.4 Pricing and contracting principles

- Written specifications and transparent grading.
- Pre-season or pre-delivery communication of pricing formulas.
- No automatic exclusivity unless voluntarily negotiated and commercially justified.
- Clear timelines for delivery acceptance and payment.
- Dispute and appeal mechanisms for grading and deductions.
- Buyer and seller performance histories captured in the platform.

13.5 Netherlands Gateway and Wider European Union Market Strategy

AfriEuro Links will not treat the Netherlands as the only European destination. It will use the Dutch corporate connection as a practical entry point into the wider European Union market. The consortium will prepare a segmented EU market pipeline covering small and medium fashion brands, sustainable textile buyers, importers, private-label partners, renewable-feedstock users, logistics providers and investors. Each prospective relationship will be assessed against product specifications, volumes, price, traceability, sustainability, customs, logistics and payment risk. The digital platform will support buyer-specific data exports and chain-of-custody evidence while protecting personal and commercially confidential information. This multi-country strategy is intended to expand trade and investment opportunities, reduce dependence on any one off-taker and strengthen both Dutch earning capacity and inclusive Kenya–EU economic growth.

14. Sustainability, Exit and Scale Strategy

Sustainability will be based on recurring commercial demand, not continued subsidy. AfriEuro Links will transition into a global marketing and verification site; LaDOS and CEOS will remain independent but interoperable; and the permissioned blockchain will operate only if transaction volume, assurance value and partner contributions justify its cost. Node hosting, key management, monitoring, smart-contract maintenance and security review will be assigned to approved owners with service levels and cost recovery.

During the grant period, the consortium will test a cost-recovery model combining modest transaction charges, aggregation-service fees, buyer contributions to testing and traceability, cooperative service contributions and commercial margins from processing. Basic farmer registration will remain affordable, while larger commercial users will contribute to advanced traceability, reporting and integration services. Certification costs will progressively shift from grant finance to co-financing among producer groups, processors and buyers.

Local inspectors, data officers, cooperative leaders, county extension workers and enterprise mentors will be trained to operate the system. Before close-out, the consortium will agree ownership, licensing, maintenance, data-governance and support arrangements for the platform and manuals; establish triggers for financing storage and processing based on verified volumes and contracts; and document a replication package that preserves food-security, environmental and inclusion safeguards.

14.1 Exit milestones

Milestone	Target timing
Cost-recovery model for platform and QA services approved	By Month 18
At least three clusters covering routine operating costs	By Month 27
Buyer contribution to testing/traceability established	By Month 30
County extension and replication commitments documented	By Month 33
System handover, licensing and support arrangements agreed	By Month 34
Final replication and investment package completed	By Month 36

14.2 Replication geography

Following validation in Taita Taveta and Kilifi, the model may be adapted for the 21 counties reporting cotton production in the AFA data used by the concept note: Lamu, Meru, Busia, Siaya, Homa Bay, Baringo, Kitui, Tharaka Nithi, Taita Taveta, Kilifi, Makueni, Kisumu, Elgeyo Marakwet, Kwale, Embu, Machakos, Bungoma, Kirinyaga, Migori, Murang'a and Tana River. Renewable-oilseed replication will initially consider Baringo, Makueni, Nakuru, Mombasa and Kilifi and will expand only where technical, environmental, land-use, food-security and buyer assessments confirm suitability. Regional expansion to Tanzania and Uganda will occur only after the Kenya model is proven and will require separate legal, institutional, market and environmental assessment.

15. Risk Management

Risk	Likelihood	Impact	Mitigation
Farmer uptake below target	Medium	High	Demand-led mobilisation; clear contracts; phased expansion; demonstration and peer learning.

Risk	Likelihood	Impact	Mitigation
Poor yields or climate shocks	High	High	Diversified crops, regenerative practices, drought planning, geographic spread and realistic forecasts.
Buyer demand or price volatility	Medium	High	Multiple buyers, flexible volumes, local and export channels, no single-buyer dependency.
Quality failure or rejection	Medium	High	ICS, training, testing, corrective action, staged pilot consignments.
Regulatory delay for biodiesel activities	Medium	High	Early NEMA/EPRA/KEBS engagement; modular implementation; do not commit to unapproved operations.
Digital system failure or low adoption	Medium	High	User-centred design, offline capability, staged rollout, training, SLA, backups and independent acceptance testing.
Data breach or misuse	Low/Medium	High	Privacy-by-design, access controls, encryption, incident response and contracts.
Community-grant misuse	Medium	High	Due diligence, milestones, segregation of duties, verification, audit and recovery provisions.
Elite capture or exclusion	Medium	High	Transparent criteria, quotas, public lists, grievances and independent checks.
Land or environmental conflict	Low/Medium	High	No involuntary acquisition; screening, consultation, ESMP and grievance mechanism.
Partner performance failure	Medium	Medium	Clear MoUs/contracts, KPIs, quarterly reviews, escalation and replacement rights.
Foreign exchange and inflation	High	Medium	Contingency, local procurement, reforecasting and approval controls.
Blockchain governance, key compromise, privacy or poor performance	Medium	Medium	Permissioned network; off-chain privacy; multi-party governance; key recovery and rotation; code and configuration audit; performance testing; monitoring; dispute, correction and controlled member-offboarding procedures.

16. Communications, Knowledge Management and Visibility

Communications will support market participation, transparency and learning rather than promotional activity alone. The project will use community meetings, extension materials, buyer briefs, digital dashboards, annual reports, case studies and learning forums. All visibility will follow donor requirements, informed-consent rules and safeguarding standards. Personal stories and images will be used only with documented consent, and commercially confidential data will not be published.

Audience	Information product	Frequency
Farmers and communities	Local-language meetings, SMS/WhatsApp notices, training materials and grievance	Monthly/seasonal

Audience	Information product	Frequency
	information.	
SMEs and buyers	Specifications, supply forecasts, quality reports, transaction opportunities and buyer forums.	Quarterly/transactional
Government and regulators	Implementation dashboards, compliance updates and learning briefs.	Quarterly/annual
Donor and steering committee	Narrative, financial, risk, results and audit reports.	Quarterly/annual
Public and sector stakeholders	Non-confidential results, case studies and replication tools.	Annual/endline

17. Financial Management, Procurement and Community Grants

17.1 Financial controls

- Separate project cost centre and bank-account arrangements as required by the grant agreement.
- Approved annual budgets, work plans and procurement plans.
- Dual authorisation, segregation of duties and documented approval thresholds.
- Monthly bank reconciliation and budget-versus-actual review.
- Asset register, inventory controls and periodic verification.
- Quarterly financial reporting and annual external audit.
- Partner and service-provider expenditure verification and right of access to records.

17.2 Procurement

Procurement will be competitive, transparent, proportionate and documented. Terms of reference and specifications will avoid unjustified brand restrictions. Conflict-of-interest declarations will be mandatory. Afrisol Technologies Limited and Afribiz Consultancy Limited are named proposed service providers based on their specialised roles; their final engagement, scope, rates and value-for-money assessment will be documented in accordance with the donor-approved procurement approach and applicable non-commercial-rate requirements.

17.3 Community grants

Community grants, if approved in the final budget, will finance clearly defined public-benefit or shared-market assets such as registration, basic aggregation tools, quality equipment, food-production demonstrations or inclusive service enterprises. Grants will not finance political activity, unrestricted cash transfers, routine commodity purchases or profit distributions. Goblis Foundation will administer the process; Afribiz will support registration and documentation; the Finance and Grants Manager will control approvals and disbursement; and the M&E team will verify milestones.

18. Budget and Value for Money

Budget line	**KES**	**Classification**
1. Inception, baseline, market validation and regulatory planning	8,000,000	Direct
2. Community mobilisation, registration and cluster governance	16,000,000	Direct
3. Agronomy, diversification, food security and extension	18,000,000	Direct
4. Standards, QA, testing and certification readiness	19,000,000	Direct
5. Digital platform, GIS, payments, permissioned blockchain, credentials, integrations and deployment	25,000,000	Direct
6. Demonstration, processing trials and compliance	12,000,000	Direct
7. Buyer linkage, export readiness and transactions	10,000,000	Direct
8. Inclusion, enterprise support and community grants	10,000,000	Direct
9. Monitoring, evaluation, learning and replication	7,000,000	Direct
Direct-cost subtotal	125,000,000	
10. Consortium coordination, finance, audit and overhead	13,000,000	Indirect
TOTAL REQUESTED	138,000,000	

Indirect costs are KES 13,000,000, equivalent to approximately 9.4% of the total requested budget. Annex 6 provides the comprehensive itemised budget, including unit costs, quantities, annual phasing, responsible parties, indicative procurement approach and direct links to programme components. Consortium and public partners will contribute existing facilities, staff time, networks, Kenyan, Dutch and wider European Union market access, technical expertise, extension support and regulatory coordination as documented co-financing or in-kind contribution.

18.1 Indicative annual phasing

Year	KES	Main emphasis
Year 1	52,000,000	Inception, baseline, registration, platform build, standards and demonstrations.
Year 2	50,000,000	Deployment, training, internal controls, market trials, grants and first transactions.
Year 3	36,000,000	Transaction scale, certification readiness, transition, evaluation and replication.

18.2 Value-for-money approach

- Use existing Sagalla and Mavueni assets rather than financing greenfield facilities from the grant.
- Group-based certification and shared testing to reduce unit costs.
- Modular digital architecture reusable across crops and counties.
- Phased investment tied to market validation and approvals.
- Competitive procurement and non-commercial rates for for-profit entities.
- Cost-per-beneficiary and cost-per-transaction monitoring.
- Co-financing and cost recovery introduced before project close.

19. Assumptions and Conditions Precedent

- Consortium and public partners execute formal agreements defining roles and non-financial commitments.
- Buyer demand and specifications are validated during inception.
- Land and facilities used by the project have demonstrable legal rights and required county approvals.
- No biodiesel production, storage or sale begins before applicable NEMA, EPRA, KEBS, fire, health and occupational-safety requirements are met.
- Only approved planting material and technically suitable crops are promoted.
- Beneficiary targets are confirmed by baseline and may be refined with donor approval.
- Named service providers accept donor-compliant procurement, rate, data and performance conditions.
- The requested amount and budget structure remain subject to full proposal negotiation.

20. Conclusion

AfriEuro Links converts two fragmented value chains into one integrated market-access system. It combines Labl Group East Africa’s cotton-to-fashion capability and its Dutch gateway to wider European Union markets, Crostar Energy’s renewable-oil and biodiesel pathway, Goblis Foundation’s community capacity, Afrisol Technologies’ digital expertise, Afribiz Consultancy’s registration support and the mandates of county and national institutions. Its central proposition is practical: organise suppliers, standardise production, verify quality, trace every transaction, diversify household income and connect real products to real buyers. The project will demonstrate a commercially sustainable model in Taita Taveta and Kilifi, establish a diversified Kenya–EU market pipeline and prepare the model for responsible replication in Kenya and the wider East African region.

Annex 1. Detailed Logical Framework

Level	Result	Indicators/targets	Sources	Assumptions
Impact	Higher income, resilience and employment	Net-income improvement measured against baseline; at least KES 250 million cumulative facilitated transactions; jobs and enterprises created or sustained.	Baseline/endline, platform, buyer records	Stable demand; no severe prolonged shocks
Outcome 1	Aggregation and SME integration	Infrastructure and service capacity aligned to up to 16,000 active farmers by 2029; at least 120 SMEs; at least 12 producer/aggregation structures; minimum 50% women and 35% youth among direct farmer beneficiaries.	Registry, agreements, governance records	Communities participate voluntarily
Outcome 2	Standards and QA	Two QMS/ICS systems operational; at least 3,500 initial compliant producers; buyer-specific assurance scale tied to annual active-farmer gates; lower rejection rate.	Audit, test and ICS records	Standards remain commercially relevant
Outcome 3	Digital infrastructure	Modular platform live; GIS, payments, weather, AI, EPCIS-aligned traceability and permissioned-blockchain proofs operational; eligible-event coverage and active users monitored.	System logs, user audits	Connectivity and user adoption adequate
Outcome 4	Markets and transactions	At least six structured agreements; four completed export or cross-border transaction cycles; at least KES 250 million cumulative facilitated transactions.	Contracts, invoices, shipping records	Buyers complete due diligence
Outcome 5	Inclusion	At least 50% women and 35% youth among direct farmer beneficiaries; at least 25 women- or youth-led service enterprises; direct registration and payment where applicable.	Disaggregated registry	Social norms do not prevent participation
Output 1.1	Baseline and market validation complete	Reports approved by Month 6	Approved reports	Data accessible
Output 1.2	Clusters formed	At least 12 structures with approved charters and transparent governance, complaint and contracting arrangements.	Signed charters	Governance accepted
Output 2.1	Protocols and ICS developed	Manuals and trained inspectors	Manuals, attendance, audit	Technical agencies cooperate
Output 3.1	Platform developed and deployed	Modules accepted and live	UAT, security test, deployment report	Afrisol delivers to specification
Output 4.1	Demonstration and processing trials completed	Technical and commercial trial reports	Reports, lab results	Regulatory approvals obtained
Output 5.1	Training and community support delivered	Training completion and grant milestones	Training/grant records	Funds used for intended purpose

Annex 2. Partner Responsibility Matrix

Function	Labl	Crostar	Goblis	Afrisol	Afribiz	Counties/Agriculture	Energy/NEMA/other regulators
Programme governance	A/R	C	C	I	I	C	C

Function	Labl	Crostar	Goblis	Afrisol	Afribiz	Counties/Agriculture	Energy/NEMA/other regulators
Cotton/fashion pathway	A/R	I	C	C	I	C	C
Oilseed/biodiesel pathway	C	A/R	C	C	I	C	C
Community mobilisation/training	C	C	A/R	I	R	C	C
Digital system	A	C	C	R	C	I	I
Registration/data collection	A	C	C	C	A/R	C	C
Agronomy/food security	C	C	R	I	R	A/R	C
QA and standards	A/R	R	C	C	C	C	C
Environmental/ energy compliance	A	R	C	I	I	C	R/C
Financial management	A/R	C	C	I	I	I	I
M&E and reporting	A/R	C	C	C	C	C	C

Key: A = Accountable; R = Responsible; C = Consulted; I = Informed.

Annex 3. Indicative Community Registration Workflow

7. Community entry and public information led by Goblis Foundation with county authorities.
8. Expression of interest by farmer, group, cooperative or SME.
9. Identity, contact, enterprise and eligibility documentation collected by Afribiz Consultancy Limited.
10. Informed consent and privacy notice acknowledged.
11. Farm or enterprise mapping and preliminary production profile completed.
12. Duplicate, sanction, conflict and eligibility checks performed.
13. M&E sample verification and correction of exceptions.
14. Approval by authorised project officer; digital account activated.
15. Training, cluster assignment and contract readiness completed.
16. Periodic update, exit, complaint and data-correction procedures maintained.

Annex 4. Indicative Software Deliverables for Afrisol Technologies Limited

Deliverable	Acceptance evidence	Indicative deadline
Discovery and requirements specification	Approved requirements, process maps and data dictionary	Month 3
Architecture and prototype	Architecture, security design and clickable prototype	Month 5
Minimum viable platform	Core registry, traceability and quality modules pass UAT	Month 9
Transaction and grant modules	Contracts, delivery, payment references and grant workflow pass UAT	Month 12
Pilot deployment	Two-county pilot, trained users and resolved critical defects	Month 15
Full deployment	Production environment, support desk, manuals and dashboards	Month 18
Maintenance and improvements	SLA reports, patches, backups and quarterly releases	Months 19–36
Exit/handover	Source/code escrow or agreed ownership package, documentation and admin training	Month 35

Deliverable	Acceptance evidence	Indicative deadline
Permissioned blockchain and trust-layer design	Membership, nodes, channels/private collections, endorsement, smart contracts, credential lifecycle, key custody, off-chain/on-chain data classification and dispute/correction design.	Approved architecture and governance pack.
Blockchain proof of concept and production deployment	Pilot farm/lot, fashion batch/DPP and Crostar feedstock events; performance, privacy, security and recovery tests; production rollout after gate approval.	Accepted pilot and production network with test evidence.

Annex 5. Source Documents Used in Proposal Development

This updated proposal also draws on the July 2026 harmonised Labl Group East Africa, Labl Fashion, Labl Farms and Crostar Energy strategic and business plans, together with official Hyperledger Fabric, GS1 EPCIS, EU Digital Product Passport and EBSI materials.

- AfriEuro Links Export Accelerator Concept Note, final version without KenInvest, including additionality, systemic approach, source notes and organisation-role annexes.
- Labl Group East Africa Strategic Plan.
- Crostar Energy Business Plan.
- Call for Concept Notes: Private Sector Development and Business Climate Enhancement in Kenya.
- Consortium instructions and clarifications provided by the applicant.

Annex 5A. Blockchain Governance and Stage-Gate Checklist

Gate	Minimum evidence before approval
Business-case gate	Multiple-party trust problem, expected assurance value, transaction volume, cost comparison with conventional alternatives and named owners.
Architecture gate	Off-chain/on-chain classification, standards model, privacy, node and channel design, endorsement, APIs, resilience and exit.
Legal and governance gate	Consortium agreement, node/member rules, key custody, smart-contract legal treatment, data roles, disputes and regulator review where required.
Pilot gate	Defined cotton/fashion and feedstock use cases, test data, users, success criteria, failure handling and no production claims.
Production gate	Security/code/configuration audit, UAT, performance, backup/recovery, key rotation, monitoring, help desk and accepted operating manuals.
Scale gate	Measured operational benefit, acceptable cost, low unresolved incident rate, partner funding and independent assurance.
Exit/replication gate	Data export, credential portability, node/key transfer, contract end, archival and controlled member offboarding.

Annex 6. Comprehensive Itemised Budget

Budget basis. The requested grant is KES 138,000,000 for 36 months. The budget is prepared in Kenyan shillings and separates direct programme costs from indirect coordination and overhead. Unit costs are indicative ceilings for proposal appraisal and will be refined through donor-approved work planning, quotations, competitive procurement and contract negotiation. For-profit consortium members and service providers will charge non-commercial rates for grant-funded activities.

Cost eligibility and controls. The budget does not finance land acquisition, unrestricted cash transfers, political activity, routine commodity purchases, profit distributions or unapproved biodiesel production. Recoverable taxes will not be charged to the grant. Capital assets, community grants, travel, consultancies and named technical service providers will be governed by the grant agreement, approved procurement plan, asset controls, segregation of duties and documented value-for-money assessment.

Annex 6A. Budget Summary by Component and Year

Code	Budget component	Year 1	Year 2	Year 3	Total KES	%
1	Inception, baseline, market validation and regulatory planning	8,000,000	0	0	8,000,000	5.8%
2	Community mobilisation, registration and cluster governance	7,500,000	6,500,000	2,000,000	16,000,000	11.6%

Code	Budget component	Year 1	Year 2	Year 3	Total KES	%
3	Agronomy, diversification, food security and extension	5,000,000	6,000,000	7,000,000	18,000,000	13.0%
4	Standards, quality assurance, testing and certification readiness	5,000,000	7,000,000	7,000,000	19,000,000	13.8%
5	Digital platform, GIS, payments, permissioned blockchain, credentials, integrations and deployment - Afrisol Technologies Limited	12,000,000	9,000,000	4,000,000	25,000,000	18.1%
6	Demonstration, processing trials and regulatory compliance	3,000,000	5,000,000	4,000,000	12,000,000	8.7%
7	Buyer linkage, EU export readiness and commercial transactions	2,000,000	4,500,000	3,500,000	10,000,000	7.2%
8	Inclusion, enterprise support and community grants	2,500,000	5,000,000	2,500,000	10,000,000	7.2%
9	Monitoring, evaluation, learning and replication	2,500,000	2,500,000	2,000,000	7,000,000	5.1%
10	Consortium coordination, finance, audit and institutional overhead	4,500,000	4,500,000	4,000,000	13,000,000	9.4%
DIRECT-COST SUBTOTAL		47,500,000	45,500,000	32,000,000	125,000,000	90.6%
INDIRECT-COST SUBTOTAL		4,500,000	4,500,000	4,000,000	13,000,000	9.4%
TOTAL REQUESTED GRANT		52,000,000	50,000,000	36,000,000	138,000,000	100.0%

Annex 6B. Detailed Itemised Budget

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
1. Inception, baseline, market validation and regulatory planning (Direct cost; linked to Component 1)								
1.1	Inception workshops, consortium agreements and stakeholder launch	event	2	500,000	1,000,000	0	0	1,000,000

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
1.2	Baseline household, farmer, cooperative and SME survey	study	1	2,000,000	2,000,000	0	0	2,000,000
1.3	Kenyan, Dutch and wider EU market validation and buyer study	study	1	1,500,000	1,500,000	0	0	1,500,000
1.4	Regulatory, environmental, energy and licensing roadmap	assignment	1	1,200,000	1,200,000	0	0	1,200,000
1.5	County crop-suitability, soil baseline and diversification assessment	assignment	1	1,500,000	1,500,000	0	0	1,500,000
1.6	Programme operations, procurement, safeguarding, grants and M&E manuals	package	1	800,000	800,000	0	0	800,000
Subtotal 1: Inception, baseline, market validation and regulatory planning					8,000,000	0	0	8,000,000
2. Community mobilisation, registration and cluster governance (Direct cost; linked to Component 2)								
2.1	Community sensitisation, public information and enrolment forums	forum	40	100,000	2,000,000	1,500,000	500,000	4,000,000
2.2	Afribiz Consultancy Limited field registration and onboarding teams	team-month	48	150,000	3,000,000	3,000,000	1,200,000	7,200,000
2.3	Registration kits: tablets, power banks, GPS accessories and secure storage	kit	20	100,000	1,500,000	500,000	0	2,000,000
2.4	Cluster governance, legal documentation and operating charters	cluster	10	150,000	600,000	700,000	200,000	1,500,000
2.5	Governance, contracting, pricing and dispute-resolution training	session	10	130,000	400,000	800,000	100,000	1,300,000
Subtotal 2: Community mobilisation, registration and cluster governance					7,500,000	6,500,000	2,000,000	16,000,000
3. Agronomy, diversification, food security and extension (Direct cost; linked to Component 3)								
3.1	Agronomy and diversification lead: cotton, oilseed, fruit and vegetables	month	36	200,000	1,800,000	2,400,000	3,000,000	7,200,000

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
3.2	County and community extension officers	officer-month	72	80,000	1,600,000	1,920,000	2,240,000	5,760,000
3.3	Demonstration plots, planting material, tools and soil amendments	plot	12	200,000	1,000,000	800,000	600,000	2,400,000
3.4	Farmer training on regenerative agriculture, food production and safe inputs	session	24	80,000	400,000	640,000	880,000	1,920,000
3.5	Soil, crop and adaptive intercropping analysis	round	12	60,000	200,000	240,000	280,000	720,000
Subtotal 3: Agronomy, diversification, food security and extension					5,000,000	6,000,000	7,000,000	18,000,000
4. Standards, quality assurance, testing and certification readiness (Direct cost; linked to Component 4)								
4.1	Quality-management and internal-control manuals for cotton and oilseed pathways	system	2	1,000,000	1,500,000	500,000	0	2,000,000
4.2	Certification-readiness technical assistance, audit cycles and corrective action	cycle	6	1,000,000	500,000	2,500,000	3,000,000	6,000,000
4.3	Cluster quality-testing and sampling kits	kit	10	400,000	2,000,000	1,000,000	1,000,000	4,000,000
4.4	Accredited laboratory testing of fibre, seed, oil and fuel/feedstock samples	sample	60	50,000	500,000	1,000,000	1,500,000	3,000,000
4.5	Training and competency assessment for internal inspectors and quality leads	person	40	50,000	500,000	1,000,000	500,000	2,000,000
4.6	External pre-audit, buyer compliance review and corrective-action support	assignment	2	1,000,000	0	1,000,000	1,000,000	2,000,000
Subtotal 4: Standards, quality assurance, testing and certification readiness					5,000,000	7,000,000	7,000,000	19,000,000
5. Digital platform, permissioned blockchain and integrations - Afrisol Technologies Limited (Direct cost; linked to Component 5)								
5.1	Requirements, process mapping, EPCIS/data dictionary, privacy and blockchain governance design	package	1	1,500,000	1,500,000	0	0	1,500,000
5.2	Solution architecture, user experience, interoperability and	package	1	2,000,000	2,000,000	0	0	2,000,000

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
	blockchain prototype							
5.3	Core registry, GIS, traceability and quality modules	build	1	6,000,000	4,000,000	1,600,000	400,000	6,000,000
5.4	Permissioned blockchain network, smart contracts, EPCIS anchoring and verifiable credentials	build	1	4,000,000	2,000,000	1,500,000	500,000	4,000,000
5.5	Contracts, orders, delivery, payment-reference and community-grant modules	build	1	3,000,000	1,000,000	1,500,000	500,000	3,000,000
5.6	Cloud hosting, blockchain nodes, backup, monitoring, cybersecurity and maintenance	month	36	100,000	500,000	1,200,000	1,900,000	3,600,000
5.7	Field hardware: tablets, scanners, label printers, secure keys and connectivity kits	kit	20	150,000	700,000	1,600,000	700,000	3,000,000
5.8	Integration, UAT, penetration, smart-contract and blockchain configuration audit	package	1	1,400,000	300,000	1,100,000	0	1,400,000
5.9	User, administrator and key-custodian training; documentation and handover	package	1	500,000	0	500,000	0	500,000
Subtotal 5: Digital platform, permissioned blockchain and integrations — Afrisol Technologies Limited					12,000,000	9,000,000	4,000,000	25,000,000
6. Demonstration, processing trials and regulatory compliance (Direct cost; linked to Component 6)								
6.1	Cotton ginning, fibre-quality, textile and garment traceability trials	trial	4	750,000	500,000	1,250,000	1,250,000	3,000,000
6.2	Cottonseed and approved oilseed extraction and feedstock trials	trial	4	750,000	500,000	1,250,000	1,250,000	3,000,000
6.3	Mavueni pilot-facility safety, handling and compliance improvements	lot	1	2,500,000	1,000,000	1,000,000	500,000	2,500,000
6.4	NEMA, EPRA, KEBS, county and laboratory application/testing costs	package	1	1,500,000	250,000	750,000	500,000	1,500,000

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
6.5	Fire, OHS, spill-control, waste-management and PPE equipment	package	1	1,000,000	500,000	250,000	250,000	1,000,000
6.6	Engineering, process validation and scale-up technical assessment	assignment	1	1,000,000	250,000	500,000	250,000	1,000,000
Subtotal 6: Demonstration, processing trials and regulatory compliance					3,000,000	5,000,000	4,000,000	12,000,000
7. Buyer linkage, EU export readiness and commercial transactions (Direct cost; linked to Component 7)								
7.1	Dutch and wider EU buyer mapping, market intelligence and commercial due diligence	package	1	1,500,000	1,000,000	500,000	0	1,500,000
7.2	Buyer missions and supplier forums in Kenya, the Netherlands and wider EU	mission/forum	4	1,000,000	500,000	2,000,000	1,500,000	4,000,000
7.3	Product samples, design adaptation, testing dossiers and buyer presentations	package	1	1,500,000	500,000	500,000	500,000	1,500,000
7.4	EU export readiness, costing, customs, logistics, insurance and finance support	package	1	1,500,000	0	1,000,000	500,000	1,500,000
7.5	Pilot transaction, consignment, verification and risk-sharing support	transaction cycle	4	375,000	0	375,000	1,125,000	1,500,000
Subtotal 7: Buyer linkage, EU export readiness and commercial transactions					2,000,000	4,500,000	3,500,000	10,000,000
8. Inclusion, enterprise support and community grants (Direct cost; linked to Component 8)								
8.1	Women- and youth-led enterprise development and market-service training	cohort	10	150,000	500,000	750,000	250,000	1,500,000
8.2	Financial literacy, nutrition, food production, safeguarding and leadership training	session	20	75,000	500,000	750,000	250,000	1,500,000
8.3	Milestone-based community innovation and shared-market infrastructure grants	grant	20	250,000	1,000,000	3,000,000	1,000,000	5,000,000
8.4	Accessibility and disability-inclusion support	package	1	800,000	200,000	300,000	300,000	800,000

Code	Budget item	Unit	Qty	Unit cost	Year 1	Year 2	Year 3	Total KES
8.5	Safeguarding, grievance, whistleblowing and community support mechanism	annual package	3	400,000	300,000	200,000	700,000	1,200,000
Subtotal 8: Inclusion, enterprise support and community grants					2,500,000	5,000,000	2,500,000	10,000,000
9. Monitoring, evaluation, learning and replication (Direct cost; linked to Component 9)								
9.1	Baseline, midline and endline outcome and income studies	study	3	800,000	800,000	800,000	800,000	2,400,000
9.2	M&E coordination, platform data quality and field verification	month	36	70,000	1,100,000	1,000,000	420,000	2,520,000
9.3	Annual learning, accountability and market-system review forums	forum	3	350,000	300,000	350,000	400,000	1,050,000
9.4	Documentation, communications products and replication package	package	1	630,000	100,000	250,000	280,000	630,000
9.5	M&E data tools, spot checks and independent verification rounds	round	4	100,000	200,000	100,000	100,000	400,000
Subtotal 9: Monitoring, evaluation, learning and replication					2,500,000	2,500,000	2,000,000	7,000,000
10. Consortium coordination, finance, audit and institutional overhead (Indirect cost; linked to Programme management)								
10.1	Programme management and consortium coordination	annual package	3	2,000,000	2,000,000	2,000,000	2,000,000	6,000,000
10.2	Finance, procurement, grants administration and reporting support	month	36	100,000	1,200,000	1,200,000	1,200,000	3,600,000
10.3	Office operations, communications, utilities and insurance	annual package	3	700,000	800,000	800,000	500,000	2,100,000
10.4	Annual external financial audit	audit	3	300,000	300,000	300,000	300,000	900,000
10.5	Legal, banking and statutory administration	annual package	2	200,000	200,000	200,000	0	400,000
Subtotal 10: Consortium coordination, finance, audit and institutional overhead					4,500,000	4,500,000	4,000,000	13,000,000
TOTAL REQUESTED GRANT					52,000,000	50,000,000	36,000,000	138,000,000

Annex 6C. Budget Responsibility, Procurement and Output Linkage

Code	Lead / accountable party	Indicative procurement or disbursement method	Primary output linkage	Key control
1	Labl Group East Africa / PMU	Competitive studies, consultancies and workshops	Approved baseline, market validation and regulatory roadmap	TORs, quotations, deliverable acceptance and donor approval
2	Afribiz Consultancy Limited (registration and onboarding); Goblis Foundation (separate training, safeguarding and community-engagement role)	Separate field-service and training contracts; activity budgets; competitively sourced equipment	Verified registry and at least 12 functioning aggregation or producer structures	Consent, duplicate checks, data verification, separate acceptance, safeguarding and segregation of duties
3	Agriculture Lead; county departments; Goblis Foundation	Personnel contracts, training services and competitively procured inputs	Diversified production and extension capacity	Approved crop plans, attendance, stock controls and field verification
4	Quality and Market Access Lead; Labl; Crostar	Technical assistance, accredited laboratories and competitive equipment procurement	Two QMS/ICS systems and certification readiness	Accreditation checks, sample chain-of-custody and audit evidence
5	Labl Group East Africa; Afrisol Technologies Limited; Product, Data, AI and Blockchain Governance Committee	Milestone-based software-development and support contract	Operational LaDOS/CEOS/AfriEuro modules, permissioned ledger, credentials, traceability, QA and transaction platform	Requirements sign-off, EPCIS/data standards, UAT, code/config audit, key governance, security testing, source/IP and data provisions
6	Crostar Energy; Labl Group East Africa; Compliance Officer	Competitive technical services, trial inputs and regulatory fees	Validated processing trials and approvals pathway	No unlicensed operations; permits, laboratory reports and asset controls
7	Labl; Crostar; Labl Fashion B.V.	Competitive travel/services; documented buyer and transaction costs	Kenyan, Dutch and wider EU buyer pipeline and pilot transactions	Approved travel, buyer due diligence, contracts and transaction evidence
8	Goblis Foundation and Finance/Grants Manager; Afribiz Consultancy Limited as a separate onboarding partner	Training contracts and milestone-based community grants	Inclusive enterprises, training and shared-market assets	Public criteria, due diligence, grant agreements and milestone verification
9	M&E and Learning Manager / PMU	Studies, forums and verification services	Performance evidence, learning and replication package	Independent verification, data-quality audits and approved reports
10	Labl Group East Africa as lead applicant	Approved personnel, operating costs and competitive audit services	Compliant programme coordination and financial reporting	Cost centre, dual approval, reconciliations, audit and overhead ceiling

Annex 6D. Indicative Consortium and Public-Partner Contributions

The following contributions are additional to the requested grant and will be valued, verified and documented before contracting. They are not included in the KES 138,000,000 grant total.

Contributor	Indicative contribution	Value KES
Labl Group East Africa / Labl Fashion B.V.	Sagalla land and facility use, production equipment, technical staff time, product development and Netherlands/wider EU market access	10,000,000

Contributor	Indicative contribution	Value KES
Crostar Energy Ltd	Mavueni pilot-facility use, technical staff time, feedstock and processing know-how and market-development resources	6,000,000
Goblis Foundation	Community networks, training resources, safeguarding structures and grant-administration support	2,000,000
County Governments of Taita Taveta and Kilifi	Extension personnel, venues, mobilisation, local coordination and selected field logistics	3,000,000
National ministries and statutory institutions	Technical guidance, regulatory coordination, review time and participation in learning and replication	2,000,000
TOTAL INDICATIVE CO-FINANCING / IN-KIND CONTRIBUTION		23,000,000

Annex 7. Information and Evidence Notes

These notes restore the principal evidence and programme information contained in the concept note and provide a verification trail for the full proposal. Before contracting, the lead applicant will retain copies of the cited documents and reconfirm time-sensitive statistics, institutional names and programme status.

Note	Official or primary source	Information used in the proposal
IN-1	Government of Kenya, National Cotton, Textile and Apparel Policy, 2024 (draft), State Department for Industry.	Historical farmer participation, manufacturing employment, acreage, bale production, operating textile mills, value-chain decline and the policy emphasis on farm-to-fashion integration and market diversification.
IN-2	Agriculture and Food Authority, Fibre Crops Yearbook of Statistics cited in the concept note (2024 production data).	Taita Taveta and Kilifi acreage and seed-cotton output, national share, and the list of 21 counties reporting cotton production. Figures will be reconfirmed against the final AFA publication before contracting.
IN-3	State Department for Industry, Current Statement/Status of the Cotton, Textile and Apparel Sector.	Number and composition of medium, large, micro and small textile and apparel enterprises and the opportunity for local industrial linkages.
IN-4	Government of Kenya and Agriculture and Food Authority information on approval and rollout of commercial Bt cotton.	Demonstration farms, seed distribution and farmer training under the national cotton-revival effort; used to define non-duplication and complementarity.
IN-5	Government Advertising Agency/MyGov information on new cotton ginneries in Kwale and Lamu.	Existing coastal processing capacity and expected benefits for farmers in Kwale, Kilifi, Lamu and Taita Taveta.
IN-6	Safaricom, official DigiFarm service information and sustainability reporting.	Digital farmer profiles, agronomic advice, inputs, finance, market linkages and transaction support; used to distinguish a broad farmer-services platform from AfriEuro Links buyer-specific traceability.
IN-7	County Government of Kilifi planning documents and County Government of Taita Taveta agriculture/extension mandate.	Cooperative mobilisation, input and extension support, demonstration functions and county institutional contributions.
IN-8	Government of Kenya/Presidency information cited in the concept note on documented castor activity.	Initial renewable-oilseed replication consideration for Baringo, Makueni, Nakuru and Mombasa, together with Kilifi, subject to full suitability and regulatory assessment.
IN-9	Invest International and FMO official financing and sector information.	Potential, non-guaranteed pathways for Dutch-linked international expansion, project development and investment in agribusiness, energy and private-sector growth.
IN-10	Ministry of Agriculture and Livestock Development official mandate and State Department for Agriculture information.	Crop development, extension, food and nutrition security, farmer support, data, innovation and coordination with AFA, KEPHIS and KALRO.
IN-11	Ministry of Energy and Petroleum official functions; EPRA biofuel and petroleum regulatory instruments.	Policy coordination, renewable-energy alignment, technical standards and the requirement for independent statutory approvals for regulated activities.
IN-12	National Environment Management Authority official EIA and environmental licensing guidance.	Environmental screening, EIA licensing where applicable, mitigation, monitoring, waste and effluent controls and environmental audits.
IN-13	Labl Group East Africa Strategic Plan and Crostar Energy Business Plan.	Sagalla production facility and pilot; cotton-to-fashion and traceability strategy; Mavueni renewable-oil/biodiesel pathway; smallholder partnerships; feedstock diversification and operating assumptions.

Annex 8. Due Diligence and Conditions Precedent Checklist

The following evidence will be completed, verified and retained before grant contracting or before the relevant activity is authorised. The checklist consolidates the concept note's required evidence and the full proposal's assumptions and conditions precedent.

No.	Evidence area	Required evidence or condition
1	Legal identity and ownership	Certified registration, beneficial ownership and tax documents for each consortium member and named service provider, including evidence of the Labl Fashion B.V.-Labl Group East Africa Ltd relationship.
2	Governance authorisation	Board resolutions, authorised signatories and approvals to enter the consortium, grant and service-provider arrangements.
3	Consortium and public-partner commitments	Signed agreements or letters defining roles, contributions, facilities, data access, intellectual property, decision rights, reporting and escalation procedures.
4	Financial capacity and controls	Audited accounts or acceptable financial statements, internal-control and procurement manuals, bank and cost-centre arrangements, fraud controls and evidence that for-profit entities will charge non-commercial rates.
5	Safeguarding and integrity	Safeguarding, sexual exploitation and abuse, child protection, whistleblowing, conflicts-of-interest, anti-fraud, complaints and data-protection policies.
6	Facilities and assets	Land or lease documentation, county approvals, photographs, equipment schedules, asset ownership/use agreements and pilot records for Sagalla and Mavueni.
7	Track record	Verified comparable assignments, contract or programme values, beneficiary numbers, commercial results, completion evidence and contactable references for lead and implementation partners.
8	Market evidence	Buyer expressions of interest, preliminary specifications, sample requirements, commercial due-diligence plan, indicative volumes and proposed certification pathway.
9	Co-financing	Partner commitment letters, auditable cost schedules and asset or in-kind valuation evidence supporting all stated contributions.
10	Agronomic and food-security validation	Approved planting materials, county crop plans, soil and water evidence, intercropping recommendations, food/feed safeguards and non-displacement of essential food production.
11	Environmental and social approvals	NEMA screening and licences where applicable, ESMPs, community consultation, land-use safeguards, grievance mechanism and environmental monitoring plan.
12	Energy and processing approvals	EPRA, KEBS, county, fire, occupational-safety, water, waste, effluent, storage, transport and other requirements recorded in a responsibility-and-timeline matrix.
13	Digital and data governance	Afrisol contract, requirements, architecture, security testing, data-processing agreements, consent framework, intellectual-property/escrow or ownership arrangement and disaster-recovery plan.
14	Community registration and grants	Afribiz scope, registration protocol, eligibility and duplicate controls, public grant criteria, due diligence, milestone agreements, segregation of duties, procurement controls and independent verification.

Annex 9. Concept Note-to-Full Proposal Alignment Matrix

This matrix confirms that the full proposal carries forward the important commitments, logic and institutional arrangements approved in the concept note while adding implementation detail, service-provider scopes, governance, safeguards and an itemised budget.

No.	Concept-note commitment	Full-proposal treatment	Location
1	Two anchor market failures	Fragmented value chains/weak SME-buyer linkages and lack of shared standardisation/QA/traceability; export-entry and distribution barriers treated as consequences.	Executive Summary; Sections 3.2-3.3; Section 5.2.
2	Hard sector evidence	Historical 200,000+ farmers, about 30% manufacturing employment, acreage/bale decline, mills, county output and enterprise base.	Section 3.1 and Annex 7, Notes IN-1 to IN-3.
3	Diversified production rationale	Cotton, cottonseed oil, complementary renewable-oil crops, vegetables and fruits to avoid renewed single-crop dependency.	Sections 3.4, 6.3, 13.1-13.3 and safeguards.
4	Aggregation targets	Conditional pathway to 16,000 active farmers by 2029 and 32,000 in 2030; at least 120 SMEs and 12 structures; transparent governance, unique-person/source reconciliation and payment evidence.	Executive Summary; Outcomes; Component 2; Results Framework.
5	Quality and certification	Two QMS/ICS systems, an initial assurance cohort of at least 3,500 producers and later scale tied to buyer demand and annual active-farmer gates.	Component 4; Results Framework; Annex 1.
6	Digital infrastructure	Assisted registration, georeferenced profiles, lot/batch tracking, quality, contracts, delivery, payments, export documents and finance/insurance histories.	Component 5; Section 7; Annexes 3 and 4.
7	Demonstration and processing	Sagalla farm-to-garment and cottonseed trials; Mavueni feedstock/oil/biodiesel pathway; scale only after evidence and approvals.	Component 6; Sections 12 and 13.
8	Commercial targets	Six structured agreements, four completed export/cross-border cycles, at least KES 250 million facilitated transactions and measured net-benefit improvement, subject to baseline.	Executive Summary; Results Framework; Annex 1.
9	Dutch and wider EU earning capacity	Labl Fashion B.V. as Netherlands gateway to multiple EU buyers, brands, logistics and financing actors, including potential Invest International/FMO engagement.	Sections 2.1.1, 6.7 and 13.5.
10	Inclusion and grants	50% women, 35% youth, 40% women/youth-led SMEs, 25 service enterprises, individual registration/payment and controlled community grants.	Component 8; Section 10; Section 17.3; Annexes 1, 3 and 8.
11	Additionality	Named initiatives, complementarity, grant necessity, counterfactual, no permanent subsidy and non-commercial rates.	Section 5.2 and Annex 7.
12	Systemic approach	Open, reusable standards/platform/contracts; exact cotton-county pathway; renewable-oilseed validation; Tanzania/Uganda adaptation.	Section 5.3; Component 9; Section 14.2.
13	Sustainability	Transaction charges, buyer/cooperative cost sharing, local capability, platform ownership/maintenance and institutionally embedded extension.	Section 14 and exit milestones.
14	Institutional roles	Labl, Labl Fashion B.V., Crostar, Goblis, Afrisol, Afribiz, counties, Agriculture, Trade, Energy, NEMA and regulators.	Section 2; governance tables; responsibility matrix.
15	Regulatory approvals	NEMA, EPRA, KEBS, county, OSH, fire, water, waste, storage, transport and export requirements without implied prior approval.	Section 12; Annex 8.
16	Budget and contribution	KES 138 million, KES 125 million direct, KES 13 million indirect, partner contribution and detailed itemisation.	Section 18 and Annex 6.

Blockchain and standards references

- Hyperledger Fabric documentation: permissioned membership, channels, private-data collections, endorsement policies and tamper-evident hashes.
- GS1 EPCIS 2.0: interoperable visibility-event data for the what, when, where, why and how of products, lots, transformations and sensor-linked events.
- European Union Regulation (EU) 2024/1781 and Digital Product Passport implementation materials: product identifiers, decentralised product data and lifecycle information.
- European Blockchain Services Infrastructure / EBSI: verifiable credentials and cross-border verification approaches relevant to organisational, compliance and provenance evidence. Applicable Kenyan data-protection, electronic-transactions, payment, evidence, sector and cybersecurity requirements will be confirmed through the live compliance register.