<table>
<thead>
<tr>
<th>Project/Activity Name:</th>
<th>TRANSFORMATIONAL STRATEGIES FOR FARM OUTPUT RISK MITIGATION (TRANSFORM) Impact Investment – Access to Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agresso Work Order:</td>
<td>KE0370HIKE01</td>
</tr>
<tr>
<td>Country:</td>
<td>KENYA</td>
</tr>
</tbody>
</table>

**ACCESS TO CAPITAL CONSULTANCY:**
**FACILITATE TRAINING WORKSHOPS ON IMPLEMENTATION OF INNOVATIVE FINANCE MECHANISMS**

Funded By
*United States Agency for International Development (USAID)*

<table>
<thead>
<tr>
<th>RFP Release Date:</th>
<th>11th January 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Submission Deadline:</td>
<td>07th February 2024</td>
</tr>
<tr>
<td>Question/ Inquiry Submission Deadline:</td>
<td>26th January 2024</td>
</tr>
<tr>
<td>Electronic submission to the attention of:</td>
<td>Procurement Kenya</td>
</tr>
<tr>
<td>Electronic submission:</td>
<td><a href="mailto:procurement-ke@heifer.org">procurement-ke@heifer.org</a></td>
</tr>
<tr>
<td>Contact information for inquiries about this RFP:</td>
<td><a href="mailto:procurement-ke@heifer.org">procurement-ke@heifer.org</a></td>
</tr>
<tr>
<td>Performance Period:</td>
<td>March 2024 – March 2025</td>
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</table>
I. Overview of TRANSFORM project

Transformational Strategies for Farm Output Risk Mitigation (TRANSFORM) is a USAID-funded project and a critical part of the Global Health Security Program. TRANSFORM is being implemented by a private sector consortium including Cargill, Heifer International and International Poultry Council. TRANSFORM is advancing market-driven animal health solutions to increase global health security and increase access to safe, affordable animal-sourced nutrition. The project is activating a systems approach to increase the capacity of government, agribusiness, and small- to large-scale farmers to mitigate antimicrobial resistance and prevent emerging infectious diseases (zoonotic and transboundary animal diseases - TADs) while improving farmer livelihoods in major animal agriculture value chains in India, Indonesia, Kenya, and Vietnam.

For animal health to be impactful at the magnitude needed to protect public health, TRANSFORM is designed around four systemic components:

1) **On-Farm Practices:** Working with farmers, intermediaries, and private sector companies to promote adoption of on-farm biosecurity, farm management, and antimicrobial use practices that improve animal health.

2) **Antimicrobial Use Stewardship:** Engaging companies and associations to adopt or endorse science-based antimicrobial use stewardship principles to avoid the need to use antimicrobials and use responsibly when needed to combat antimicrobial resistance.

3) **Holistic Animal Nutrition Research:** Researching animal nutrition interventions to identify market-driven solutions that improve animal immune response to disease, reduce zoonotic pathogens, increase productivity, and avoid the need to use antimicrobials.

4) **Access to Finance:** Partnering with local financial institutions to mobilize private capital to provide loans to farmers so they can invest in improved farm management and biosecurity practices that will increase human health and improve productivity while increasing farmer incomes.

Limited access to capital remains a challenge for smallholder farmers in Kenya to invest in biosecurity measures like constructing the recommended dairy and poultry housing structures, fences, footbaths, hand washing stations and animal vaccinations that are important in improving animal health, increasing production and productivity, and mitigating the risk of zoonotic diseases, transboundary animal diseases and antimicrobial resistance. The financial ecosystem that smallholder farmers operate in Kenya presents barriers from both the demand and supply side. To better understand these barriers, TRANSFORM in Year One conducted a feasibility study and identified and mapped out the barriers and possible solutions to enable smallholder farmers to access financing to invest in the poultry and dairy value chains.

TRANSFORM aims to mobilize USD 2 million over the life of the project in Kenya to support smallholder farmers and other value chain players in the poultry and dairy value chains to access these finances through their cooperatives, SACCOs
and other financial institutions to invest in biosecurity, farm management and antimicrobial use stewardship practices across the value chains.

TRANSFORM is providing technical assistance to selected banks and financial intermediaries (SACCOS and FPOs/cooperatives) to design loan products to meet sector small holder farmers’ biosecurity and farm management financing needs (e.g., customized terms of repayments, input financing, etc.). These intermediaries are further on-lending to smaller cooperatives, SACCOS, supply chain players, and off-takers, who provide inputs or credits with minimal collateral requirements to smallholder farmers. The solution optimizes using farmer cooperatives and SACCOS as semi-institutional credit suppliers since formal/institutional credit suppliers have limited incentives to lend to smallholder farmers and small and medium enterprises. The approach also incorporates training and technical assistance for farmer producer organizations (FPOs)/ cooperatives, and SACCOS to obtain loans and improve on-lending to farmers.

**Geography**
As outlined in the TRANSFORM Program Description, the innovative financing solution is planned for Kenya and India, as these are the geographies where there will be a focus on smallholder farmers. This 'Terms of Reference' seeks to engage a consultant firm to facilitate training workshops with key stakeholders of the selected financial vehicle in Kenya.

**II. Objective**

The consultant firm will work directly under the supervision of Heifer Impact Capital and in alignment with USAID and the TRANSFORM Project team to conduct the Trainings and Workshops and complete the deliverables outlined below, which include summarized findings and recommendations and strategic action plan for the project team.

**III. Scope of Work**

The proposed solution to improve access to capital for the targeted project participants is to leverage an existing credit guarantee and provide technical assistance to the financial intermediaries and key value chain players to design loan products to meet smallholder farmer’s biosecurity, antimicrobial use stewardship, and farm management needs. The capital for financing is to be provided through the balance sheets of the financial intermediaries. The solution aims to encourage financial intermediaries to use the existing credit guarantees to provide loans to dairy and poultry value chain players (SACCOS and cooperatives) to access these loans and improve their capacity for on-lending to smallholder farmers for improved adoption of biosecurity practices.

The project targets to reach and build the capacity of 76,405 smallholder dairy and poultry producers in Nyanza Region (Siaya, Kisumu, Migori and Homabay Counties), and North Rift Region (Trans-Nzoia, Uasin Gishu, Elgeiyo Marakwet and Nandi Counties) in Kenya on biosecurity, antimicrobial use, and good farm management practices.
The consultancy firm’s ‘SOW includes facilitating trainings and workshops at three levels:

1. Workshops with the financial institution administrating the guarantee.
2. Trainings to the financial intermediary and Tier 1 borrowers (larger Sacco’s, co-operatives and microfinance institutions).
3. Trainings to the Tier 2 borrowers (smaller, cooperatives, smaller Sacco’s, value chain players, off-takers, and Self-Help Groups).

Additionally, the consultancy firm will:

4. Develop financing pipeline and technical assistance to financial intermediaries.
5. Facilitate market linkages to connect farmers and farmers’ organizations to the supply chain through the aggregation of service providers such as input providers, financial institutions, extension & advisory services, aggregators, and off-takers.

(a) Workshop with the Financial Institution Administering the Guarantee

A two-day workshop will be organised in collaboration with the partner financial institution administrating the access to finance guarantee scheme and other relevant market players to strategize ways to promote biosecurity focused financing and aligning with the existing structure of the guarantee vehicle. The workshop will have an estimated 25 participants who will include participants from the financial intermediary implementing the guarantee, representatives of partner FPOs and other relevant key stakeholders.

The consultant firm facilitating the workshop in Nairobi, Kenya with the stakeholders will:

- Define the implementation roadmap as guided by Heifer and TRANSFORM Project team.
- Define milestones and reporting mechanism defining how the guarantee administrator, Sacco’s/cooperatives will submit their reports on a monthly basis.
- Document success as a result of the implementation of the access to finance component of the project.
- Provide lessons learnt and proposed recommendations.
- Identify and define course correction plans.
- Manage own logistics.

(b) Trainings to the Financial Intermediary and Tier 1 Borrowers (larger Sacco’s, Co-operatives and Microfinance Institutions)

These training sessions will have participants from the financial intermediary implementing the guarantee and Tier 1 borrowers like larger Sacco’s and co-operatives that borrow from the financial intermediary using the guarantee to on-lend. The trainings will focus on developing bio-security focused financing products, bankability matrix contextualised to the targeted participants, and aligning with the strategic mandates of the guarantee vehicle. A total of 12 - one day trainings with an estimated 20 participants will be conducted by September 30th, 2024. The trainings will be field based and held in either Kisumu and or Uasin Gishu Counties in Kenya.
The Consultant firm facilitating the training sessions will need to:

- Support the Tier 1 Borrowers (larger Sacco’s and cooperatives) to understand the market needs for biosecurity and farm management-focused loans.
- Support the Tier 1 borrowers (larger SACCO’s and cooperatives) to develop new or adopt existing products on biosecurity and good farm management practices in poultry and dairy value chains. The target is to have three biosecurity products for each SACCO and one each for the FPO.
- Support the Tier 1 Borrowers (larger SACCO’s and cooperatives) to integrate biosecurity and farm management considerations into bankability matrices and financing risk assessments.
- Build the capacity of Tier 1 Borrowers (larger SACCO’s and cooperatives) to develop gender-focused financing products for both dairy and poultry value chains.
- Deploy trainings to Tier 1 Borrowers (larger SACCO’s, cooperatives and microfinance institutions) on poultry and dairy value chain functions.
- Define milestones and reporting mechanism.
- Document and share successes and lessons learnt during the consultancy period.
- Identify and define course correction plans.
- Manage own logistics.

(c) Trainings to the Tier 2 borrowers (Smaller, cooperatives, Smaller SACCOs, Value Chain Players, Off-takers, and Self-Help Groups)

These trainings will focus on adoption of the biosecurity focused financing products, contextualizing the bankability matrix, proper deployment and tracking of repayment of loans, etc. A total of 12 one day workshops will be organised by September 30th, 2024. Each training will have an estimated 25 participants drawn from farmer producer cooperatives, smaller SACCOs, value chain players including off-takers, Self-Help Groups, and other relevant stakeholders. The trainings will be held in Kisumu, Eldoret or any other County where the project is implemented.

The consultant firm facilitating the training sessions in Kenya will need to:

- Support the smaller cooperatives, smaller SACCOs, value chain players including off-takers, and Self-Help Groups as borrowers in understanding biosecurity and good farm management focused financing products promoted under this initiative.
- Support the smaller cooperatives, smaller SACCOs, value chain players including off-takers, and Self-Help Groups as borrowers in understanding the bankability matrix customised for these loans.
- Support smaller cooperatives, smaller SACCOs, value chain players including off-takers, and Self-Help Groups in managing and tracking of deployment and recovery of loans.
- Support smaller cooperatives, smaller SACCOs, value chain players including off-takers, and Self-Help Groups in promoting these loans to the member farmers to borrow funds that will be used to adopt biosecurity practices promoted by the project.
• Receive feedback and document learnings from the smaller cooperatives, smaller SACCOs, value chain players including off-takers, and Self-Help Groups on adoption and repayment of the loans.
• Develop training material as needed.
• Identify and define course correction plans.
• Manage own logistics.

(d) Financing pipeline development, loan deployment and tracking
The consultant firm will support the financial intermediaries and value chain players to:
• Identify and deploy credible financing opportunities to promote adoption of project promoted practices, roll out plans and track progress periodically.
• Identify and recommend the best suited financing strategies, pricing system for the business ventures.
• Ensure stakeholders' have good orientation on financing needs and biosecurity problems to be solved through financing.
• Ensure FPO staff and implementing partners are trained on the biosecurity financing tools customized by the financial intermediary.
• Offer training on tracking and reporting of biosecurity focused loans.
• Offer training on loan portfolio quality management best practices.

(e) Facilitate market linkages for small holder farmers and farmers' organizations.
The consultant firm will facilitate market linkages for farmers and farmers' organizations to the supply chain through the aggregation of service providers such as input providers, financial institutions, SACCO ICT system, developers, technological providers, advisory services, extension services, aggregators, and off-takers.

IV. Expected Deliverables/Targets

- An inception report with a revised workplan showing the timelines.
- The consultant firm will invite relevant participants to the workshops and trainings in the process of facilitation.
- The consultant will develop the relevant training materials in consultation with the financial intermediary and Heifer/ Project team.
- Reports for each training to be submitted within one week post each workshop. Reports to include but not limited to progress of biosecurity and farm management loan products developed/adopted, organizations that have developed and disbursed loans related to the loan products, developed/adopted, signed participants sheets and high-resolution photos.
- Reports should contain discussion points, analysis of the field data and action plans.
- Invoices submitted on a quarterly basis and will be paid against approved reports.
### V. Team Skills and Experience Required

- Master’s degree or higher in Business Administration, Finance, Economics, or equivalent degree or experience
- A minimum of ten years professional experience working in finance and investment, with some experience in agri-investment and livestock/poultry focussed financing is preferred.
- Demonstrated knowledge of impact investments with a focus on emerging and frontier markets and financing of small holder farmers and farmer collectives
- Experience with data analysis and research, with preference for experience with facilitating similar types of workshops.

<table>
<thead>
<tr>
<th>PERFORMANCE OBJECTIVES</th>
<th>KEY PERFORMANCE INDICES (KPIs)</th>
<th>TARGET</th>
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<tbody>
<tr>
<td>Financing pipeline development and technical assistance</td>
<td>Value of biosecurity-focused financing loans accessed.</td>
<td>USD2,000,000</td>
</tr>
<tr>
<td></td>
<td>Number of stakeholders (enterprises including Sector 3 and 4 farmers) with increased access to biosecurity-focused financing products</td>
<td>5,000</td>
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<tr>
<td></td>
<td>Number of organizations adopting new or improved financial products or services.</td>
<td>20 organizations</td>
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<td></td>
<td>Number of organizations with strengthened capacity to provide finance to SHF and supply chain stakeholders.</td>
<td>20 Organizations</td>
</tr>
<tr>
<td>Financial Inclusivity: Gender and youth focused financing trainings and market linkages workshops</td>
<td>Number of biosecurity focused financing trainings</td>
<td>Tier one Borrowers-12 Trainings</td>
</tr>
<tr>
<td></td>
<td>Tier Two Borrowers-40 Trainings</td>
<td></td>
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<tr>
<td></td>
<td>Number of FI/FPO stakeholders trained in improving access to finance for improved biosecurity, farm management, and AMU stewardship practices.</td>
<td>Self Help Groups- 3 Groups per PO</td>
</tr>
<tr>
<td></td>
<td>Women/Women Led-1,000 Enterprises</td>
<td></td>
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<tr>
<td></td>
<td>Youth/Youth Led - 500 Enterprises</td>
<td></td>
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<tr>
<td></td>
<td>Market Actors trained -300 (off takers, input providers)</td>
<td></td>
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<tr>
<td></td>
<td>Number of market linkages workshops held, disaggregated per value chain</td>
<td>Two workshops for each value chain</td>
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</table>
Creativity, strong organizational ability, capacity to deliver on time and be responsive to feedback.
Demonstrated writing skills. Applicants are encouraged to provide written report sample(s) of facilitated workshops.
Excellent knowledge of written and oral communication in English and local language.

VI. Reporting and Communication

Regular updates will be provided to the Transformational Strategies for Farm Output Risk Mitigation (TRANSFORM) Access to Finance Officer and/or Project manager throughout the activity duration. A final report on the access to finance trainings will be delivered at the conclusion of the assignment.

VII. Evaluation Criteria

The selection committee will evaluate all proposals based on the following criteria. Vendors are encouraged to provide detailed and specific responses in alignment with these criteria.

<table>
<thead>
<tr>
<th>Proposal Evaluation Focus</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accuracy and relevance of the proposed technical approach and methodology</td>
<td>20%</td>
</tr>
<tr>
<td>Completeness of proposal according to the RFP (general information, activity plan, budget, team expertise, etc.)</td>
<td>10%</td>
</tr>
<tr>
<td>Experience in implementing similar assignments: experience and expertise in building the capacity of smallholder farmers, their organizations and other value chain players to access financing from financial institutions</td>
<td>20%</td>
</tr>
<tr>
<td>Experience in setting up financial portfolio management systems, agribusiness Product development, agribusiness loan portfolio management tracking and reporting, Business plans development for Agri-MSMEs, financial risk management tools, gender and youth inclusivity and market linkages development.</td>
<td>30%</td>
</tr>
<tr>
<td>Proposed team: expertise and competencies to address project components</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
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</table>

VIII. Application Requirements

Only legally registered consultancy firms are **ELIGIBLE** to apply and should submit the following documents upon application:

a) Letter of expression of interest and demonstration of capability.

b) Cover Page (Name of organization/company, contact details – the name of the contact person, physical address, phone number, and email address).
c) A technical proposal detailing your understanding and how you propose to undertake the assignment, and work plan with a general information approach below;

   i. Capacity Statement.
   ii. Organization overview highlighting related assignments completed with client name, contact person, and mobile number.
   iii. The technical capacity statement, including past experiences and activities related to the assignment.
   iv. The capacity and portfolio of key staff especially the lead consultant.
   v. At least three references of other clients for which similar assignments were undertaken with contact information for each.
   vi. A clear and comprehensive work plan (draft), outlining the major activities and schedule.

d) Financial proposal – Applicants should submit a detailed budget in excel format with budget notes that explain the basis of the estimate for each line item (in USD and KES).

e) The bidding consultancy firm MUST attach the following documents below when together with their bid or proposal to Heifer International:

   i. Certificate of Incorporation or Business Registration Certificate.
   ii. A Partnership Deed if you are running a partnership business.
   iii. Audited financial statements for the last three years.
   iv. Valid CR12 Certificate
   v. KRA online PIN Certificate.
   vi. Current Valid Tax Compliance Certificate.
   vii. Trade reference and clientele list including their respective contacts.

IX. Application Procedure

The proposal (duly signed) from consultancy firm should comprise technical and financial proposals. Proposals will be accepted preferably in soft copy through email and mentioning the subject line; TRANSFORM Project “ACCESS TO CAPITAL CONSULTANCY” to procurement-ke@heifer.org; on or before Wednesday 07th February 2024

X. Late Submissions and Modifications

Proposals received after the submission deadline will not be considered. Applicants are responsible to ensure their proposals are submitted according to the instructions stated herein. Heifer retains the right to terminate this RFP or modify the requirements upon notification to the Applicants.

XI. Award Process and Contract Mechanism

Heifer will issue a fixed award agreement based on the submission and Heifer’s acceptance of deliverables. Once an award is issued, it will include the payment schedule with the deliverables specified above.
<table>
<thead>
<tr>
<th>No.</th>
<th>Deliverable Task</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>1.</td>
<td>Proposal Submission</td>
<td>07th February 24</td>
</tr>
<tr>
<td>2.</td>
<td>Selection Committee Evaluation, Review &amp; Award</td>
<td>08th – 23rd February 24</td>
</tr>
<tr>
<td>3.</td>
<td>Notification of award</td>
<td>26th February 24</td>
</tr>
<tr>
<td>4.</td>
<td>Signing award</td>
<td>28th February 24</td>
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</tbody>
</table>

**XII. Validity of Proposals**

Proposals submitted shall remain open for acceptance for Twenty-One (21) days from the last date specified for receipt of the proposal. This includes, but is not limited to pricing, terms and conditions, service levels, and all other information. If your organization is selected, all information in this document and the negotiation process is contractually binding.

**XIII. Limitations**

This Request for Proposal does not represent a commitment to award a contract, to pay any costs incurred in the preparation of a response to this RFP, or to procure or to contract for services or supplies. Heifer reserves the right to fund any or none of the applications submitted and reserves the right to accept or reject in its entirety and absolute discretion any proposal received as a result of the RFP.

**XIV. Intellectual Property**

Section 1. Ownership Generally. Subject to Section 2 below, any intellectual property (including but not limited to copyrights, trademarks, service marks, and patents), intellectual property rights, deliverables, manuals, works, ideas, discoveries, inventions, products, writings, photographs, videos, drawings, lists, data, strategies, materials, processes, procedures, systems, programs, devices, operations, or information developed in whole or in part by or on behalf of Contractor or its employees or agents in connection with the Services and/or Goods (collectively, the "Work Product") shall be the exclusive property of HPI. Upon request, the Contractor shall sign all documents and take all actions necessary to confirm or perfect HPI's exclusive ownership of the Work Product.

Section 2. Prior-Owned Intellectual Property. Any intellectual property owned by a Party before the Effective Date ("Prior-Owned IP") shall remain that Party's sole and exclusive property. With regard to any of Contractor's Prior-Owned IP included in the Work Product, Contractor shall retain ownership, and hereby grants HPI a permanent, non-exclusive, royalty-free, worldwide, irrevocable right and license to use, copy, reproduce, publicly display, edit, revise, perform, and distribute said intellectual property, in any format or any medium, as part of the Work Product.

Section 3. Work Made for Hire. To the extent copyright laws apply to the Work Product, the Parties agree that (a) HPI specially ordered or commissioned the Work Product, (b) the Work Product is a "work made for hire" under United States
copyright laws, and (c) HPI shall be deemed the author thereof and shall own all right, title, and interest therein. To the extent such rights, in whole or in part, do not vest in HPI as a "work made for hire", Contractor hereby irrevocably grants, assigns, and transfers to HPI, exclusively and in perpetuity, all of the Contractor's rights of any kind or nature, now known or hereafter devised, in, too, and in connection with the Work Product, and HPI shall solely and exclusively own any rights therein, and in the elements thereof, including but not limited to any allied, ancillary, subsidiary, incidental, and adaptation rights. The contractor hereby waives all rights known as "moral rights", and any similar rights, which Contractor may have in connection with the Work Product. The description of Services and/or Goods provided in this Agreement shall in no way limit the way HPI may use the Work Product.

XV. Diversity and Inclusion

Heifer International values **diversity, equity, inclusion and belonging (“DEIB”),** and believe that effectively accessing and managing diverse talent leads to improved outcomes. HPI take a broad view of diversity, and inclusive of varied backgrounds including, but not limited to, age, experience, race, ethnicity, sexual orientation, gender, gender identity, disability status, national origin, and culture. HPI expect third-party providers to respect and reflect HPI’s value of DEIB. HPI’s ongoing monitoring of third-party service providers incorporates an assessment of vendors’ commitment to, adherence with, and track record of accessing and retaining diverse and inclusive workforces.