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| <b>Project/Activity Name:</b> | CATALYTIC IMPACT FOR DAIRY SECTOR GROWTH |
| <b>Agresso Work Order:</b>    | KE0367HIKE00                             |
| <b>Country:</b>               | KENYA                                    |

## **BUSINESS DEVELOPMENT SERVICES (BDS) TECHNICAL SUPPORT – (SHORT TERM)**

*Funded by: IRISH AID*

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| <b>RFP Release Date:</b>                                 | 20 <sup>th</sup> February 2024   |
| <b>Proposal Submission Deadline:</b>                     | 04 <sup>th</sup> March 2024  |
| <b>Question/ Inquiry Submission Deadline:</b>            | 27 <sup>th</sup> February 2024   |
| <b>Electronic submission to the attention of:</b>        | Procurement Kenya  |
| <b>Electronic submission:</b>                            | <a href="mailto:procurement-ke@heifer.org">procurement-ke@heifer.org</a> |
| <b>Contact information for inquiries about this RFP:</b> | <a href="mailto:procurement-ke@heifer.org">procurement-ke@heifer.org</a> |
| <b>Performance Period:</b>                               | March 2024 – July 2024   |



## **1. INTRODUCTION**

Heifer International is a global development organization on a mission to end hunger and poverty in a sustainable way. Working with farmers and their communities to identify and invest in business opportunities that deliver living incomes. Since launching in 1944, Heifer International has assisted more than 40 million families to build sustainable food and farming businesses that strengthen rural economies and put people on a pathway to Sustainable Living Income. We work with local farmers and food producers because we believe ending poverty begins with agriculture.

Heifer International Kenya has been operating in Kenya since 1981 with a Mission to work with communities to end hunger and poverty and care for the earth and its vision is “a world of communities living together in peace and equitably sharing the resources of a healthy planet”. Using a values-based holistic community development approach, Heifer works with communities to strengthen the local economy, diversify diets with better nutrition, and properly manage water and soil systems for future generations. Heifer implements its projects through 1) Community development and 2) enterprise development approaches. Each of the projects focuses on three priority directions, namely, strengthening, and diversifying the resource base, strengthening country program efficiency, and increasing outreach and impacts through the utilization of innovative value chain systems.

### **Signature Program**

Heifer Kenya has embarked on a signature program dubbed Practice 4 Change ( P4C) which envisions competitive, sustainable farmer organizations, increased income for women and youth, improved market efficiency, enhanced environmental sustainability, and better nutrition and food security. Spanning 2023-2030, the program seeks to stimulate \$95 million in local leverage resources for rural economic development.

## **2. BACKGROUND**

Heifer International Kenya, the Irish Aid, respective county governments and 10 Producer Organizations (Dairy Cooperatives) established The CATALYTIC IMPACT FOR DAIRY SECTOR GROWTH Project (2019 – 2022). The project's main goal was to enhance the institutional capacity of POs, enabling them to efficiently utilize and repay catalytic investments, ultimately increasing the profitability of their dairy enterprises.

The insights gained from the key learning phases, I and II (2019-2023) underscored the importance of deepening the impact within the 10 producer organizations, leading to the initiation of a twelve-month bridge phase that will end in July 2024. The bridge phase aims to enhance the catalytic investment impact by *1) strengthening the institutional capacity of POs for efficient investment utilization and repayment and 2) minimizing operational inefficiencies.*

Part of the bridging phase has involved the development of a sustainable ecosystem to support solarization investments and other climate smart technologies, engaging the private sector and financing institutions, which require sufficient time, prompting the need to conduct feasibility analysis for the solar investments including PO specific needs for solar investments.

### **3. OBJECTIVE**

The purpose of this consultancy is to provide targeted Business Development Services support to the 10 Producer Organizations (POs) based on need and context for a period of 5 months to put them on the pathway towards profitability and sustainability and impacting smallholder farmers. The activities will include the project's close-out phase with the objective of sustainably directing the 10 producer organizations into profitable business organizations and entities, impacting the smallholder member farmers.

### **4. SCOPE OF WORK**

The BDS support will include among other things, working with technical energy experts to conduct a feasibility analysis for possible solar investments to a few of the POs, provide technical assistance to the POs to manage the investments, collect data to assess the efficiency of the investments, analyze data to provide insights to the key stakeholders including policy makers in the agri-food systems that will guide future catalytic investments. All the above initiatives will ensure clear linkage to the food systems priorities of Kenya and how the work with the cooperatives contribute to this from a sustainability perspective.

#### **Specifically:**

##### **I. Business development (40%)**

- Conduct business analysis of the various enterprises within the POs to assess and develop new business, investment and financing options, providing recommendations to the respective POs management in consultations with Heifer program team.

- Provide business advisory support to the POs by developing a framework to reduce POs managerial and operations costs, including sound and updated financial/business record keeping system.
- Provide technical assistance to POs to develop a milk collection system to reduce inefficiencies in transportation.
- Design a business model for POs to grow their liquidity using an innovative financing model to facilitate timely payments to farmers against their daily milk delivery.
- Conduct solar energy investment feasibility assessment for 3 proposed POs.

## **II. Capacity development (30%)**

- Provide advisory support in operating market structures (e.g., collection centers, market centers, processing facilities, chilling centers)
- Support coaching and mentorship to the POs based on the capacity assessment gaps identified during their assessment.
- Provide technical assistance to producer organizations to adopt and utilize energy efficient technologies where the model finds this appropriate.
- Provide business advisory based on capacity gaps identified from the POs capacity assessment done in May 2024, including support
- Provide advice and assistance in the strengthening and maintenance of PO business data systems analysis and record keeping systems.
- Assess the business environment under which the impact capital enterprises are operating in and provide status and recommendations.
- Support review of PO business models clearly showing the value proposition to members and how it will leverage the catalytic opportunities in the production and market environment.
- Support the project closure process.

## **III. Reporting (30%)**

- Track PO business performance monthly using a template to be provided by Heifer Kenya.
- Develop and submit monthly, quarterly and end of project report.

## **5. EXPECTED DELIVERABLES**

- Monthly report that includes business performance, technical assistance and mentorship support provided to the POs, among other support provided by 5<sup>th</sup> of every month.
- 10 POs Supported to review business models clearly showing the value proposition to members and how it will leverage the catalytic opportunities in the production and market environment. Well established financial and business models for 10 POs that provide management with the key information to govern business operations – the business models be ready by 31<sup>st</sup> May 2024.
- 10 POs with capacity development plans and strategic opportunities reviewed and Provide by 30<sup>th</sup> March 2024.
- Business analysis report for potential solar energy investments in 3 POs
- Report on capacity development support provided to the POs from the capacity development plan by 30<sup>th</sup> June 2024.
- Partnership report for the POs linked with the appropriate government, private partners, input suppliers and other organizations – by 30<sup>th</sup> June 2024
- Draft end of project report that includes lessons learned and recommendations from the closure workshops.

## **6. TECHNICAL QUALIFICATIONS AND EXPERIENCE**

- A master's degrees in business management, Economics, Agribusiness or related disciplines, plus five years in value chain competitiveness, investment promotion and energy saving technologies.
- At least 10 years' professional experience business analysis and development in Kenya
- Demonstrated experience in conducting business investment analyses, and the ability to translate results into viable business ideas and subsequently tangible businesses.
- Previous experience in the commercial sector with skills to develop and evaluate investment opportunities and promote such opportunities to financial institutions.
- Excellent interpersonal, communications, and facilitation skills including an ability to integrate different experiences, methodologies, and approaches from a diverse range of stakeholders, organizations, and technical experts from multiple sectors, through adapting facilitation techniques.
- Significant experience in building public/private partnerships, preferably in the agro-processing sector.

- Strong consumer marketing, financial analysis, and management skills.
- Prior experience in supporting and monitoring field-based programs in the country.
- Broad knowledge and understanding of the of the dairy value chain sector, preferably in the agro-processing sector.
- Excellent command of report writing analysis and presentation skills using Word, Excel and PowerPoint.

## 7. REPORTING AND COMMUNICATION

The focal point for short term BDS Support will be the Project Manager. The consult will report to the Project Manager - The Catalytic Impact for Dairy Sector Growth Project throughout the entire duration of the engagement.

## 8. RESOURCES AND ACCESS

The consultant shall have access to project-related data, reports, and documentation as required for the consultancy. However, the consultant shall not disclose, share, or use this information for any purposes beyond the scope of this project without prior written consent from Heifer Kenya.

## 9. EVALUATION CRITERIA

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

| <b>Application Evaluation Focus</b>   | <b>Percentage</b> |
|---|-------------------|
| A master's degrees in business management, Economics, Agribusiness, or related disciplines    | 10%               |
| Experience in provision of business advisory services (At least 4 years)                      | 30%               |
| Experience in agribusiness investment analysis (At least 3 years)                             | 30%               |
| Experience in Farmer Owned Enterprises Organizational capacity development (At least 5 years) | 30%               |
| <b>Total</b>  | <b>100%</b>       |

## 10. APPLICATION REQUIREMENTS

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

- a) Letter of expression of interest and demonstration of capability
- b) A technical proposal detailing your understanding and how you propose to undertake the assignment with general information approach as below.
  - i. **Capacity Statement:** The technical capacity statement, including past experiences and activities related to the assignment.
  - ii. Organization and/or individual overview highlighting related assignments completed with client name, contact person, and mobile number.
  - iii. The capacity and portfolio of the lead consultant, detailed profile of the lead consultant, including their qualifications, experience, and expertise relevant to the assignment.
  - iv. At least three references from other clients for which similar assignments were undertaken with contact information for each.
  - v. A clear and comprehensive work plan (draft), outlining the major activities and schedule.
  - vi. **Financial proposal** –Applicants should submit a detailed budget in Excel format in **KES & USD**
  - vii. The bidding consultancy firm and/or individual **MUST** attach the following documents (where applicable) below with their bid or proposal to Heifer International Kenya
    - Certificate of Incorporation or Business Registration Certificate.
    - Audited financial statements for the last three years.
    - Valid CR12 Certificate.
    - KRA online PIN Certificate.
    - Valid Tax Compliance Certificate.
    - Trade reference and clientele list including their respective contacts.

Failure to submit any of the required documents may result in the disqualification of the application.

## 11. APPLICATION PROCEDURE

The proposal (duly signed) from the consultant should comprise a CV and a letter of expression of interest quoting the consultancy fee. Applications will be accepted preferably in soft copy through email and mentioning the subject line; “**SHORT-TERM BUSINESS DEVELOPMENT ADVISOR**” to [procurement-ke@heifer.org](mailto:procurement-ke@heifer.org) on or before **Monday 05<sup>th</sup> March 2024**



## **12. LATE SUBMISSIONS AND MODIFICATIONS**

Proposals received after the submission deadline will not be considered. Applicants are responsible for ensuring 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.

## **13. 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.

| <b>No.</b> | <b>Deliverable Task</b>                        | <b>Due Date</b>                              |
|------------|--|--|
| 1.         | Proposal Submission                            | 04 <sup>th</sup> March 24                    |
| 2.         | Selection Committee Evaluation, Review & Award | 05 <sup>th</sup> – 15 <sup>th</sup> March 24 |
| 3.         | Notification of award                          | 18 <sup>th</sup> - 19 <sup>th</sup> March 24 |
| 4.         | Signing award                                  | 21 <sup>st</sup> March 24                    |

## **14. 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.

## **15. 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 because of the RFP.

## **16. 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.

## **17. 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.