

## Ministry of Agriculture and Livestock Development State Department for Agriculture.



Project Name: National Agricultural Value Chain Development Project (NAVCDP)

#### **TERMS OF REFERENCE (TOR)**

**FOR** 

# BUSINESS ACCELERATION SERVICES FOR DISRUPTIVE AGRICULTRAL TECHNOLOGIES (DATs) FOR THE NATIONAL AGRICULTURAL VALUE CHANIN PROJECT (NAVCDP)

December, 2023

**Client:** 

The Principal Secretary

The Ministry of Agriculture and Livestock Development (MoALD)

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#### I. Background information

#### I.I. Introduction

The National Agricultural Value Chain Development Project (NAVCDP) is a Government of Kenya project with co-funding from the World Bank and the National Government. The project will be implemented in 32 counties targeting to increase market participation and value addition for farmers in select value chains selected for NAVCDP and coordinated by the NPCU. The project will be implemented over 5 years commencing September 2022 to December 2027.

NAVCDP will build on the strong foundation laid by NARIGP and KCSAP. The project will deepen investments in existing interventions around productivity enhancement, community-led farmer extension, water management investments, and data-driven value chain services. Additionally, the project will introduce intensified infrastructure investments into select value chains to support aggregation and commercialization, scale up value addition and market linkages with agribusiness off-takers and SMEs, support FLID, enhance access to credit and financial services and develop proof of concept around Urban Food Systems and peri-urban agriculture in select clusters. The project will leverage the strong community institutions comprising over 37,000 farmer CIGs, trained Community Driven Development Committees (CDDCs), 500 FPOs, and strong implementation capacity at the national and county levels. Project investments such as access to credit, climate information services, and development of irrigation and market infrastructure are envisaged to be value chain neutral and will universally support smallholder transition towards commercial agriculture.

#### 1.2. Project Development Objectives and Indicators

The development objective of NVCDP is to "increase market participation and value addition for targeted I farmers in select value chains in project areas". Progress towards achievement of this objective will be monitored with following three indicators:

- Farmers reached with agricultural assets or services under the project of which at least
  50 % are female farmers
- ii. Percentage increase in farmers selling more than 50 percent of their produce in the market
- iii. Percentage increase in farmers selling produce in value added form (both on farm and off farm)

#### **I.3. Project Components**

Component I: Building Producer Capacity for Climate Resilient Stronger Value Chains. Interventions and activities in Component I will be geared towards building producer-level capacity for enhanced market participation and transition towards commercial agriculture with farmer groups and farmer producer organizations (FPOs) as primary platforms for program delivery. The component will drive sustainable productivity enhancement, climate-resilient and nutrition-sensitive production, and increased market participation for project farmers through improved access to credit, inputs, and digital extension services while linking them to high-capacity Producer Organizations (FPOs). Leveraging the existing institutional base of farmer CIGs/VMGs already mobilized under NARIGP and KCSAP, the project will build producer-level capacity for transition to high-value crops, adoption of climate resilient production technologies, and increased value addition at the primary level. Linkage of CIGs to FPOs will be universalized for stronger market participation and high-quality technical assistance support will be extended to FPOs for building long-term agri-business capacity. Inclusion of women smallholders will be a key focus area with at least 50 percent of CIG members supported under the project estimated to be women farmers.

Component-2: Climate Smart Value Chain Ecosystem Investments- This component will focus on supporting enabling ecosystem investments identified as part of county level, regional level (spanning several counties), and national value chain development plans. These ecosystem investments, aimed at improving access to irrigation, boosting market participation of small farmers, and catalyzing higher value addition, will include; a) Water resource management interventions comprising of Farmer-led irrigation development (FLID) interventions and investments including those related to water harvesting and water use, b) Investments into market support and value addition infrastructure at county level, c) Investment support for wide-scale adoption of Digital Agriculture Technologies and integration of Big Data platform for farmer services, and d) Investment support for active linkages with agriculture research institutions, technical assistance and private sector linkages. Considering the level of operation and potential scale, ecosystem investments have been categorized under four sub-components. In addition to project resources, this component will strongly focus on crowding in relevant investments from ongoing development initiatives, government programs, and private-sector partnerships.

Component 3: Piloting Safer Urban Food Systems- The overall objective of this component is to strengthen: (i) urban and peri-urban agriculture and (ii) urban market infrastructure. The component will support the rollout of Urban Food System pilots in Nairobi and parts of Kiambu and Machakos as the peri-urban areas. The focus will be to demonstrate proof of concept of an efficient, climate-smart, and safe urban food system. The component will support the development of safer food production systems, enable stronger linkages between peri-urban clusters and urban markets, improve direct farmer-to-urban consumer linkages, build higher consumer awareness around food safety and nutrition, and facilitate improved institutional

coordination and policy environment for urban food safety. The component will build on the recently completed Nairobi City County Food System Strategy and Implementation Plan (the strategy was supported by the Food and Agricultural Organization (FAO).

Component 4: Project Coordination and Management- This component will finance activities related to national and county-level project coordination, including planning, fiduciary (financial management and procurement), staffing and human resource (HR) management at the national level, environmental and social safeguards implementation, monitoring and compliance, development of the MIS and ICT, regular M&E, impact evaluation, communication, knowledge management, and citizen engagement. In addition, in the event of a national disaster affecting the agricultural sector, the project through this component

#### 1.4. Project Target and Coverage

Project beneficiaries: NAVCDP aims to support mainly 500,000 small scale farmers who will be transitioning or have potential to transition from being subsistence farmers to commercial farmers or are selling only a small percentage of their produce commercially. Other beneficiaries of the project include value chain actors at various levels including extension workers, aggregators, logistics support providers and SMEs operating within the value chain. The project will place a strong focus on inclusion of women farmers within the supported value chains.

Value chains to be supported: 9 value chains have been selected based on a thorough qualitative and quantitative assessment. The selected value chains based on their ranking are: Dairy, Coffee, Chicken, Fruits (Avocado, Banana, Mango), Vegetables (Irish potatoes, Tomato), Apiculture, Pyrethrum, Cashew nut and Cotton.

NAVCDP will be implemented in 32 counties spread across 7 geographical clusters. The selected counties and regions are as below:

- (i) Central (5): Nyeri, Muranga, Kirinyaga, Kiambu, Nyandarua
- (ii) Eastern (6): Machakos, Kitui, Makueni, Embu, Meru, Tharaka Nithi
- (iii) Rift Valley (8): Nandi, Uasin Gishu, Trans Nzoia, Narok, Kajiado, Nakuru, Bomet, Kericho
- (iv) Western (4): Kakamega, Busia, Bungoma, Vihiga
- (v) Nyanza (6): Homa Bay, Migori, Kisii, Kisumu, Siaya, Nyamira
- (vi) Coast (3): Taita Taveta, Kilifi, Kwale

Under component-2: Climate Smart Value Chain Ecosystem Investments, sub component 2.3 Investment support for wide scale adoption of Digital Agriculture Technologies and integration of Big Data platform for farmer services, the project envisages to onboard a business accelerator to provide various resources, mentorship, and networking opportunities to accelerate the

growth/ scale of the agripreneur model and increase their chances of success through building entrepreneurial skills to enable them generate income streams towards sustainability.

The inception of agripreneurs was achieved through the profiling and mapping of farmers and agricultural value chain stakeholders. The objective of this initiative was to develop a comprehensive and centralized dataset that would facilitate effective agricultural planning, farmer identification, resource allocation, disaster preparedness and response, market access, research development, and policy formulation. Agripreneurs were recruited from forty-five counties, and selection was done at the ward level. The counties underwent the first level of sensitization on the role of agripreneurs beyond data collection.

The inception of agripreneurs was achieved through the profiling and mapping of farmers and agricultural value chain stakeholders. The objective of this profiling and mapping exercise was to develop a comprehensive and centralized dataset that would facilitate effective agricultural planning, farmer identification, resource allocation, disaster preparedness and response, market access, research development, and policy formulation. The recruitment of agripreneurs from forty-five counties has been a crucial step towards achieving this objective. The agripreneurs undergo a rigorous selection process at the ward level to ensure that the most qualified candidates are selected. The counties have also undergone a sensitization process to equip them with knowledge on the role of agripreneurs beyond data collection.

#### 2. Objective of the Assignment

NAVCDP's Coordination Unit (NPCU) is thus seeking applications for qualified private sector institutions with relevant track record and experience in Disruptive Agricultural Technologies (DAT) to provide the services of a Business Accelerator (BA) to support project implementation and enhance the achievement of the project results.

NAVCDP will roll out the Agripreneur model in the 32 counties. The Agripreneurs who were recruited in the counties will be screened through a participatory process by the implementing counties and the BA.

The Business Accelerator (BA) is a national-level service provider that caters to Agripreneurs at the national, regional, and county levels. The BA delivers mentorship support to enable Agripreneurs to sustainably provide e-extension services. This initiative is backed by resources and tools that help to inculcate agribusiness and networking skills in the Agripreneurs. The BA additionally offers demand generation services for agro-inputs, services, and market linkages. The BA's expertise extends to the fulfillment of products and services, record-keeping, payment management, commission generation, and output management for a set of 500 farmers per Agripreneur.

To provide further support, the BA deploys Business coaches in every county to provide backstopping support to Agripreneurs. This initiative helps create linkages and connections with Agtechs, value chain actors, SACCOs, FPOs, and others to grow their businesses for long-term sustainability. This kind of support is critical to Agripreneurs as it helps to improve their business acumen and create a lasting impact on the agricultural sector.

#### 3. Scope of the consulting services and specific tasks

The scope shall include the following tasks:

- Developing and implementing the Agripreneur model in the 32 targeted counties with full support.
- Providing Agripreneurs with top-notch incubation services, including business development, coaching, and mentorship to empower them to succeed in the agriculture industry.
- Equipping Agripreneurs with a thorough understanding of their customers (farmers), competitors, market, products, services, pricing, customer service, and financial management to enable them to stay ahead of the curve.
- Conducting a thorough assessment of the training provided by agtechs and value chain actors on their respective innovations, technologies, sales process, pricing terms/conditions, after-sales service, troubleshooting, and commissions paid to Agripreneurs.
- Bundling services at the last mile to improve overall efficiency.
- Enhancing access, dissemination, and assessment of data services in the Big Data platform at the National, County (CPCU, Agripreneurs), and community level (smallholder farmers, community structures, and business entities).
- Developing a quality assurance mechanism for Agripreneurs for real-time evaluation and appraisals in partnership with the CPCU.
- Deploying county mentors in every implementing ward in every county to provide Agripreneurs with unwavering support and help create linkages and connections with the Agtechs, value chain actors, SACCOs, FPOs, and others to grow their businesses for longterm sustainability.

#### 3.1. Specific Tasks

The Business Accelerator shall:

In order to ensure the successful implementation of the agricultural agripreneur model, the development of a comprehensive work plan is necessary. The work plan must provide a clear outline of the activities that will be undertaken, with an emphasis on their respective timelines. Additionally, it should include a detailed approach to the rollout of these activities, as well as an

incubation and mentorship plan. Lastly, a monitoring and evaluation assessment tool/plan should be incorporated to ensure that the outcomes of the program are accurately measured.

In parallel to the development of the work plan, it is also crucial to establish a database of agripreneurs. The database should be created with a profiled and mapped approach, with gender disaggregation as a priority. Similarly, digital ecosystem actors, both existing and potential, should be recorded within the database.

To support the development of key business skills and knowledge among agripreneurs, a calendar of educational events should be developed. These events can include workshops, seminars, and training sessions. Furthermore, access to networks and potential partners must be granted to support business development and farmers' engagement. To create a collaborative and supportive environment for the various levels of the digital ecosystem, it is essential to foster engagement at all levels of the program.

To provide income stream opportunities, a validated service catalog should be developed. This catalog should include products and services that are relevant to the program's objectives.

To ensure the sustained impact of the program, the development of an exit strategy and a post-acceleration support plan is essential. The plan should outline how the program's impact will be measured and sustained after its conclusion.

To track the program's progress, monthly reports should be submitted. These reports should provide a detailed overview of the program's progress, including any gaps and learnings. Additionally, the report should include the number of agripreneurs screened with gender disaggregation, the number of agripreneurs fully developed with gender disaggregation, and the profiled and mapped data and digital ecosystem players. Finally, the reports should indicate the number of farmers' engagements and the linkages created.

#### 4. Duration of assignment

The term of this contractual agreement is set for a period of eighteen (18) calendar months, commencing from the date of commencement of the contract. The agreement is subject to renewal based on the performance of the parties involved.

#### 5. Reporting requirements and timelines for deliverables/reports

The Business Accelerator, working closely with the Client, will be responsible for writing all reports, including the inception report, progress reports, and final report. These will be formally submitted to the Principal Secretary, State department of Agriculture, Ministry of Agriculture and Livestock Development (MOALD) through the National Project Coordinator.

The Business Accelerator shall submit all draft and final outputs/reports to the Client in accordance with the schedule indicated in Table I below:

Table I: Reporting requirements and timelines for deliverables/reports

S/No.	Deliverables/Reports	Timeline for submission of deliverable/report after signing the contract	Format of presentation of Deliverables/Reports
I.	Inception report of the Work Plan to include: an incubation and mentorship plan; calendar of events	2 weeks	3 hard copies and I soft copy in pdf format
2.	Draft strategy on mobilization/ screening and incubating the agripreneurs	4 weeks	3 hard copies and I soft copy in pdf format
3.	Database of Agripreneurs and) ecosystem partners (mapped per at ward level)	8 weeks	3 hard copies and I soft copy in pdf format
3.1.	Assign wards and setting targets of assessing farmers engagements - creating/strengthening linkages		
3.2.	Mapping of public/private sector actors and engaging them to the ecosystem	20 weeks	
3.3.	Recruit, Select and on-board Business Coaches to mentor at county level		
4.	Develop an exit strategy and a post-acceleration Support	22 weeks	3 hard copies and I soft copy in pdf format
5.	Project management	No. of update reports with lessons learnt	Quarterly

All reports shall be submitted to:

The NAVCDP National Project Coordinator email <a href="mailto:info@navcdp.go.ke">info@navcdp.go.ke</a> and copied National Digital Agricultural Lead

#### 6. Payment schedule

The proposed payment schedules based on satisfactory performance of the contract which will be negotiated with the successful Business Accelerator will be as presented in Table 2 below.

Table 2: Proposed payment schedule

S/N	Deliverable/Reports	Percentage of the contract amount
I	Submission and acceptance of Inception report	20 %
2	Roll-out of the activities / kick-off and completion of Agripreneur incubation	50 %
3	Submission of final report – Achieved milestones	30 %

Upon submission of every report, the Business Accelerator is expected to make a presentation of the submitted report to the Client in a scheduled meeting. The acceptance of the report shall be recorded in the minutes of the meeting.

#### 7. Minimum Business Accelerator's qualifications and experience requirements

The shortlisting criteria are:

- a) Core business and years in business: The firm shall be registered/incorporated as a consulting firm with vast experience in disseminating/ enhancing interaction and use of digital and disruptive Agricultural technologies dissemination, agripreneur building and strengthening and or related field for a period of at least eight (8) years.
- b) Relevant experience: The firm shall demonstrate as having successfully executed and completed at least one assignment of similar nature, complexity and in a similar operating environment in the last five (5) years. Details of similar Assignments-Name and address of the client, scope, value, and period should be provided and submitted Expression of Interest should include enumeration of these similar past assignments.

c) Technical and managerial capability of the firm: The firm shall demonstrate as having the requisite technical capacity including relevant equipment, tools, software etc and managerial (to include human resource architecture) capacity to undertake the assignment in the submitted company profile(s).

#### 7.1. Qualifications and Required Personnel

The firm should possess a combination of education, skills, and practical experience and be responsive to the dynamism of the digital business and entrepreneurship.

The successful institution should have experience in starting and managing a business; participate in startup programs, incubators, or accelerators can provide hands-on experience; proficiency in digital technologies, online marketing, e-commerce, and understanding of digital trends; familiar with emerging technologies like artificial intelligence, and data analytics; understand the agricultural and related sectors to support the digital business acceleration; knowledge of market trends, customer behavior, and competitive landscape; Strong networking skills to build relationships with startups, investors, mentors, and other key stakeholders; effective communication skills for presenting ideas and interacting with diverse team; ability to analyze market data, assess business models, and develop effective strategies for startup growth; problem-solving skills and the ability to adapt to changing market conditions; and a commitment to continuous learning and staying updated on industry trends is crucial.

### 7.2. Team Composition and Minimum Qualification and Experience Requirements for the Key Experts

The Firm or Institution is required to demonstrate its capacity to provide the services described in this TOR by presenting a team of well-qualified and experienced professionals. The professionals should possess the necessary resources, including equipment and software, to undertake assignments of such nature. The key professionals, along with any other experts deemed appropriate, shall personally carry out the services as described in this TOR. It is imperative to note that the quality of the services provided will depend on the experience and expertise of the team, and the availability of resources. The key experts to be provided by the Business Accelerator for this assignment are as follows: -

#### 7.2.1. Team Leader (Data and Digital Specialist)

The Lead Consultant/ expert should have a minimum of a Masters' degree qualification in degree in business administration, entrepreneurship, economics, computer science, or a related field. Specialized courses or certifications in digital marketing, data analytics, technology management, or startup acceleration is an added advantage.

#### 7.2.2. Extension/ Community Development Specialist

The expert must meet the minimum qualifications outlined below:

- i. A bachelor's or master's degree in community development, sociology, anthropology, rural development, public administration, social work, or a related field. Training or certifications in community development, digital extension education, or related areas is an added advantage.
- ii. Practical experience in community development projects, outreach, or related fields.
- iii. The ability to facilitate workshops, conduct presentations, and engage in public speaking.
- iv. Strong networking skills to build relationships with farmers, suppliers, distributors, and other stakeholders in the agricultural value chain, ability to collaborate with government agencies, agricultural organizations, and industry partners.
- v. Ability to build positive relationships with community members, leaders, and partner organizations.
- vi. Cultural competence and sensitivity to work effectively in diverse settings.
- vii. Understanding of local, regional, and national policies affecting communities and the ability to navigate relevant regulations.

#### 7.2.3. Monitoring and Evaluation Specialist

The expert must meet the minimum qualifications outlined below to ensures that data-driven decisions contribute to the overall success of projects and programs.:

- i. Bachelor's degree in M & E studies, community development or related social sciences.
- ii. Familiarity with digital monitoring tools and platforms, including data collection apps, online surveys, and other software solutions.
- iii. Knowledge of databases and information systems used in M&E. skills in data analysis and interpretation, with the ability to derive actionable insights from agricultural data.
- iv. Skills in conducting community needs assessments, analysing data, and identifying key issues affecting communities.
- v. Strong understanding of agricultural practices, crop management, livestock management, and overall knowledge of the agricultural value chain.

#### 7.2.4. Agricultural Digital Innovations Specialist

The specialist is expected to apply cutting-edge solutions to address challenges and enhance the sustainability and productivity of agricultural practices.

Identify and develop digital innovations to reduce operational inefficiencies and transform work processes. Facilitate understanding of good digital experience and use data-driven methods to enhance customer digital engagement

The expert must meet the minimum qualifications outlined below:

- i. Bachelor's degree in a relevant field such as Information Technology, as digital innovation, design thinking,
- ii. Relevant work experience in digital innovation, technology, or related fields; Experience in developing and implementing digital strategies or solutions; Familiarity with emerging technologies and trends in the digital space.
- iii. Knowledge of farm management software, data analytics, and other digital tools used in agriculture.

#### 8. Estimated Time Inputs for Key Experts

The number of key experts and the estimated time input for each key expert for the assignment are presented in Table 3.

**Table 3: Estimated Time Inputs for Key Experts** 

Key Experts	Time-inputs in person-months	
Team Leader – Data and Digital Specialist	6 months	
Extension/ Community Development Specialist	12 months	
Monitoring and Evaluation and Learning Specialist	4 months	
Agricultural Digital Innovations Specialist	12 months	
Total person months	34 Months	

#### 9. Management and accountability of the assignment

Throughout the course of the consultancy process, the Business Accelerator will provide the client with regular updates regarding the assignment. These updates will contain a summary of the assignment's status, including the progress of tasks, allocation of resources, schedule updates, coordination with county governments, and other key factors. Additionally, any issues that require attention will be highlighted. It is imperative that the client and Business Accelerator are in agreement regarding the scope and progress of the assignment, and that there is an opportunity to review any challenges or support needed for the assignment's successful completion.

The assignment will be conducted with MoALD and SDA as the clients, with the Principal Secretary MoALD serving as the clients' representative. The Project Coordinator - NAVCDP, under which this assignment will be housed, will oversee overall quality control and coordinate various aspects of the project. The Business Accelerator will report to the NDAL, who in turn

will report to the Project Coordinator. The NPC will share updates on the consultancy's progress and activities with the World Bank.

The Project Digital Agricultural Lead, on behalf of the client, will manage the day-to-day coordination of the consultancy, while the Business Accelerator will appoint a counterpart. These two individuals will serve as the primary points of contact for coordinating logistics and administrative details for events such as field excursions for data collection, as well as consultative and dissemination workshops.

#### 10. Obligations of the Client

The Client shall assume the following responsibilities:

- i. The day-to-day management of the contract, including the processing of funds for disbursement to the consultancy.
- ii. Provision of secondary data source(s) required by the Business Accelerator.
- iii. Facilitation of activities as arranged by the Business Accelerator through liaison with key stakeholders.
- iv. Provision of operational support where necessary for technical inputs, obtaining approval as required.
- v. Ensuring quality of the consultancy outputs through timely review of reports.

In fulfilling these duties, the Client will contribute significantly towards the success of the project. The timely and efficient administration of contractual obligations is essential to maintaining the project's momentum and achieving its objectives. The Client's efforts will be instrumental in ensuring the Business Accelerator receives the necessary support to deliver a successful outcome.

#### 11. Obligations of the Business Accelerator

The Business Accelerator assumes responsibility for the costs of transportation, accommodation, insurance, airtime, and any other related expenditures. The Business Accelerator is expected to undertake activities that ensure the outputs are consistent with professional and legal requirements. Furthermore, the data must be generated through a consultative process that guarantees authenticity and ownership.

#### 12. Propriety rights of Client in reports and records

The Business Accelerator is tasked with submitting the requisite reports to the NAVCDP NDAL within the stipulated schedule. The NAVCDP shall be regarded as the substantive owner of the study reports and shall hold copyright ownership thereof. All data and information that are obtained during the assignment from respondents, the MoALD, and the World Bank, are to be treated with utmost confidentiality and are to be used solely in connection with the execution of these Terms of Reference. All intellectual property rights that arise from the execution of these Terms of Reference are assigned to the MoALD. The content of written materials that are obtained or prepared in the course of this assignment shall not be disclosed to any third parties without the expressed advance written authorization of the MoALD and/or the World Bank.