



MINISTRY OF AGRICULTURE AND
LIVESTOCK DEVELOPMENT
STATE DEPARTMENT FOR AGRICULTURE



**NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT
(NAVCDP)**

TERMS OF REFERENCE

(TOR)

**CONSULTING SERVICES FOR ACCELERATING PRIVATE SECTOR
INVESTMENT AND PARTICIPATION IN THE AGRICULTURE SECTOR FOR
THE PRIORITY VALUE CHAINS**

Contract Reference No. KE-MOALF-457201-CS-QCBS

November, 2024

Client:

Ministry of Agriculture and Livestock Development
State Department for Agriculture
P.O. Box 30028-00100
Nairobi
Email: info@kilimo.go.ke

1. Project Background

The National Agricultural Value Chain Development Project (NAVCDP) is a Government of Kenya project with co-funding from the World Bank, National and county Governments. The project is being implemented in 34, counties targeting to increase market participation and value addition for farmers in select value chains prioritized for NAVCDP and co-ordinated by the NPCU. This is a 5-year project whose implementation commenced in September 2022, and it is expected to close in December 2027.

The development objective of NVCDP is to “*increase market participation and value addition for targeted farmers in select value chains in project areas*”. NAVCDP will build on the strong foundation laid by previous projects, namely the National Agricultural and Rural Inclusive Growth Project (NARIGP) and the Kenya Climate Smart Agriculture Project (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. 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.

NAVCDP has 4 main components: **Component 1:** Building Producer Capacity for Climate Resilient Stronger Value Chains. Interventions and activities in Component 1 are 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. Linkages of CIGs to FPOs are universalized for stronger market participation, and high-quality technical assistance support will be extended to FPOs for building long-term agribusiness capacity.

Component-2: Climate Smart Value Chain Ecosystem Investments- This component focuses 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 smallholder farmers, and catalyzing higher value addition, 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.

Component 3: Piloting Safer Urban Food Systems- The overall objective of this component is to strengthen (i) urban and peri-urban agriculture, (ii) urban market infrastructure and iii)

Policy and institutional strengthening. The component supports the rollout of Urban Food System pilots in Nairobi and parts of Kiambu, Kajiado and Machakos as the peri-urban areas. The focus is to demonstrate proof of concept of an efficient, climate-smart, and safe urban food system. The component supports 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.

Component 4: Project Coordination and Management- This component finances activities related to national and county-level project coordination, including planning, fiduciary (financial management and procurement), staffing and human resource (H.R.) 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, resources will be reallocated through this component.

1.2 Rationale for private sector engagement in value chain development

Value chains are private sector led. The National Agricultural Value Chain Development Project (NAVCDP) seeks to engage private sector players to increase the competitiveness of the priority value chains. This ambition is enshrined in NAVCDP objective: “*To increase market participation and value addition for farmers in Kenya*”. Accordingly, the private sector is seeking closer integration in the supply chains for industry, a paradigm shift to promote backward integration between industry and agriculture actors. Indeed, the private sector is keen on participating in ‘Agriculture for Industry’ concept.

The value proposition for enhanced private sector market participation is premised on existing opportunities in the domestic and export market for NAVCDP National priority value chains: Dairy, Chicken, Avocado, Coffee, Banana, Apiculture, Potatoes, Banana, Mango Avocado, Rice, Green grams, Cotton, Pyrethrum, Cashew nuts, red meat, African leafy Vegetables and Garden peas. Further, each of the 34 participating Counties has prioritised 5 value chains where the project will leverage investments with the private sector players for increased market participation and value addition.

2. Objectives of the Assignment

The overall objective of the assignment is to mobilize private sector players in the agriculture sector at the county and national levels to invest to increase market participation and value addition of smallholders. This will be achieved through direct investments by the private’s sector players in the priority value chains and/or through partnerships with the Farmer Producer Organizations (FPOs). In pursuit of the NAVCDP objective, the consulting services will adopt value chain upgrading strategies which clusters value chain actors and stakeholders into an ecosystem for response to both local and export market.

3. Specific objectives

- a) Mobilize private sector players in the agriculture sector at the county and national level
- b) Develop strategies for enhancing private sector investments in priority value chains
- c) Establish/strengthen county and national value chain platforms

4. Scope of the Consulting Services and Specific Tasks

The tasks will be implemented in 34 counties on a rolling basis. The first Phase will be implemented in 11 Counties which include: Nyeri, Kisii, Kiambu, Kitui, Tharaka Nithi, Uasin Gishu, Nyandarua, Nakuru, Kakamega, Meru and Kisumu.

The specific tasks will include the following.

I. Mobilize private sector players in the agriculture sector

- Map and build a database of private sector players in the agriculture sector at the National and NAVCDP Counties with emphasize on the NAVCD priority value chain
- Establish Agriculture Sector Network Forums at the 11 phase 1 counties.

II. Develop Strategies to Enhance Private Sector Investment in the Agriculture Sector

- Undertake an analysis and outline the enabling factors that facilitate private sector participation.
- Identify business opportunities in the agriculture sector for private players to invest directly or through Public Private Partnerships.
- Negotiate with the Government and make deals with processors and leading commodity buyers of produce for local and export market.
- Recommend and implement interventions to address barriers to entry for private sector players to invest in agriculture sector.

III. Establish/Strengthen County and National Value Chain Platforms

- Provide direction of how to strengthen the National and County Value chain platforms and establish platforms in the counties where they do not exist
- Take lead in convening business to business (B2B) meetings for value chain actors and stakeholders to pitch at the national and county level.
- Holding meetings with value chain actors to assess the business environment and strategize on market linkages

5. Duration and Location of the Assignment

The consulting services will be undertaken for a period of twelve (12) months, effective from the date of signing the contract. The assignment will be undertaken at both the eleven (11) counties and national levels.

6. Reporting Requirements & Deliverables

The assignment is expected to commence immediately after the signing of the contract. The firm will be expected to achieve and submit the following:

Table 1: Reporting Requirements & Deliverables

S/ No.	Deliverables/Reports	Timeline for submission of deliverable/report after contract commencement	Format of presentation of Deliverables/ reports
1	Inception report - Private sector engagement strategy	4 weeks	3 hard copies and 1 soft copy in pdf format
2	Report on 11 counties agriculture private sector network platforms formed, each with detailed database of members.	12 weeks	3 hard copies and 1 soft copy in pdf format
3	Report on strategies to boost private sector investment in agriculture that were identified and implemented.	18 weeks	3 hard copies and 1 soft copy in pdf format
4	Report on the establishment /strengthening of 11 counties and national value chain platforms.	24 weeks	3 hard copies and 1 soft copy in pdf format
5	Final report on status of business performance for priority value chains in each of the 11 counties.	48 weeks	3 hard copies and 1 soft copy in pdf format

All reports shall be addressed and submitted to the Client's Principal Secretary. The specified copies of each of the listed reports shall be sent to the client at the following address:

State Department for Agriculture
Ministry of Agriculture and Livestock Development
P.O Box 30028-00100
Nairobi
Email: info@kilimo.go.ke; info@navcdp.go.ke
Website: www.kilimo.go.ke

Attention:

The National Project Coordinator
NAVCDP

Upon submission of every report, the consultant 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. Payment Schedule

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

Table 2: Payment schedule

Deliverable	Payment % of the contract amount
Inception report - Private sector engagement strategy	20%
Report on 11 counties agriculture private sector network platforms formed, each with detailed database of membership.	15%
Report on strategies to boost private sector investment in agriculture that were identified and implemented.	25%
Report on the establishment /strengthening of 11 counties and national value chain platforms.	20%
Report on status of business performance for priority value chains in each of the 11 counties.	20%

8. Consulting Firm's Minimum Qualification and Experience Requirements

The shortlisting criteria will include the following:

- a. **Core business and years in business:** The firm shall be registered/incorporated as a consulting firm specializing in the coordination and development of agriculture sector stakeholders in Kenya, focusing on promoting policy advocacy, value chain development, increased productivity, competitiveness, and investment in agriculture and related fields, with a minimum operational period of eight (8) years
- b. **Relevant experience:** The firm shall demonstrate as having successfully executed and completed at least two (2) assignments of similar nature, complexity and in a similar operating environment in the last eight (8) years. Details of similar assignments - Name and address of the client, scope, value/enumeration, and period should be provided_and submitted with the Expression of Interest (EOI).
- c. **Technical and managerial capability of the firm:** The firm shall demonstrate as having the requisite technical and managerial capacity including relevant management tools to undertake the assignment in the submitted company profile(s). **Key Experts will not be evaluated at the shortlisting stage.**

9. Team Composition and Minimum Qualification and Experience Requirements for Key Experts

a. Team Leader – Agribusiness Specialist

- A minimum of Master’s Degree in Agricultural Economics, Economics with specialization in enterprise development and/or marketing.
- Minimum of 7 years’ general experience working in networking of private sector or similar tasks
- At least 5 years’ specific experience working with the agricultural producers especially in the field of market access
- Experience working with donor funded projects is required

b. Agricultural Business Development Advisors (2 Advisors)

- A minimum of Master’s degree in Agricultural Economics, Economics, Business Management with specialization in enterprise development and / or marketing,
- Minimum of 7 years general experience working in the agriculture sector
- Minimum of 5 years specific experience working with Agricultural Business Development
- Minimum of 5 years specific experience working with private sector engagement with producers

c. Database /ICT Specialist

- A minimum of Master’s degree in computer science, Information Technology, or any IT related field Professional Certification (e.g., MCITP, MCP, MCSA, CCNA, CISA etc.)
- Minimum of 7 years general experience working in a busy IT environment
- Demonstrate specific experience in works executed on database related tasks

10. 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 below.

Key Experts	Time-inputs in Months
Team Leader – Agribusiness Specialist	6
Business Development Advisors (2)	12
Database /ICT Specialist	4
Total	22

11. Management & Accountability of the Assignment

The assignment will be conducted with State Department for Agriculture (SDA) as the client. All coordination and management of the assignment will be undertaken at the project’s NPCU secretariat offices. The consultant will report to the National Project Coordinator and will work

closely with the National Value Chain Lead at the NPCU and the County Agribusiness Leads during execution of the assignment. Logistical and operational issues will be discussed and addressed by the NPCU. The NPC will share updates on the consulting services progress and activities with the World Bank.

12. Obligations of the Client

- The client will nominate a liaison officer who will maintain regular contact with the consultants on matters regarding the consulting services.
- The client will provide all necessary documentation required for this assignment.
- Assist the Consultant in obtaining other relevant information and materials from government institutions and state authorities where necessary. However, it is the duty of the Consultant to check viability, quality, and sustainability of the information. The information, data, and reports mentioned above will be available for the Consultant's unlimited use during the execution of the proposed services within the project.

13. Obligations of the Consulting Firm

- The consultant assumes responsibility for the costs of transportation, accommodation, insurance, airtime, and any other related expenditures.
- The consultant will be responsible for such as execution of the assignment in a professional and timely manner, provision of all the necessary resources to carry out the services.
- The consultant 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.

14. Propriety Rights of Client in Report and Records

All data and information shared during the assignment by the client are to be treated confidentially and are only to be used in connection with the execution of this Terms of Reference.

The State Department for Agriculture through NAVCDP, shall be regarded as the substantive owner of the respective reports and shall hold copyright ownership where necessary thereof. All data and information obtained during the assignment from stakeholders, the MoALD, and the World Bank are to be treated with utmost confidentiality and 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 consultant shall not disclose the content of written materials obtained or prepared during this assignment to any third parties without the expressed advance written authorization of the MoALD and shall not replicate or reproduce or use any information and data generated for this assignment without the consent of the owner.

The firm will provide proper documentation for all the training material, guidelines/templates /manual documentation, and reference manuals for the different user levels. The content of written materials obtained or prepared in this assignment will not be disclosed to any third

parties without the expressed advance written authorization from the National Project Coordinator.