

**Kenya Feed the Future – Crops and Dairy Market Systems Development Activity**  
**APS Number: APS-KCDMSD-2018-001**

**RESPONSES TO QUESTIONS RECEIVED.**

*(29 March 2018)*

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1. Please let me know if the following can be included:

- Cage Fish Farming
- Soya Farming
- Sorghum Farming.

These value chains cannot be considered as the only focus for a concept note. Preference will be given to concepts making a significant contribution to the indicated value chains indicated: dairy, fodder/feeds, mango, passion fruit, avocado, banana, pineapple, sweet potato and African Leafy Vegetables. Additional crops will only be considered in cases where they significantly supplement the impact to the core value chains and help enable economies of scale to promote sustainability.

2. Being that we are already a company doing agriculture at one of the locations, apart from applying for an upscale or venturing into the listed crops or dairy as a company (in this case the profits will benefit this private enterprise) can we also include activities that help the community embrace farming? or enroll to these high value crops?

These are awareness, sensitization, linking of farmers, enrolling of farmers, branding and marketing of the farmers produce.

Yes, all these are within the scope. Please go ahead and include them in your submission.

3. I have a registered agro-input business. Do I qualify to apply?

Yes, you qualify.

4. Do you have a selected Financial Institution to Bank the project funds? And is there a limit to the amount of funding?

Details regarding financial arrangements will be provided at a later stage, however, in general, grant funds will be deposited into the financial institution of the business' choice.

Individual grants awarded are intended to be within the range of KES 500,000 to KES 25,000,000 in year 1. For more information refer to the APS document on the following website: [www.rti.org/rfp](http://www.rti.org/rfp)

5. Am I supposed to identify the county out the 12 to work in?

Yes, we would like to know which among the 12 counties you expect to impact. However, the applicant need not be located within the county zone but must be able to work with, sell to, or buy from, the population located within those counties, contributing towards significant impacts on local livelihoods.

6. Can I break the value chains into simpler models? E.g. sweet potatoes intercropped with

passion fruits or mango and fodder crop? Or simply work with one value chain like dairy cattle only?

Yes you can break the value chains to simpler models.

7. Is technical language suitable in describing the project or just a simple language?

The concept paper should be presented in simple language that brings out the idea, but the technical details should be included to the extent necessary to convince the reviewers of the feasibility of the proposed technical solution. Greater details will come at the proposal stage.

8. Can a registered agro-dealers group apply?

Yes.

9. We are an incubation center in Homa Bay County and we are interested in submitting a Concept paper for your consideration. However, when I checked on the website I was unable to get the clear guidelines on what to submit and annexes expected. We are just starting but with some activities already ongoing. Our focus is Dairy, Fodder and Local Poultry value chains. Where can we find the formats and any other relevant information we may need to submit the concept paper.

Information on the Annual Program Statement can be found on the website below:

[https://www.rti.org/sites/default/files/annual\\_program\\_statement\\_final\\_08.02.2017.pdf](https://www.rti.org/sites/default/files/annual_program_statement_final_08.02.2017.pdf)

The form for completion of the concept note (Annex A) is on the following link:

<https://www.rti.org/file/annexa-conceptpaperformdocx>

The information on cost shares (Annex B) is available on the following link:

[https://www.rti.org/sites/default/files/annex\\_b\\_-\\_cost\\_share\\_guidance.pdf](https://www.rti.org/sites/default/files/annex_b_-_cost_share_guidance.pdf)

10. What are the reporting requirements for successful applications in the program? Additionally, is there anything else required from successful applicants in terms of disclosures, etc.

Reporting requirements will be addressed at a later stage and this will be included in the awards issued to the successful applicants.

In addition to the concept paper, applicants should submit the following to KCDMSD:

- A copy of the Applicant's valid legal registration,
- A copy of tax compliance certificate; and
- Signed and dated copy of the Required Certifications found in Annex C. (See details in Q#24 below.)

11. What is the size of organization in terms of its capacity and organizational structure you consider tenable to forward the concept paper. Secondly, can an individual also forward the concept paper for the same?

Any of the following types of organizations may apply: private sector firms, cooperatives,

farmer groups, farmer associations, BDS service providers, trade associations, and value chain service providers. Concept notes will be accepted by small and medium sized enterprises as well as by formally registered businesses, partnerships, and corporations. Businesses may be owned by an individual entrepreneur. The business must, however be registered with the Kenyan Government and be able to supply the following documentation:

- A copy of the Applicant's valid legal registration,
- A copy of tax compliance certificate; and
- Signed and dated copy of the Required Certifications found in Annex C. (See details in Q#24 below.)

12. Can one think of dairy goat production or its strictly dairy cattle production?

The primary focus is dairy cattle and fodder/feeds.

13. Can I change the crops from horticulture to cereals e.g. cowpeas intercropped with Pigeon peas which do better in most zones in Kitui County?

Even though the priority value chains for this APS are dairy, fodder/feeds, mango, passion fruit, avocado, banana, pineapple, and sweet potato; some commodities will be weighted by their ability to provide income or nutrition to farm households to provide opportunities for youth and women and complementarity for crop rotation in select counties. However, see the response to question #1. above.

14. Can I present more than one concept paper with different ideas?

Yes

15. Please clarify what fodder/feeds refers to. Does it include poultry feeds?

The primary focus for fodder/feeds is under the dairy value chain.

However, some commodities not listed will be considered on a case-by-case basis based on contribution to development of the priority value chains, county investments, private-sector interest, projected farmer margins, and the potential for inclusion of women and youth as per the APS document. Please see the response to question #1. above.

We recognize that any feed processing or trading enterprise will need to offer a range of products to be successful. However, a focus exclusively on poultry feed will be given much lower scores than a proposal that is targeting dairy but will include poultry in order to achieve long term sustainability.

16. Additionally, do non-Kenyan companies qualify for the grants?

Applicants must have their principle place of business in Kenya. Kindly refer to the eligibility section in the APS document.

17. I am based in Kisii and interested in the above program. I am inquiring on whether we can incorporate a company for the grant or it is only existing companies that are eligible for the grant.

Refer to the APS document on the applicant eligibility criteria.

Applicants must be a registered company/enterprise (including micro-enterprises or groups of micro-enterprises), associations, cooperatives, and cooperative unions. All Applicants should:

- Be legal persons;
- Be formally constituted at the time of grant award;
- Be compliant to government of Kenya regulations (submit tax compliance certificate);
- Have their principle place of business in Kenya.

18. Would a project focusing on establishing market linkages for dairy goat milk and bananas with any of the focus counties be agreeable?

The program's focus is on dairy cattle and NOT goats. Banana is within the priority value chains and is agreeable. However, a project combining any of the priority value chains and dairy goats would be agreeable given the project's focus on nutrition.

19. Would up-scaling the existing pilot project be of interest with KCDMSD focus counties as the target markets?

Yes, as long as the project is aligned with at least one of KCDMSD's value chains including; dairy, fodder/feeds, mango, passion fruit, avocado, banana, pineapple, and sweet potato.

20. When filling in the concept paper template/form that you have provided, under the project name section, should we use Kenya Crops and Dairy Market Systems Development Activity Project, or should we formulate our own title?

The project name section requires you to fill in your own title for the proposed activity. In other words, how would you refer to this activity within your business.

21. The grant amount ceiling is stated as KES 25 Million on the provided documents. We would kindly like to know whether this amount is for each concept paper provided/submitted or it is for each sub-contractor who wishes to work with you?

This is for each concept paper submitted. However final funding levels will depend on the feasibility and quality of the concepts submitted, number of applications received, needs, availability of funding, and competing priorities.

Please note that KCDMSD reserves the right to determine the maximum grant limit to be awarded, and that there will be calls for applications in subsequent years which could be used to roll out additional components based on successful implementation of the first agreement.

22. Should the results reflect the targeted deliverables?

Yes. The outcomes and outputs of your activity must help towards meeting the KCDMSD project goals and objectives.

23. The budget estimate format has budget items such as fringe benefits, supplies, other direct costs and total direct charges. Please clarify.

- Fringe benefits – These refer to benefits provided by the employer as per the organization’s policy e.g. health insurance, pension etc.
- Supplies – Refer to consumables and equipment regularly used in offices.
- Other direct costs - These are overhead costs/administrative costs e.g. office space, stationary, utilities, bank charges, marketing, training, extension meetings, etc.
- Total direct charges - Total direct costs is the summation of: personnel, fringe benefits, travel, equipment, supplies & other direct costs.

24. I would like to know whether the Signed and Required Certifications listed under Annex C should be submitted at the concept submission stage or at full proposal level.

Annex C is a requirement for submission at the concept paper stage.

The following sections should be signed by a senior representative of the organization authorized to make commitments on behalf of the Applicant.

- Part I: Certifications and Assurances
- Part II: Key Individual certification, Narcotics offences and drug trafficking.
- Part III: Participants certification, Narcotics offences and drug trafficking.
- Part V: No. 3 DUNS number (if the organization has one).

25. Please advise if you accept purchase of processing machinery under the call for concept notes. We want to submit a concept note focusing on banana and sweet potato where we will have women and youth receive support to install solar dryers to dry bananas and sweet potatoes that we will buy for further processing and marketing.

Yes. Procurement of processing machinery/equipment is allowed. For more information kindly refer to the APS document Section III application and submission information section C: Ineligible expenses vs the D: Eligible Expenses

26. Is it compulsory that we obtain DUNS number to submit this concept note.?

No. The DUNS number is not a requirement during the concept paper submission stage. However, grant award(s) resulting from this solicitation that are not in-kind will be required to provide a Data Universal Numbering System (DUNS) number at the time of the award. The application process is not difficult and can be completed while the successful concepts are working on their proposals.

27. We are a team of trainers in Artificial Insemination especially in cattle. We are not registered because we work for the Government of Kenya. Improvement in the Dairy industry is dependent in good Dairy breeds propagated through Artificial insemination. We wish to contribute towards this goal through capacity building to eligible people in your areas of operations. How can this kind of expertise contribution be considered?

We agree that improved breeding is instrumental in increasing the milk production for profitability and efficiency among smallholder farmers, and that government extension service providers play a critical role in this value chain process. However, to ensure sustainability and enable a proper system of coordination and accountability of funds provided, the project is only accepting concepts from the registered private sector entities at this time.

28. Can an institution submit more than one concept note for different projects in one or multiple value chains?

Yes.

29. Can an institution submitting a concept note also participate as a partner on a different project where it is not the lead implementer?

Yes.

30. Can grant funds be used for lending activities (adding to an existing revolving fund created specifically to support farmers in one of the select value chains)?

No.

31. If grant funds cannot be used for lending, can an implementing partner provide matching funds that would be earmarked for lending with the grant funds earmarked to cover associated allowable costs?

Yes, an implementing partner could design an intervention which impacts access to finance in the targeted value chains. In that case, what will be counted as cost share is the expense associated with the revolving fund. This needs to be designed in a manner that fits into the project activities and which are allowable and allocable

32. The applicant is a community-based organization (CBO) whose members are small hold farmers, from one of the recommended counties. Are we allowed to apply?

During this round of awards, priority will be given to the private sector, although CBOs may be considered on a case by case basis at a later stage of project implementation as needs arise.

33. If part of the proposed project is the construction of a zero-grazing unit for dairy farming, will it be allowed?

No. The grant does not provide for construction. However, construction costs paid for directly by our private sector partners can count as eligible cost share under a grant agreement.

For more information kindly refer to the APS document Section III on application and submission information. Also check out section C: Ineligible expenses and D: Eligible Expenses.

34. We are interested to submit a concept note anchored around integrated climate smart horticulture and aquaculture. Our approach is to promote aquaponics farming system in Busia County as a pathway to increasing farmers' incomes and enhancing food and nutrition security.

We are engaged in aquaponics as a symbiotic combination and environmentally friendly innovation that involves Cat Fish and Tilapia Fish farming. The discharge or waste from the pond is used as nutrients for horticulture farming.

The project has a market access and value addition component. Mature Fish is bought from the Farmers to make various products fish fillet, fish sausages, fish pizza etc. Advise us on eligibility of the area of focus to inform our concept note submission.

We acknowledge these great initiatives that your team is working on. However, the project is focusing on selected dairy, fodder/feed and horticulture value chains of which aquaculture is excluded. Please limit your concept paper submission to these value chains indicated in the APS.