

Kenya Crops and Dairy Market Systems (KCDMS) Activity

Request for Application (RFA) for

Rapid Production and Market Systems Analysis for African Leafy Vegetables (ALVs) and Sweet Potatoes in Selected Counties in Western Kenya

Reference: ALV/SP-KCDMS-2018

1.0 Introduction

The Kenya Crops and Dairy Market Systems (KCDMS) Activity is a five-year (Oct 2017– Sept 2022) project of the United States Agency for International Development (USAID). It is funded as part of Feed the Future, the U.S. Government’s global hunger and food security initiative that helps to increase agricultural production and reduce poverty and malnutrition in Kenya. The project is being implemented by RTI International in 12 counties namely; Kitui, Makueni, Taita Taveta, Homa Bay, Migori, Kisii, Kisumu, Siaya, Kakamega, Bungoma, Busia, and Vihiga. Amongst other endeavors, KCDMS works in Market Access, Productivity, Policy, and Social Inclusion for the selected value chains not limited to dairy, feed/fodder, mango, banana, avocado, pineapple, passion fruit, sweet potato and African Leafy Vegetables.

In the recent past in Kenya, the value chain of African Leafy Vegetables (ALVs) and sweet potatoes has gained higher prominence due to increased demand for natural foods, rising disposable income, urbanization, changing lifestyle, and increasing expenditure on health and nutritional foods in both urban and rural areas. This is an indication of strong demand growth for ALVs and sweet potatoes, and their related products in the country. More importantly, the demand for high nutritive value commodities like fruits, vegetables, tubers, fisheries and edible oils is growing and accordingly farmers are trying to diversify their production systems. In addition, consumers are becoming more quality and safety conscious in their demands for food commodities. Consequently, production, distribution and marketing systems are adapting to such changes. The growth in ALVs and sweet potatoes value chain was also spurred by their supply side advantages such as diverse agro-climatic conditions, abundant resources and cost competitiveness.

With this brief backdrop, KCDMS is soliciting proposals from companies and individuals to undertake a deep dive value chain analysis of ALVs and Sweet potatoes marketing systems in five (5) counties namely, Kisii, Vihiga and Kakamega, Bungoma and Busia.

2.0 The Purpose

The purpose of the ALVS and Sweet Potato Rapid Production and Markets Systems Analysis is to provide a deep dive assessment of the ALVs and sweet potatoes production and marketing systems with a primary emphasis on the demand side and market linkages. Primary data collection will be undertaken in six ALV and sweet potato production counties in western Kenya, namely Kisii, Vihiga, Kakamega, Homanbay, Bungoma and Busia. There should be an emphasis on tracking demand and supply chain functions back from the primary urban markets (including Nairobi) to identify constraints, losses, inefficiencies, and gaps in supply that could be addressed to improve the profitability for small scale producers and other market actors while enhancing availability and quality of produced delivered to domestic and international consumers. This assessment shall also bring out constraints and possible

interventions in ALVs and sweet potato value chain specific functions including production, post-harvest handling, value addition, marketing; and consumption.

2.1 Specific Objectives

KCDMS in liaison with the county Governments of Kisii, Vihiga, Kakamega, Bungoma and Busia are facilitating a rapid market systems analysis of ALVs and sweet potatoes with a view to opening up the markets and developing inclusive strategies that improve flow of information and services between producers and markets. For each of the mentioned counties, the bidder will be expected to independently and objectively analyze the growth rate in ALV and sweet potato area, production, productivity, consumption, including supply and demand projections of ALVs and sweet potatoes with the following specific objectives

- i. To critically analyze the supply and demand factors at work in the ALVs value chain, identify trends and opportunities for enhanced efficiency and quality
- ii. Undertake ALVs and sweet potatoes production analysis including land under different ALVs and sweet potato, current productivity levels, producers market participation behavior and challenges, willingness of producers venture in to structured markets
- iii. Identify and sketch the trade routes, main marketing corridors, main market catchment areas as well as sourcing areas during the peak and off-peak seasons for ALVs and sweet potatoes in the study area
- iv. Describe the key market outcomes in terms of seasonal price variations, annual market demand, deficits and potential [volume and value] within the main strategic wholesale markets around the study areas as well as main markets in Nairobi for the specific ALVs and sweet potatoes. Capture the main drivers of supply and demand
- v. To quantify the marketing margins accrued by different market actors for ALVs and sweet potato value chain, which affects market efficiency for different sets of players
- vi. To identify the actors involved in the ALVs and sweet potato value chains including their roles, barriers to entering the commodity trading and interactions and the critical services on which the performance of these value chains depends.
- vii. To estimate logistical and distribution costs and marketing costs in ALVs and sweet potato value chains
- viii. Establish the prevailing consumer preferences and round year self-sufficiency status for ALVs and sweet potatoes. This should include estimation of consumers' physical access to markets, marketing outlet choice as well as bottlenecks associated with demand and possible solutions.
- ix. To determine the areas with growth opportunities (specifically investment) having the greatest potential to transform the ALVs and sweet potato value chains and the constraints preventing private actors from taking advantage of them.
- x. Evaluate the scope and scale of these opportunities, qualitatively, and quantitatively.
- xi. Identify public goods and services and/or models to facilitate private sector investments across these value chains
- xii. Perform selective benchmarks of the ALVs and sweet potatoes against regional and local markets to identify selective success stories in the ALVs and sweet potatoes transformation and structure, as well as intervention opportunities, including topics related to policy and trade barriers, as available
- xiii. Posit a set of interventions (action plan) to overcome constraints and facilitate greater investment by public and private actors; this will also include strategies to:

- Optimize food security and nutrition impacts
- Ensure opportunities for value chain participants including youth and women
- Mitigate negative environmental impacts from interventions

2.2. Specific activities and deliverables:

This activity is targeted to commence at the end of **January 2018** and conclude by end of **March 2019**. The successful bidder is required to provide a detailed work plan for this activity as part of the inception report. The table below presents indicative timelines.

Activity	Deliverable	Estimated Time Frame (Level of Effort)
<ul style="list-style-type: none"> • Inception meeting with the consultant • Inception report development <ul style="list-style-type: none"> ○ Review of background materials on ALVs and sweet potatoes. ○ Collect available quantitative data ○ Develop work plan for the selected counties and VCs ○ Development of draft research tools ○ Develop consultation guides for meetings with businesses and other stakeholders, 	<ul style="list-style-type: none"> • Work plan • Detailed inception report with: Draft research tools , Consultation guides (i.e. question catalogues), and Data collection file 	1 week
Field data collection through primary research (key informant interviews) following the value chain from final consumption to original supply, analysis and synthesis of data to develop learnings and recommendations	Interim meeting to discuss analysis, initial learnings and thoughts on recommendations	3-4 weeks
Draft report and presentation of findings to KCDMS and Counties	Draft reports prepared and shared with KCDMSD and counties for review	2 weeks
Prepare final reports / presentations	Revised report incorporating recommendations	1 week

3.0 Skills and Experience required

KCDMS seeks services of a competent local company/individual with proven track record in agricultural value chain analysis Kenya and beyond and at least five years of work experience in market analysis with understanding of in horticulture value chains and agricultural commodity supply chain management

4.0 Methodology

The methodology should outline how each of the activities under 2.1 will be completed.

5.0 Application Requirements

The technical and financial proposal should include:

- Cover letter (maximum one page): A short letter addressing the value chain analysis competence and capability to deliver on the assignment
- A capability statement: State the firm /individual's experience relevant to the assignment, curriculum vitae of key personnel and details of at least 3 similar assignments including a brief of the work, contract value, contact persons and their contact details as well as project duration and year performed.
- Written commitment regarding availability for the assignment.
- Technical proposal (maximum eight pages) highlighting understanding of the RFA, proposed approach and methodology, an outline of the proposed final report as well as the proposed work plan (Please note that final report must include a separate summary for each County, as well as one for potential private sector investors)
- Financial proposal providing detailed cost estimates for services rendered including daily consultancy fees, travel, accommodation and living costs; stationeries, and supplies needed for the activity. Budget should be submitted in excel using format provided in Annex C. The company/consultant should provide own means of transport and computers.

6.0 Pricing

This will be a Fixed Price Sub-contract or Consultancy Agreement with payment based on deliverables as follows.

- 40% of the total upon submission and approval of the inception report and methodology
- 30% of the total upon submission of the draft report
- 30% of the total upon submission and approval of the final report

Please note that the contents of the report will be analyzed, and final payment will only be made upon approval of the final Value chain/Market analysis report by KCDMSD and target county governments.

7.0 Offer Deadline

The deadline for receiving proposals is 5.30 pm on **January 4th, 2019**. Proposals shall be submitted electronically by email only to procurement@kcdmsd.rti.org with **Value Chain Analysis for African Leafy Vegetables (ALVs) and Sweet Potatoes** subject line Reference **ALV/SP-KCDMS-2018**. Bidders may submit written questions to procurement@kcdmsd.rti.org by **December 14th 2018**. Bidders are responsible for ensuring that their offers are received in accordance with the instructions stated herein. Late offers will not be considered.

By signing this attachment, the bidder confirms he has a complete understanding of the specifications and fully intends to deliver items that comply with the above listed specifications.

Name of Firm:

Signature:

Title:

Date:
