FEED THE FUTURE KENYA CROPS AND DAIRY MARKET SYSTEMS ACTIVITY

REQUEST FOR APPLICATIONS (RFA) FROM CONSULTING FIRMS AND INDIVIDUAL CONSULTANT(S) TO UNDERTAKE DEVELOPMENT OF A NATIONAL HORTICULTURE TRACEABILITY SYSTEM (NHTS) MANAGEMENT AND FINANCIAL PLAN

RFA- KCDMS-FY21-005

Project: Kenya Crops and Dairy Market Systems (KCDMS)
Activity Name: Developing a Management and Financial Sustainability plan for the proposed National Horticulture Traceability System (NHTS)

Issuance date: 22nd October 2021
Deadline for questions: 26th October 2021
Closing Date: 2nd November 2021
Method of Submission: By email to procurement@kcdms.d.rti.org
Agreement Manager: Chief of Party
Type of Contract: Fixed Price Subaward
Location: Kenya
Start date: Upon USAID approval
Duration: 15 – 20 days spread within 2 months

Appendixes to RFA:
1) Scope of Work
3) Supplier’s delivery of products, performance of services, or issuance of invoices in connection with this purchase order establishes Supplier’s agreement to the Terms. The Terms may only be modified in writing signed by both parties.

All bidders/sellers are responsible to carefully review each attachment and follow any instructions that may be relevant to this procurement.

1.0 About KCDMS

The USAID Feed the Future Kenya Crops and Dairy Market Systems (KCDMS) Activity is a five-year project implemented by RTI International. The Activity is working in 12 counties that include Homa Bay, Migori, Kisii, Kisumu, Siaya, Kakamega, Bungoma, Busia, Vihiga, Kitui, Makueni and Taita Taveta. KCDMS’s goal is to transform agricultural market systems to enable intensification and diversification into higher value commodities and non-farm activities. The Activity is doing this by facilitating improved productivity as well as the development of competitive, resilient, and sustainable market systems in the dairy, feed/fodder, and horticulture value chains in partnership with private sector
market actors, who include dairy and horticulture input suppliers, aggregators, processors, and exporters among others.

KCDMS through the Partnership Innovation fund supports dairy and horticulture enterprises to increase efficiency by facilitating development and integration of business models that have potential to transform supply chains. These interventions are anticipated to result in improved business operations and increased incomes for smallholder farmers supplying or procuring products from these enterprises

2.0 Background on the National Horticulture Traceability System.

Objective of the NHTS
The principal objective of the National Horticulture traceability System is to ensure there are particular standards around the export produce quality. The National Horticulture Traceability System would provide a platform for branding Kenya’s export quality in the market. The system’s targeted users range from farmers right through to the exporters and cross border importers and distributors.
To enhance the current system to achieve the above-mentioned objective, HCD is working with a developer to improve and re-implement a system (a web-based application and mobile applications [Android which has been developed and iOS, which will need to be developed]) that will automate the traceability of fresh produce through a partnership between the Government and the private sector and to bridge the functionality and security gaps that have been identified during the audit.

In summary, the National Horticulture traceability System (web and mobile) is, at a minimum, expected to:

- Trace the fresh produce back to the farm where it was grown (including the geolocation of the farm)
- Give information about the chemicals/fertilizers that have been used to grow the produce
- Detect inconsistencies by tracing exceptions back to the farmer.
- Meet the requirements set forth by the Horticulture Crops Directorate in line with the KS 1758.
- Have the potential to integrate into various stakeholder platforms
- Have capabilities of on-boarding additional commodities that are not necessarily horticulture products
- Register and license farms, farmers, distribution centres, dealers, exporters and other persons and organizations engaged in horticulture and agriculture
- Assist in the development of production, processing and packaging of the various horticulture and agriculture products
- Aid in the collection, maintenance, and publication of statistical data from farmers, processors, exporters, buyers, etc.

The key stakeholders involved in this process are:

- Agriculture and Food Authority (AFA)
- Horticulture Crops Directorate (HCD)
- Kenya Plant Health Inspectorate Service (KEPHIS)
- Kenya Flower Council (KFC)
- Fresh Produce Consortium (FPC)
- Fresh Produce Exporters Association of Kenya (FPEAK)
3.0 Assignment’s Objectives

KCDMS is supporting Horticulture Crops Directorate (HCD) and the industry associations to revive and roll out the National Horticulture Traceability System (NHTS). To facilitate this, HCD intends to engage consulting firms/consultant to develop a management and financial sustainability model with a view to ensuring that the system is responsive and serving the needs of users upon implementation and going forward. KCDMS is supporting HCD to develop a well-thought-out financial sustainability plan for proper management operations of the NHTS and support to NHTS subscribers.

4.0 General Requirements

The Buyer (RTI) intends to purchase the services identified in Appendix 1 based on the deliverables identified in it. The term of the Ordering Agreement shall be from Award Date to the Delivery date of the Offeror unless extended by mutual agreement of the parties. The Buyer intends to award to a single “approved” supplier based on conformance to the listed specifications, the ability to service this contract, and selling price. RTI reserves the right to award more than one bidder. If an Ordering Agreement is established as a result of this RFA, the bidder understands that quantities indicated in the specifications (Appendix A) are an estimate only and RTI does not guarantee the purchase quantity of any item listed.

KCDMS is soliciting fixed-price bids. Consulting firms and individual consultants should submit their bids and budgets for the services to be offered under the consultancy subaward with a maximum of 20 days level of effort (LOE) spread within 2 months. The application should detail how the firm or consultant(s) will accomplish the assignment according to the SOW in Appendix 1. The below will be the selection criteria used to select the winning bidder:

1. Must be a Kenyan-based firm or individual consultant.
2. Experience in financial modelling for agricultural value chains.
3. Experience and evidence of networks in Kenya’s horticultural sector including working with government agencies, horticulture industry associations and exporters.
4. Creativity of approach in the technical proposal.
5. Demonstrated understanding of the RFA through inclusion of competent review of previous related assignments.
6. Presentation of a clear, detailed and logical workplan
7. The team proposed has demonstrated hands on experience in undertaking similar assignments.
8. Value for money.

5.0 Application Instructions (See additional details in the SOW herein attached)
All bidders should submit a proposal which contains offers for all items and options included in this RFA. All information presented in the Sellers quote/proposal will be considered during RTI’s evaluation. Failure to submit the information required in this RFA may result in bidder’s offer being deemed non-responsive. Bidders are responsible for submitting offers, and any modifications, revisions, or withdrawals, so as to reach RTI's office designated in the RFA by the time and date specified in the RFA. Any offer, modification, revision, or withdrawal of an offer received at the RTI office designated in the RFA after the exact time specified for receipt of offers is “late” and may not be considered at the discretion of the RTI Procurement Officer.

Special Note: The bidder, by their response to this RFA and accompanying signatures, confirms that the terms and conditions associated with this RFA document have been agreed to and all of its attachments have been carefully read and understood and all related questions answered.

6.0 Questions regarding the RFA

All questions in regard to this RFA to be directed to Joseph Mutua through the email address jmutua@kcdmsd.rti.org, copying procurement@kcdmsd.rti.org

The cutoff date for questions is close of business on 26th October 2021

7.0 Evaluation and Award Process

The RTI Procurement Officer will award an agreement contract resulting from this solicitation to the responsible firm or consultant(s) (the bidder) whose offer conforms to the RFA and will be most advantageous to RTI, price, and other factors considered. The award will be made to the firm or consultant(s) representing the best value to the project and to RTI. RTI intends to evaluate offers and award an Agreement without discussions with Sellers. Therefore, the Seller’s initial offer should contain the Seller’s best terms from a price and technical standpoint. However, RTI reserves the right to conduct discussions if later determined by the RTI Procurement Officer to be necessary.

8.0 Duration of Assignment:

This activity is targeted to commence in November 2021 subject to approval by USAID. The anticipated Level of Effort is 20 days spread within 2 months.

9.0 Submission Guidelines

Interested firms and individual applicants should submit the required documentation electronically to procurement@kcdmsd.rti.org by close of business on 2nd November 2021 with “RFA Development of a Management and Financial Sustainability plan for the proposed National Horticulture Traceability System (NHTS)” in the subject line reference. The applications should be written in English and follow guidelines in this RFA and the following scope of work.
10.0 Validity of Offer

Issuance of this RFA does not constitute an award commitment on the part of KCDMS nor commit the project to pay for costs incurred in the preparation and submission of an application. Further, KCDMS reserves the right to reject any or all applications received. Similarly, an invitation for further negotiation or to submit a full application is not a commitment to fund that application. Your proposal shall be considered valid for 90 days after submission.

11.0 Anti-Kick Back Act of 1986

The Anti-Kickback Act of 1986 as referenced in FAR 52.203-7 is hereby incorporated into this Request for Proposal as a condition of acceptance. If you have reasonable grounds to believe that a violation, as described in Paragraph (b) of FAR 52.203-7 may have occurred, you should report this suspected violation to the RTI's Ethics Hotline at 1 877-212-7220 or by sending an e-mail to ethics@rti.org. You may report a suspected violation anonymously.


RTI cannot use any equipment or services from specific companies, or their subsidiaries and affiliates, including Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company (“Covered Technology”). In response to this request for proposal, please do not provide a quote which includes any Covered Technology. Any quote which includes Covered Technology will be deemed non-responsive. Additionally, if the United States Government is the source of funds for this RFA, the resulting Supplier shall not provide any equipment, system, or service that uses Covered Technology as a substantial or essential component.

APPENDIX 1: Scope of Work

SCOPE OF WORK (SOW) FOR CONSULTING FIRM(S) TO UNDERTAKE THE DEVELOPMENT OF A NATIONAL HORTICULTURE TRACEABILITY SYSTEM (NHTS) MANAGEMENT AND FINANCIAL PLAN.

<table>
<thead>
<tr>
<th>1.</th>
<th>Problem statement</th>
<th>Developing Management and Financial Sustainability plan for the proposed National Horticulture Traceability System (NHTS)</th>
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The Kenya Crops and Dairy Market Systems (KCDMS) Activity is a component of the USAID funded Feed the Future project implemented by RTI International. The project is working in selected counties in Eastern and Western regions of Kenya to facilitate improved productivity and development of competitive, resilient and sustainable market systems in the dairy, feed/fodder and horticulture value chains. Key among the initiatives includes working to ensure diverse production and improved productivity, improving access to inputs and services to small holder farmers and promoting strategies that increase
dairy, feed/fodder and horticulture productivity businesses sourcing from small holder farmers.

KCDMS is supporting Horticulture Crops Directorate (HCD) and the industry associations to revive and roll out the National Horticulture Traceability System (NHTS). To facilitate this, HCD intends to engage a Short Term Technical Assistant (STTA) to develop a management and financial sustainability model with a view to ensuring that the system is responsive and serving the needs of users upon implementation and going forward.

| 2. | Objectives of the assignment | KCDMS is engaging a consultant/consulting firm to support HCD to develop a well-thought-out financial sustainability plan for proper management operations of the NHTS and support to NHTS subscribers. |
| 3. | Deliverables for the assignment | The deliverables under this engagement will include but not limited to the following:
   I. Develop a comprehensive financial forecast and sustainability plan for the NHTS taking into consideration the interests of all member associations and the industry regulator.
   II. Provide potential revenue models for financial sustainability of the NHTS
   III. Advise on the potential income generation streams from the NHTS and suggest billing options
   IV. Provide insights on the existing levies to the growers and develop possible scenarios towards financing NHTS from aforesaid levies
   V. Identify capacity gaps to industry member associations in utilizing NHTS
   VI. Develop measures to ensure continuity of the use of system by industry associations
   VII. Identify training needs requirements for NHTS users in synthesizing and translating information generated from the systems |
| 4. | Agreed Methodology | HCD will facilitate the consultant to access information regarding operations of the NHTS, organize interviews with the steering committee and industry associations to understand the horticulture export process flow. The consultant must explain to HCD how he/she will address/deliver the demands as per the SoW. |
| 5. | Reporting systems | The consultant will ensure good working relationship with AFA/HCD and will work closely with HCD on the following:
   a) Through the inception report, provide the HCD with a detailed plan on |
| Time schedules | how he/she will conduct the assignment and achieve the set objectives as per the contract  
  b) Prepare a presentation to be delivered to HCD, KCDMS, industry associations and NHTS steering committee on the various options and scenarios to be considered for the financial management and sustainability plan  
  c) Produce report and share with HCD and KCDMS |
|----------------|----------------------------------------------------------------------------------|
| 6.             | This is a 20 work-day activity and is targeted to commence on immediately upon USAID approval. The consultant/consulting firm is required to provide a detailed work plan for this activity as part of the inception report as follows  
  a) Detailed inception report highlighting the proposed methodology and how the financial sustainability plan will be developed.  
  b) Provide clear and feasible options for supporting NHTS upon implementation  
  c) Prepare and make a presentation to HCD, NHTS steering committee, KCDMS and industry association representatives  
  d) Presentation of final report to HCD, |
| 7.             | Terms of payment  
  KCDMS shall make one payment directly to the consultant/consulting firm upon completion of the assignment with approval from both HCD and KCDMS. |