
Kenya Crops and Dairy Market Systems (KCDMS) Activity

Request for Application for Provision of Technical Assistance for Capacity Building to improve the Management of Farmer Cooperatives

Reference BDS–CMIA-SP-KCDMS-2018

1.1. 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.

KCDMS is soliciting proposals from companies and organizations to support the project in implementing its Cooperative Management Improvement Activity (CMIA). The objective of the assignment is to identify service providers who can support the CMIA by providing Business Development Services (BDS) and technical assistance to support Quality Management Systems (QMS) at the cooperative level.

BDS component will contribute to improvement of the following six strategic areas of cooperative function:

1. Strategic Planning
2. Governance and Organizational Capacity
3. Business Management
4. Financial Management and Accounting
5. Supply and operations management
6. Member Support Services

QMS component will contribute to:

Improvement of post-harvest handling (PHH), including drying, sorting, grading, storing, and value addition (drying, cooling, packaging).

KCDMS is seeking proposals from service providers who can offer services in either or both of the areas, BDS and QMS. The assignment is expected to be completed in approximately **6-8 months** from **date of the award**. This RFP does not obligate KCDMS to execute an award nor does it commit KCDMS to pay any costs incurred in the preparation and submission of the proposals. Furthermore, KCDMS reserves the right to reject any and all offers, if such action is considered to be in the best interest of the project.

1.2. Offer Deadline

The deadline for receiving proposals is **5.30 pm on March 31, 2019**. Proposals shall be submitted electronically by email only to APS2018@kcdmsd.rti.org with Cooperative Management Improvement Service Provision in the subject line reference **BDS–CMI-SP-KCDMS-2018**. Bidders may submit written questions to APS2018@kcdmsd.rti.org up until **February 29, 2019**. *KCDMS will respond to questions*

through the RTI website (www.rti.org/rfp) on November 15, 2018 and January 15, 2019. KCDMS anticipates a rolling selection process where it will begin evaluating submissions as soon as they are received and issue grant application invitations letters at any time before the submission deadline scheduled for March 31, 2019 at 5.30 pm local time. Offerors are responsible for ensuring that their offers are received in accordance with the instructions stated herein. Late offers will not be considered.

1.3. Submission of Offers

The Offeror must submit the proposal electronically with up to 3 attachments (5 MB limit) per email compatible with MS Word, MS Excel, readable format, or Adobe Portable Document (PDF) format in a Microsoft XP environment. Offerors must not submit zipped files. Those pages requiring original manual signatures should be scanned and sent in PDF format as an email attachment. Proposals should be electronically submitted to APS2018@kcdmsd.rti.org by **5.30 pm on February 29, 2019.**

1.4. Requirements

To be determined responsive, an offer must include all of documents and sections included in 1.4.1 and 1.4.2.

1.4.1. General Requirements

KCDMS anticipates issuing awards to locally registered organization(s) that have the ability to fulfill minimum requirements and submit a complete proposal.

To be considered eligible for consideration in response to this solicitation, the following criteria are considered essential.

- a) Firms operated as commercial companies or other organizations or enterprises (including non-profit organizations) in which foreign governments or their agents or agencies have a controlling interest are not eligible as suppliers of services.
- b) Must be a registered company or NGO in Kenya.
- c) Having experience in designing and delivering participatory training approaches for smallholder farmers, producer associations/companies and cooperatives;
- d) Demonstrated previous relationships working with buyers in target value chains (Crops (horticulture) and dairy).
- e) Demonstrated experience in facilitating access to finance for agriculture production and marketing.
- f) Must be able to speak and write English and Kiswahili.
- g) Firms owned by women, youth or persons with disability are encouraged to apply.
- h) Availability of between 6-8 staff to deliver trainings.

1.4.2. Required Documents

1. **Cover Page** which shall include the following information:
 - a) Name of the company or organization
 - b) Type of company or organization registration
 - c) Physical Address
 - d) Telephone Number
 - e) E-mail Address
2. **Technical Proposal** (see section 1.4.4): Offerors will respond to the requirements of the technical proposal using guidelines provided in section 1.4.4. Page limit for the technical proposal - see Annex A - is 7 pages total, not including CVs of proposed personnel. Offerors should use reasonable font sizes and margins for the technical proposal, and limit use of non-essential graphics and tables.

3. **Cost Proposals:** Offerors should submit a budget in Excel format according to the template provided in Annex B. The budget may be accompanied by a narrative of no more than 2 pages that explains the basis for the estimate of each line item. Supporting information should be provided in sufficient detail to allow for a complete analysis of each cost element or line item. KCDMS reserves the right to request additional cost information if the evaluation committee has concerns of the reasonableness, realism, or completeness of an offeror's proposed cost.

The maximum that can be charged for indirect rates (overhead, fringe, G&A, administrative, or other rate) is 10% of total direct costs. If an offeror's proposed daily labor rates exceed published USAID maximum rates, offerors must explain the rates and the rates' base of application in the budget narrative. KCDMS reserves the right to request additional information to substantiate an offeror's indirect and daily labor rates.

1.4.3. Deadlines and Validity of Proposal

The following calendar summarizes important dates in the solicitation process. Offerors must strictly follow these deadlines.

Advert published: **19 September 2018**
Deadline for written questions: **29 February 2019**
Proposals Due: **31 March 2019**

The dates above may be modified at the sole discretion of KCDMS. Any changes will be published in an amendment to this RFP.

Offerors' proposals must remain valid for **120 calendar days** after the proposal deadline.

1.4.4. Evaluation and Basis for Award

This solicitation will be judged by an evaluation panel who will use a cost/technical best-value tradeoff analysis, i.e. the offer that results in the most appropriate solution for KCDMS in consideration of technical, cost, and other factors. The technical proposal is significantly more important than the cost proposal. KCDMS will evaluate Offeror's proposals in accordance with the following scoring criteria:

Technical Proposal:

1. Technical Proposal	50 points
2. Corporate Capabilities & Past Performance	25 points
3. <u>Proposed Personnel</u>	<u>25 points</u>
TOTAL:	100 points

Bidders will receive an initial written review by KCDMS selection committee. Short-listed bidders will have an opportunity to present their technical approach as well as training materials they have developed for similar assignments previously completed at an oral interview. Scores from the oral interview will contribute to the final evaluation of the technical proposal.

Technical Proposal

- **Approach (3 pages):** Offerors must include an overall approach in implementing the scope of work outlined in Section 2 that demonstrates their methodology, technical ability, and experience in implementing detailed work plan. Offerors must provide evidence of their ability to implement the scope of work with particular respect to achieving specific tasks and meeting proposed deadlines, included details of training materials they have previously developed that could be

adapted for this assignment. Offerors are requested to submit a detailed work plan demonstrating how they will conduct the training and timeline.

- **Corporate Capabilities and Past Performance (up to 2 pages):** Offerors must provide a description of the company/organization's specific experience in developing BDS and QMS training manual, delivering similar training and other related services, with appropriate reference to any parent company and subsidiaries. Additionally, offerors must include 3 past performance references of similar work (under contracts or subcontracts) previously implemented as well as contact information for the companies for which such work was completed. Contact information must include at a minimum: name of point of contact who can speak to the offeror's performance, name and address of the company for which the work was performed, email and phone number of the point of contact.
- **Proposed Personnel:** This section must include at a minimum the CVs of proposed Key Personnel to provide the services required and minimum qualifications for all personnel. Offerors may include up to **three CVs per each component** (BDS and/or QMS) of up to three pages each. Personnel will be judged on relevant demonstrated experience, academic qualifications, and language skills. Candidates who do not meet the minimum requirements set forth by this RFP will not be given a score.

Cost Proposal:

The cost proposal is not scored but will serve as part of the best value analysis. Cost proposals will be evaluated for reasonableness, realism, completeness, and competitiveness. The overall price will be used as part of the tradeoff analysis to determine final selection. The KCDMS project will pay for hall rental, catering, and reprinting of materials for training events directly.

Please note that only international companies legally registered and operating outside Kenya will be paid in USD. Companies legally registered and operating in Kenya must be paid in Kenyan Shillings. The budget template provided in Excel has both options. KCDMS reserves the right to check additional references not provided by an offeror.

1. Scope of Work

1.1. Background

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 including; Kitui, Makeni, 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 nine (9) value chains: dairy, feed/fodder, mango, banana, avocado, pineapple, passion fruit, sweet potato and African Leafy Vegetables.

1.1.1. Cooperative Management Improvement Activity

KCDMS seeks to build the overall business performance of cooperatives and their members' profitability. It is therefore partnering with cooperatives engaged in dairy and horticulture production in the targeted

counties which are committed to improving the capacity of their organizations to operate profitably and inclusively in order to provide management improvement services tailored to each participating cooperative.

To determine the needs of cooperatives within the project’s value chains and target counties, KCDMS has started conducting assessment of cooperatives to establish the management improvement activity needs (specifically with regards to business development services and QMS). Producer Organization Sustainability Assessment (POSA) assesses the different stages of producer organizations with stage one being weak and unsustainable while stage 5 is strong and sustainable. The tool focusses on six areas; financial health, engagement with output market; effective and transparent PO leadership and management; access to dairy/farm inputs and services; relationship with external environment and member loyalty. The objectives of the assessment are mainly to analyse the challenges and opportunities facing each cooperative and inform KCDMS entry points for intervention. So far, 120 cooperatives have been assessed and the project is targeting at least 5 additional cooperatives. Action plans based on the needs of each cooperative are being developed and will be shared with the contracted service provider(s) to deliver appropriate technical assistance. The table below indicates the cooperatives that have been assessed so far by value chain:

County	Region	No. of Cooperatives
Kisii	Nyanza	10
Migori	Nyanza	19
Homa Bay	Nyanza	7
Kisumu	Nyanza	10
Siaya	Nyanza	9
Busia	Western	6
Bungoma	Western	18
Vihiga	Western	4
Kakamega	Western	16
Kitui	Eastern	8
Makueni	Eastern	14
Taita Taveta	Eastern	8
Total		129

1.2. Scope of Work and Services Required

The following key services are required as per this solicitation:

1.2.1. Objectives

The objectives of the overall Cooperative Management Improvement Activity is for cooperatives participating in the Cooperative Management Improvement Program to be able to improve on their management, governance, and apply better aggregation and marketing practices in their business, make strategic investments facilitated by access to finance where appropriate, and become more reliable to buyers

and financial institutions. Ultimately this will lead to increased profitability of cooperatives as well as increased incomes extended to members, smallholder farmers.

The specific objectives under the **Technical assistance for the improvement of management of farmer cooperatives** are to build the capacity of cooperatives to improve supply chain operations, member services and business performance to respond to market opportunities, increase income and manage the cooperative as a business. The subcontractor will provide technical assistance to cooperatives in the form of BDS and training on QMS tailored to the needs of the target value chain and market opportunity. The Request for Proposals for the provision of Technical Assistance for the improvement of management of farmer Cooperatives will support the overall activity, managed by KCDMS.

1.2.2. Activities

The key areas of technical assistance supported under the Cooperative Management Improvement Activity include two different areas of management improvement with focus in Business Development Services (BDS) and Quality Management Systems (QMS) as indicated in the previous sections. Within the BDS areas activities with service providers will include facilitating delivery of training and support on six key Cooperative Management Improvement technical areas. Service providers for QMS will deliver training and support on targeted value chain (one or more of the four named value chains) quality control and management. The six key focal areas of BDS are:

- i. Strategic Planning;
- ii. Governance;
- iii. Business Management;
- iv. Financial Management;
- v. Supply and Operations Management; and,
- vi. Services Provision

The main area of QMS is:

- i. Post-harvest handling, drying, storing, sorting and value addition (drying, cooling, packaging).

The outcomes anticipated are that the cooperatives strengthen and expand their relationships with buyers, who in-turn invest more in support services for these group and improve lenders' perception of the risk associated with these groups so that they can raise capital required for strategic investments. Specific programs will be tailored by the needs of the value chains (maize and beans, potato, and horticulture mainly fruits, vegetables nuts and flowers).

1.2.3. Specific Tasks and Deliverables

The tasks required under the Technical Assistance for the Cooperative Management Improvement Activity of Farmer Cooperatives RFA are divided into two scopes: **Scope A Business Development Services** and **Scope B Quality Management Systems**. KCDMS is seeking proposals from service providers who can offer services in either or both of the areas, BDS and QMS. Based on the strength of bidders' Technical Approach, Corporate Capabilities and Past Performance, the tasks can be implemented by one subcontractor or more than one. Bidders may apply for either or both Scopes of Work and are encouraged to apply in

partnership with other qualified parties.

Scope of Work A: Business Development Services

This scope of work will be completed from 6 - 8 months including 3 weeks of training at each cooperative cluster site, travel, and one follow up evaluation towards the close of the six-month period following training plus reporting the evaluation. All activities will be conducted with supervision, assistance, and guidance of the KCDMS Chief of Party or their designee.

Key tasks to be performed:

- Meet with KCDMS to present draft BDS training materials from previous experience (during selection phase); applicants are not expected to develop training materials for responding to this RFP.
- Meet with KCDMS to design Cooperative Management Improvement Activity trainings areas and collaborate on finalization of training materials (training design led by KCDMS with strong input from BDS including addition in localized training materials as appropriate and where materials are previously certified if applicable);
- Meet with targeted cooperatives to communicate through participatory approach on focal areas of Cooperative management improvement activity training and planning;
- BDS to develop scope and timeline of Cooperative management improvement activity training deliveries;
- BDS to train targeted cooperatives in Cooperative management improvement activity areas (six strategic areas above mentioned);
- BDS provides cooperative participant evaluations report following trainings in each strategic area;
- BDS provides end of phase follow up assessments.

The service provider will be responsible for the following deliverables:

Table 1: Deliverables under Scope of Work A - Business Development Services

Reporting Requirements (Activities and/or Outputs)	To be Completed by no later than these Due Dates ¹	Delivery Instructions (# of copies, paper/electronic transmittals, formats, names of reviewers, etc.)
Following collaborative evaluation with KCDMS submit revised draft of BDS curricula (for 6 strategic areas)	20 days after the award	BDS Training materials
Final Training Plan developed in collaboration with KCDMS explaining the methodology to be used, proposed trainings and timelines for each of expected deliverable Finalize materials and submit final draft of curricula (6 strategic areas).	10 days after submission of comments from KCDMSD	KCDMS Team to review the SoW, approach and modules with approval from DCOP. Service Provider uses its template for each cooperative.
Quarterly Training Reports 1-3; submission	120 days after the award	All trainees to attend to

¹ To be updated upon award.

<p>of training report provided to assigned cooperatives per Final Training Plan. This shall include sheets signed by the participants.</p> <p>a) Cooperatives to be trained will be assigned upon agreement with KCDMS</p> <p>b) Each BDS training (of strategic areas shall take 21 to no more than 26 days per cooperative with a focus on key stakeholders within each cooperative.</p>		<p>Cooperative site: Cooperative Professionalization Officer to supervise training site to make sure training is done successfully.</p>
<p>4th Quarterly Training Report and Final Report; (see details above and below)</p>	<p>240 days after award</p>	<p>Written report in format provided by KCDMS.</p>
<p>Final Report; submit final report</p> <ul style="list-style-type: none"> • Narrative of implementation of Training Plan • Proof of coaching (service provider's trip reports) and other technical assistance provided to trainees on 6 strategic areas • Lessons learned and recommendations 		<p>Written report in format provided by KCDMS.</p>

Note: KCDMS shall arrange all training logistics in partnership with selected cooperatives.

Scope of Work B: Quality Management Services (QMS).

This consultancy will be done for 6-8 months, including up to 5-day trainings at each targeted cooperative, including travel, and training reports. All activities will be conducted with supervision, assistance, and guidance of KCDMS DCOP or their designee.

Key tasks to be performed:

- Develop/Update existing training manual in Kiswahili based on capacity gaps and needs identified for targeted value chains (maize, beans, potatoes, and/or horticulture) in post-harvest management;
- Identify and recommend necessary post-harvest materials and facilities to be used by farmers in harvesting, handling, packaging, storage etc.
- Customize trainings to accommodate selected farmer' cooperatives in management and maintenance of post-harvest practices and equipment that are in place;
- Provide practical training on improved post-harvest management practices of harvesting, sorting, grading, packing etc. at cooperative collection centers to improve the skills of the participants;
- Coaching trainees on the whole process of handling targeted produce and ensuring that farmers are implementing good practices based on contract requirements;
- Ensure quality control, management and reporting to KCDMS;

- Document all training processes including activity reports, list of farmers trained, challenges encountered, success stories and lessons learnt;
- Participate and present results of this exercise to KCDMS during a workshop including challenges and lessons learned;
- Submit the final report on the whole assignment.

The service provider will be responsible for the following deliverables:

Table 2: Deliverables under Scope of Work B Quality Management Systems

Reporting Requirements (Activities and/or Outputs)	To be Completed by no later than these Due Dates or timeframe	Delivery Instructions (# of copies, paper/electronic transmittals, formats, names of reviewers, etc.)
Following collaborative evaluation with KCDMS submit QMS training materials (targeted value chains) including areas: post-harvest handling: drying, sorting, grading, moisture content measurement, weighing, packaging and storage as well as ensuring quality control of crop stored.	20 days after the award	Up to 5 pages for sorting/grading, drying, equipment uses with pictures. KCDMS Team to review the approach and module with approval from DCoP. Service Provider uses its template for each cooperative.
Final Training Plan developed in collaboration with KCDMS explaining the methodology to be used, proposed trainings and timelines for each of expected deliverable Finalize materials and submit	10 days after submission of comments from KCDMS	Electronic Submission to KCDMS technical point, partner and KCDMS invoice; MS Word format. Final review by KCDMS Team
<p>Quarterly Training Reports; Deliver QMS trainings to targeted cooperatives per Final Training Plan.</p> <ul style="list-style-type: none"> • Cooperatives to be trained will be assigned upon agreement with KCDMS • Each QMS training (customized for each cooperative) will be completed within a maximum of 5 days. • Ensure KCDMS CPO staff have skills to mentor on QMS for each cooperative. 	Duration and number will depend on value chains and seasonality	All trainees to attend at Cooperative site: 1 CPO will attend to make sure training is done successfully.
Draft Report on training, coaching and harvest season.	After the harvest	Written Report and PowerPoint
<p>Final Report; submit final report</p> <ul style="list-style-type: none"> • Narrative of implementation of Training Plan 		Written report in format provided by KCDMS.

<ul style="list-style-type: none"> • Proof of coaching (service provider’s trip reports) and other technical assistance provided to trainees on 6 strategic areas • Lessons learned and recommendations 		
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Note: KCDMS shall arrange all training logistics in partnership with selected cooperatives.

2. Key Personnel

The key personnel position that the subcontractor shall furnish for the performance of this contract are as follows:

- **Program Manager BDS;** responsible for the overall management of the project and ensuring the timeliness and quality of all deliverables.
- **Lead Trainer for BDS;** responsible for providing input in to the design of the training and finalizing the training curriculum. They are also responsible for ensuring other personnel are qualified, trained and providing quality technical assistance. Must have background in private sector or enterprise development as well as adult learning and capacity building.
- **Lead Trainer for QMS;** responsible for providing input in to the design of the training and finalizing the training curriculum. They are also responsible for ensuring other personnel are qualified, trained and providing quality technical assistance. Must have background in post-harvest handling, agriculture marketing, facilitating market linkages with private sector and implementing quality management systems at collection/aggregation points and working with small farmers.

Proficiency in English is required for all Key personnel. Proficiency in Kiswahili is required for the Program Manager and required for the Lead Trainers. The following requirements for each of the key personnel positions are set forth below. They should have at least bachelor’s degree in Business management, Development studies, Agronomy, Horticulture, secondary (master’s or PHD) preferred, with at least 5 years’ experience in managing adult training programs.