



Harvesting Green Energy for Smallholder Farmers Project

RFP Release Date	20 th December 2024
Proposal Submission Deadline	7 th January 2025
Question/ Inquiry Submission Deadline	31 st December 2024
Electronic submission to	co-opconsultancy@co-opbank.co.ke
Contact information for inquiries	co-opconsultancy@co-opbank.co.ke

1.0 Introduction

1.1 Project Background

89% of the 7.5M smallholder farmers in Kenya live on less than \$6 a day; significantly below the living income of \$11.2 a day. The average monthly income of a Kenyan smallholder farmer is \$124 a month, with 72% of a farmer's income coming from agriculture. The majority do not have access to affordable and reliable energy, preventing them from efficiently irrigating their land, and processing and storing their produce; that would have increased their yield, increased the value they receive for their produce and reduced post-harvest loss. In Sub-Saharan Africa, only 4% of the land is irrigated and 10-20% of grains are lost post-harvest. Productive use energy (PUE) assets have the potential to increase farmers' yields by at least 20%, however, they are expensive and without financing, unaffordable.

Most smallholder farmers (living below the living income) are unable to obtain credit for these assets. Lenders are risk-averse to both this customer base and these PUE assets (that are still nascent). As a result, they often charge exceptionally high interest rates or do not lend to these customers. PUE assets suppliers have also often struggled to establish scalable B2B partnerships to access smallholder farmers. The income uplift from PUE assets is only possible if smallholder farmers also have access to markets (to be able to realise their income), access to credit (to be able to afford the asset), and access to quality seeds and fertilisers (to meet quality standards of the buyers).

The agriculture value chain is complex and paper-based, leading to inefficiencies, waste and lack of trust across the ecosystem of partners. Digital platforms can transform smallholder agricultural markets shifting from fragmentation to a more efficient and transparent exchange of goods, services, and information. Mastercard has developed a digital technology platform called Community Pass – that enables service providers to better meet the needs of remote, low-income marginalised communities. Farm Pass is a vertical product on Community Pass – digitising:

- (a) Processes for the supply and purchase of agricultural inputs and produce between farmers, farmer producer organisations, input providers, and buyers and
- (b) Payments and financial histories of farmers to enable third parties to provide formal financial services to them.

Mastercard’s Kenyan partner is The Co-operative Bank of Kenya (Co-op Bank), who has white labelled Farm Pass, branding it Co-op Bank Soko. This partnership will pilot 6 productive use energy assets, for which the Co-op Bank will provide capital for farmers to borrow through co-operatives in the potato, maize, and dairy value chains, at a step-down interest rate of 10%. Overall, the project is meant to deliver the following interventions:

- (a) Promoting access to 6 productive use assets among smallholder farmers in the target areas and value chains. The assets are solar lanterns, solar water pumps, biodigesters, solar micro mills, solar milk chillers and solar cold stores.
- (b) Providing agronomical support to potato farmers in the 5 participating counties namely, Nakuru, Narok, Meru, Marakwet and Nyandarua Counties.
- (c) Digitization of lending to farmers through the Coop Bank Soko platform.
- (d) Financial literacy training for 20,000 women smallholder farmers.

2.0 Proposed Engagement

2.1 Overview of Agronomical Support Intervention

Objective	To improve the incomes generated by smallholder potato farmers through improved crop husbandry practices.
Description	This project aims to support approximately 1,600 potato farmers with onsite agronomical services spanning full-season activities from land preparation through harvesting and post-harvest management for two crop cycles starting January 2025.
Target Beneficiaries	Potato farmers in Nyandarua, Narok, Nakuru, Meru and Elgeyo Marakwet Counties
Expected Outcomes	<ul style="list-style-type: none"> ▪ Improved income for the farmers through enhanced productivity and quality of produce ▪ Improved access to market

2.2 Scope of Services

The agronomist will provide targeted onsite technical support and extension services to 1,600 smallholder potato farmers in the participating counties. This intervention anticipates the service provider to select beneficiary farmers using agreed criteria and take the selected farmers through two full crop cycles by guiding farm preparation activities, inputs acquisition, planting, crop husbandry, harvesting, and post-harvesting management including sorting, grading, and providing market linkages. Actual services will include farmer training, TOT training for community trainers, extension services, mentorship, and coaching for a period of 12 months.

2.3 Duration of Engagement

The full assignment will take 12 months divided into three phases: farmer selection & training, on-farm crop management and post-harvest management for the two seasons.

2.4 Deliverables

- (a) A detailed inception report that defines the agreed methodology, work plan and milestones.
- (b) A detailed farmer selection report showing key farmer and farm details for tracking project activities, milestones, and impact.
- (c) A monthly field report showing activities done, lessons learnt and comments on adherence to project timelines.
- (d) A harvest report at the end of the crop cycle showing agreed details critical to assessing project success.
- (e) A terminal report summarizing project activities, tracking success metrics, and detailing key learnings and recommendations for the future.

3.0 Qualifications and Expertise Desired

The project is seeking a suitably qualified and highly experienced firm to undertake this assignment. The successful entity is required to meet the following criteria:

- At least 5 years' experience providing agronomical & extension support services to smallholder potato farmers in Kenya.

- Interaction with key players in the value chain and understanding of the dynamics of the entire value chain is required.
- The lead consultant must have at least a bachelor's degree in Agronomy, Soil Science, Horticulture, Plant Pathology, or equivalent while the field team should have at least a relevant diploma with suitable experience.
- Excellent understanding of the potato value chain in Kenya with a good command of related issues at the policy level, supply chain and market dynamics.
- Good report writing ability and experience working with donor projects.
- Adequate knowledge of key issues in soil health assessment, fertilizer/ chemicals use, balanced crop nutrition and disease/ pest management in potato farming.

4.0 Proposal Requirements

4.1 General Submission Guidelines

Proposals shall be submitted electronically to co-opconsultancy@co-opbank.co.ke copied to adrian.shikuku@shellfoundation.org as one document in PDF format on or before the deadline date.

Each firm must submit the following mandatory details and information:

- A copy of the registration certificate/ certificate of incorporation
- A valid Tax compliance certificate
- A valid business permit/ license
- Audited financial statements for the last 2 years
- A valid CR12 certificate for companies
- KRA PIN certificate
- Contact details showing the name of the contact person, email address, phone number and physical office location.
- Detailed company profile showing among other details the organizational structure and key persons.

4.2 Technical Proposal

A technical proposal detailing your understanding and how you propose to undertake the assignment, and work plan with a general information approach below:

- i. Capacity statement
- ii. Experience summary highlighting similar assignments done (client name, the scope of the assignment, duration, date of implementation and contract value).
- iii. Team composition showing the qualifications and experience of key staff on similar assignments.
- iv. At least 5 references from other clients for whom similar assignments were undertaken with contact information for each.
- v. A clear and comprehensive draft delivery methodology and work plan outlining the key activities and proposed implementation schedule.

4.3 Financial Proposal

Applicants should submit a detailed budget with budget notes that explain the basis of the estimate for each line item in USD.

5.0 Evaluation Criteria

The selection committee comprising representatives from Cooperative Bank, Shell Foundation and Mastercard will evaluate all proposals based on the following criteria. Vendors are encouraged to provide detailed and specific responses in alignment with these criteria.

Proposal Evaluation Focus	Percentage
Accuracy and relevance of the proposed technical approach and methodology	30%
Completeness of proposal according to the RFP (general information, mandatory documents, activity plan, budget, team expertise, etc.)	10%
Experience in implementing similar assignments: experience and expertise in providing one-on-one onsite support to smallholder farmers in Kenya	30%
Team composition: expertise and competencies to address project activities and achieve desired outcomes	30%
Total	100%