



REQUEST FOR PROPOSALS (RFP) FOR CAPACITY BUILDING OF SMALLHOLDER FARMERS IN FINANCIAL LITERACY.

Disclaimer | ADS-W & CORDAID reserve the right to determine the structure of the process, number of short-listed participants, the right to withdraw from the proposal process, the right to change this timetable at any time without notice and reserves the right to withdraw this tender at any time, without prior notice and without liability to compensate and/or reimburse any party. ADS-W & CORDAID reserve the right to negotiate budget with the bidder(s) prior to awarding the contract. In case of unsuccessful negotiation with the first placed bidder, the bidder with the next highest score bidder will be invited for negotiation.

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Section 1: Synopsis of the Request for Proposal

a) Title of Consultancy	Request For Proposal (RFP) For Capacity Building of Smallholder Farmers in Financial Literacy.
b) Eligibility	Consultancy firms legally registered in Kenya
c) Location of the assignment	Kenya, 7 counties (Kakamega, Bungoma, Busia, Siaya, Kisii, Nandi and Trans-Nzoia)
d) Type of Consultant	Consultancy firm
e) Issuing Office & Address	Anglican Development Services, Western Diocese of Maseno North, Church House building, Webuye-Kakamega Highway PO Box 2380-50100 Kakamega
f) Point of contact for clarifications and questions	ADS Western procurement Email: procurement@adswestern.org
g) Bid Submission	Electronically via the ADS Western official email: procurement@adswestern.org
h) Solicitation Issue Date	22 nd April, 2025
j) Deadline for submission of questions and clarifications	6 th May, 2025
k) Deadline for Answering questions and clarifications	13 th May, 2025
m) Deadline for Submission of Proposals	6 th May, 2025
n) Selection method	Quality and Cost Selection Method (QCBS) Weightage: Technical – 70%; Financial – 30%



1. Introduction

Anglican Development Services, Western region (ADS-W) in partnership with Catholic Organization for Relief and Development Aid (CORDAID), the Government of Kenya, International Fund for Agricultural Development (IFAD), Agricultural Finance Cooperation (AFC), Financial Sector Deepening-Kenya (FSD-K), AGRA and other Partners are implementing a three-year Programme: Rural Kenya Financial Inclusion Facility (RK-FINFA) with the objective of increasing rural financial inclusion and green investments by agriculture value chain stakeholders. The RK FINFA Project is implemented under the Financial and Sectoral Affairs Department of the National Treasury.

As part of the implementation of RK-FINFA, ADS-W in collaboration with CORDAID is seeking bids from qualified Technical Service Providers (TSPs) to conduct **Capacity Building of Smallholder Farmers in Financial Literacy** whose aim is to enhance the capacities of smallholder producers and allied agribusinesses to avail and increase the uptake of financial services and products under RK-FINFA. The successful applicants under this specific call for proposals will work under the direct supervision of ADS-W and CORDAID to develop a plan for and engage in the capacity building of at least 25,000 smallholder farmers in the 7 counties that are implementing the RK-FINFA Project in view of improving the financial literacy of farmers and their eligibility for green financing offered through Microfinance Institutions (MFIs) and Savings and Credit Cooperative Societies (SACCOs). The seven counties are: Kisii, Nandi, Kakamega, Siaya, Busia, Bungoma and Trans Nzoia.

CORDAID is an internationally operating emergency relief and development organisation headquartered in the Netherlands with a country office in Nairobi, Kenya. CORDAID's mission is to strengthen the capacities and resilience of vulnerable people and communities in fragile settings so that they are better prepared to face their future challenges. For over two decades, Cordaid has been working closely with the Government of Kenya and development partner organisations to address these challenges through three thematic pillars namely sustainable livelihoods; equitable access to humanitarian assistance; equitable access to water, health care, education, and justice; and inclusive peace and reconciliation processes.

2. Overview of the RK-FINFA Project

The Rural Kenya Financial Inclusion Facility (RK-FINFA) is a project funded by Government of Kenya and International Fund for Agricultural Development (IFAD). The project's goal is to reduce poverty, enhance climate change resilience and improve livelihoods in rural areas. The projects' development objective is to increase rural financial inclusion and green investments by agriculture value chains stakeholders leading to equitable employment opportunities, innovative and resilient production systems and increased incomes for smallholder farmers, poor and marginalized rural households, women and youth. The six-year RK-FINFA project builds upon

the Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT), which piloted various financing models and business development innovations for producer groups. The project targets the entire country, with the initial two years focusing on 14 counties. These counties are: 1) Central and Eastern Regions: Kirinyaga, Nyeri, Embu, Machakos, Meru, Tharaka Nithi, and Nakuru, 2) Western Regions: Kisii, Siaya, Nandi, Trans Nzoia, Bungoma, Busia, and Kakamega. RK-FINFA aims to reach 190,000 rural households across Kenya through a combination of financing and capacity-building initiatives. The project emphasizes inclusivity, with specific targets of 50% women, 30% youth participation and 5% participation of people living with disabilities. The direct beneficiaries include 66,000 smallholder households and 2,000 Micro, Small, and Medium-Sized Enterprises (MSMEs), which will gain access to financial resources and technical services.

To achieve the RK-FINFA project goal and development objective, the project activities are structured in the following three components:

Component 1: Technical Support and Innovation Services (TSIS); with its subcomponents

- (i) Capacity building for rural outreach, and innovations
- (ii) *Business Development Services for Agribusinesses and Smallholders* including financial literacy for Smallholders and business development services for MSMEs

Component 2: Rural Investment Instruments

- (i) Rural Credit Guarantee Scheme R-CGS and
- (ii) Green Financing Facility (GFF).

Component 3: Enabling Rural Finance Policy Environment and Project Coordination.

- (i) Enabling Rural Finance Environment (digital innovations to reduce risk of lending to agriculture).
- (ii) Programme implementation

3. The Technical Support and innovation Services (TSIS)-Component 1

Component 1: Technical Support and Innovation Services (TSIS). This component is composed of two fully inter-linked sub-components, i.e. (i) strengthen Participating Financial Institution (PFI) capacities for innovation, rural outreach and green finance services in Kenya, and (ii) build MSME and smallholder sustainable investment capacities and financial literacy skills particularly tailored to reach women, youth and marginalized groups. The TSIS packages will support the PFIs in the implementation of the rural investment instruments, in line with each PFI's respective rural and agriculture finance strategy.

Sub-component 1.1: PFI Capacity Building for Rural Outreach and Innovation. The expected outputs of this sub-component are: (i) the capacity of five (5) participating commercial banks, six Micro Finance Banks and 30 Deposit Taking-SACCOs improved to provide rural and agriculture financial services including products tailored to reach 30 per cent youth and 50 per cent women; (ii) the capacity of all 41 PFIs built to implement and monitor green investment portfolios; and (iii) Environmental and Social Management Systems operationalized/strengthened by 41 PFIs.

Sub-component 1.2: Business Development Services for Agribusinesses and Smallholders. The expected outputs of this subcomponent are: (i) 1,500 small and microenterprises receive Business



Development Services (BDS) and are able to submit bankable business plans; and (ii) 50,000 male and female smallholder producers receive financial literacy training including for preparation of simple business plans appropriate for SACCO/MFB loan applications. The BDS is a key tool for social inclusion targeting of RK-FINFA: minimum of 50 per cent women and 30 per cent youth are included among all BDS clients.

Both aspects of the TSIS, supply and demand side, will be embedded into the rural growth strategies of Participating Financial Institutions to foster sustainability and scalability and support the effective use of the resources provided through the project's Investment Instruments in component 2.

Under the project, CORDAID will offer Technical Innovation Support Services in terms of capacity building and business development services to 1 Commercial Bank, 3 Microfinance Institutions (MFIs) 15 Saccos, while ADS-W offers the same support and capacity building to 750 MSMEs and 25,000 smallholder farmers and their organisations in 7 counties in Western region namely Trans Nzoia, Bungoma, Busia, Kakamega, Nandi, Siaya and Kisii counties.

4. Objectives of the assignment

The objective of this assignment is to strengthen the capacities of at least 25,000 smallholder farmers in financial literacy and basic green investment practices. This will empower them to qualify for credit from participating financial institutions (PFIs), including Savings and Credit Cooperative Societies (SACCOS), Microfinance Banks and Microfinance Institutions (MFIs), under the Green Financing Facility (GFF). Key technical support areas will focus on enhancing the financial literacy skills of smallholder farmers and promoting the use of PFI services.

5. Scope of Work

The envisaged tasks for this assignment include:

- Conduct a capacity assessment of smallholder farmers in their farmer groups and also utilising data from the scoping study and the readiness assessment provided by CORDAID and ADS-W. Where the provided data is insufficient, the consultant will collect additional information to ensure a comprehensive assessment.
- Design, prepare, and customize practical training modules tailored to the specific needs of each farmer organization. The modules should be designed to encourage adult learning and focus on practical, output-oriented skills. The training modules should be interactive, practical, and tailored to the unique needs of each group, ensuring that farmers can apply their learning effectively. The training should cover the following areas:
 - **Financial management and literacy**
 - Record keeping including financial records.
 - Stock management, cash flow management, savings, and responsible financial management.
 - Production costing and profitability assessment.
 - Understanding loans, interest rates, and managing loan repayments, agricultural insurance.



- Basic banking skills, opening and operating bank accounts, and banking transactions.
 - Mobile and digital banking services.
 - Developing bankable proposals
 - **Collective investment, resource management and marketing**
 - Financing and mechanisms for collective machinery ownership.
 - Saving with a purpose and managing resources effectively.
 - Women and youth-focused financial access and literacy.
 - Developing business marketing plan and canva.
 - **Sustainability and green investment practices**
 - Embedding environmentally friendly practices in financial and production operations
- Design, prepare and implement a comprehensive training plan, ensuring it is shared with ADS-W & CORDAID for close collaboration and effective progress monitoring. The training plan must address the gaps identified during needs assessment including green farming practises and use of Gender Action Learning Systems (GALS). The consultant shall ensure as part of trainings, each group is taken through GALS sessions delivered by RK FINFA GALS champions. The consultant closely with the Project Management Unit and CORDAID.
- In close collaboration with the PFIs, ensure that the smallholder famers and farmer groups get an understanding of the lending products, how to apply for them and how the uptake can be improved through various capacity building initiatives so that the small producers are more able to prepare loan applications and assemble the required information. The borrowers can be groups or individually within the group. CORDAID will take the lead in ensuring the PFIs collaborate with the consultant(s) to deliver the outlined deliverable.
- Deliver the training modules at a venue and time that is convenient and accessible to the producer groups' membership taking into account the dynamics of each group such as lactating mothers, the disabled and the economic activity of each group to ensure inclusivity and safeguarding. The training delivery will be at a smallholder farmer group level and will be available to all the members of the producer group.
- Tracking and reporting on progress by 1) Conduct pre- and post-training surveys/ assessments to evaluate the changes in knowledge and understanding among participants and, 2) tracking attendance and participation of individual members of farmer groups to ensure active engagement and to identify any gaps in training or support needs. ADS-W will provide standard attendance tracking tools and reporting templates to ensure alignment with the reporting requirements for the project.
- Coach and mentor producer groups through regular check-ins to assess their progress in governance, service offerings, and leadership dynamics. Areas of focus include:
 - Financial Management best practices include record keeping, cash flow management, development of bankable proposals, opening and operation of bank accounts, and savings strategies, loan applications.
 - Development of individual vision journeys and business plans.



- Market access and business development focusing on marketing strategies, business linkages, contract management, and best practices in production.
- Governance and compliance support including leadership development, formal registration, and compliance with regulatory requirements.
- Support the establishment and management of Village Savings and Loan Associations (VSLAs) and cooperatives where relevant.
- Any other area the consultant deems fit for additional support.

Support the development of knowledge management products in collaboration with CORDAID and the RK-FINFA Project Management Unit at the National Treasury. This will involve documenting and sharing training manuals and assessment tools, capturing and analysing feedback from training sessions to enhance future interventions, and identifying and documenting challenges, opportunities, and risks encountered during implementation. Additionally, screen, document, and follow up on compelling stories of change, highlighting key achievements through case studies and success stories to ensure effective knowledge sharing and learning. The consultant will help in identifying and directing CORDAID to compelling stories of change from individuals, farmer organisations and MSMEs for further documentation.

Develop and share a detailed training report with ADS-W & CORDAID monthly progress and detailed quarterly reports using a standard template provided or developed in collaboration with CORDAID.

- Implement women, youth and social inclusion strategies in the training sessions with a focus on equipping the smallholder producer groups with business development services and adequate financial literacy skills.

Complementarities with other projects

The TSP is expected to work closely with projects that complement the objectives of RK FINFA, and to leverage on these activities to create synergies between RK FINFA activities and the on-going activities under IFAD funded projects, ADS-W projects and other pipelines.

Cross-cutting themes to be mainstreamed in all project activities

- Gender, women and youth inclusion at a minimum of 50% for women, 30% for youth and 5% people living with disability.
- Environment and climate change adaptation and mitigation measures
- Scaling up and sustainability of project outcomes

The TSP will be expected to develop risk mitigation strategies, specific for risks related to women and youth in agriculture and for risks related to environment issues and climate change. The TSPs should ensure that approaches and services developed are sustainable and scalable.

6. Expected results of the assignment



The expected outcome of the TSIS business development and farmer financial literacy sub-component is to have 25,000 smallholder producers equipped and capacitated to access finance through the participating financial intermediaries so that more rural lending can take place in selected counties and value chains.

More specifically the required outputs include:

- i. Capacity Building on financial literacy of 25,000 smallholder farmers reaching a target of 50 percent being women and 30 percent youth, 5 percent people living with disability and measured through a standardized performance assessment or rating tool and agreed upon monitoring and evaluation indicators.
- ii. Create awareness and build capacity of 25,000 smallholder farmers in greening their farm operations with 50 per cent being women and 30 per cent being youth, 5 percent people living with disability measured by the adoption rate of climate smart practices.
- iii. 25,000 smallholder farmers trained and linked (through their groups) to access finance from the participating PFIs by being able to submit simple business plans that fit into the lending criterion.

Reports and schedule of deliverables

- a. The TSP shall prepare and submit monthly progress reports, detailed quarterly reports and annual progress reports to ADS-W & CORDAID and reports of any workshop or training conducted in the formats agreed upon with ADS-W & CORDAID. The consultant shall also submit any knowledge management materials produced during this assignment including stories of change and case studies as part of their reporting deliverables.
- b. The Consultant shall also submit the assessment reports; training manuals; materials and tools used for the delivery of trainings and the coaching of the farmer groups.
- c. The TSP shall monitor the performance of the farmers and their groups in line with the agreed upon indicators to support the project implementation unit and supervision missions from IFAD. The TSP shall submit all the attendance registers; training session high resolution photos(at least 3 photos per session take from three different angles capturing all participants during the sessions)

7. Location and period of execution

The location of the assignment shall be in Kenya coordinated by ADS-W, CORDAID and RK FINFA PMU. Within the first two years of the project, field activities will be conducted within the seven counties namely Trans Nzoia, Bungoma, Busia, Kakamega, Nandi, Siaya and Kisii counties each of which hosts at least two IFAD supported value chain projects. Thereafter the geographic scope will expand to other rural counties in Kenya based on the demand for the financial services being provided by the project. The assignment will commence in May 2025 and terminate on 30th July 2027.



A minimum of 2 TSPs will be selected to do the capacity building of smallholder producers and will be distributed in the 7 counties to ensure that there is no overlap.

8. Project coordination

The project TSPs will work under the direct supervision and oversight of the CORDAID Project Lead Access to Finance and may be linked up with the RK-FINFA PMU for data collection purposes. The training sessions will be conducted at group level. This will involve training, coaching and mentoring and will not just be one off sessions. Follow up sessions to review the progress and adoption of the activities will be a core of this assignment. A TSP is expected to deeply collaborate with ADS-W county coordinators alongside the PFI working in the specific allocated County.

9. Consultant's team composition, qualifications and experience

1. Experience conducting similar work: Demonstrate a portfolio of at least 5 major projects in agricultural finance, financial literacy, or business development services, working with farmers, Bank, MFIs, SACCOs and agri-SMEs, especially in partnership with international development agencies. Provide three references of clients you have delivered similar assignments to.
2. Experience and deep working knowledge of the seven (7) counties of intervention.
3. Experience in backward and forward linkages: Evidence of linking financial service providers with the demand side of financial services after interventions such as financial literacy training, business plan development for MSMES, value chain integration, and green agricultural practices.
4. Expertise in knowledge management: Proven ability to develop training materials, knowledge products, and digital platforms that enhance capacity building for rural communities.
5. Track record in gender and youth inclusion: Success in implementing projects where 50% women and 30% youth participation has been achieved.
6. Legally registered in Kenya: A Kenyan-registered entity with compliance to local laws, tax obligations, and labor regulations.

The consulting firm/ consultants will assemble a team of multidisciplinary professionals who have wide experience and competences in the following fields:

- Agricultural Inclusive finance – Team Leader
- Credit Expert/ Farmer group credit expert
- Green and climate smart agriculture expert
- Monitoring and evaluation & Knowledge management
- Gender and Community Development Expert

The specific qualifications of the experts will be:



Key expert 1: Team Leader and Agricultural Inclusive Finance Expert

Qualifications and skills

Master's degree in economics, banking, finance, business administration or any related field. Demonstrated experience in designing and implementing Inclusive Finance programs at MFI and SACCO level including developing financial literacy programs for smallholder farmers, Familiar with Green Finance practises, value chain finance and digital finance products, to make financial services systems work for agricultural MSMEs and smallholder farmers that are active in food crops and livestock value chains. The expert should have a minimum of 10 years of experience in inclusive access to finance with hands on experience with rural finance development services.



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Key expert 2: Value Chain Credit Expert

Qualifications and skills

Master's degree in economics, finance or any related field. Demonstrated experience in development in farmer group training on financial literacy management and group dynamics, governance, regulation and management in the rural finance sector. The expert should have a minimum of 7 years of experience in farmer capacity building development services with a heavy focus on financial literacy; bankable farmer groups and producer groups' economic empowerment.

Key expert 3: Monitoring, Evaluation and Knowledge Management Expert

Master's degree in economics, development studies or any other related field. Experience in monitoring, evaluation and knowledge management in development projects. Practical knowledge of digital management information systems with good understanding of logical framework development and utilisation. This expert should have a minimum of 5 years in monitoring, evaluation and knowledge management and directly involved in rural development projects.

Key expert 4: Green and Climate Smart Expert

Bachelor's degree in agriculture, agricultural economics, agribusiness or any other related field. Experience in development of agricultural value chains and linkage to markets is desirable. Knowledge of greening investment practises at farmer level is mandatory. This expert should have a minimum of 5 years in climate smart agriculture and greening practises in food systems.

Key expert 5: Gender and Community Development Expert

Bachelor's degree in Gender studies, Community development or a related field with experience in gender analysis, gender mainstreaming, social inclusion and proficiency in designing inclusive programs for marginalized population. Knowledge of gender equality, women and youth empowerment; Gender transformative approaches like Gender Action Learning system (GALS) methodology. This expert should have a minimum of 5 years in inclusive development programming.

It is expected that the proposed team can demonstrate experience in green investments practises and financing for the project targets (smallholder farmers and rural MSMEs). The technical proposal should include Curriculum Vitae(CV) of the above key personel with the experts signing against their CVs to confirm their availability during the assignment period.

Request for Proposal

The potential and interested bidders are requested to submit documents showing their keen interest in undertaking the proposed assignment as listed below. The proposal should include following:

- A. Cover letter expressing interest
- B. Eligibility criteria list (Signed CVs of the team maximum of 3 pages each)
- C. Technical proposal (70% of the weightage)
- D. Financial proposal (30% of the weightage).



E. Three references showing the same experience

Selection method

Both files must be submitted in two separate PDF files. The financial proposal will be opened only after the technical proposal is rated. Technical proposals with score less than 50 marks will not be further evaluated.

The bidders are required to submit both the technical and financial proposal within the stipulated deadline. ADS Western shall employ Quality-Cost-Based-Selection (QCBS) method [Technical Proposal Weightage: 70% and Financial Proposal Weightage: 30%].

The following legal/statutory documents need to be submitted along with technical and financial proposals within the date stipulated in this RfP:

- A. Organisational profile
- B. Legal/registration certificate
- C. CR12/8
- D. VAT registration certificate
- E. Tax compliance certificate
- F. One year financial statements(most recent financial statement not earlier than 2024)

N/B The successful firm will be required to submit eTims invoice.





Terms of payment

The payments will be made as per ADS-W's rules and regulations and will be discussed with the winning bidder before signing the contract. There will be a formal contract for the service. The payments will be made on a milestone basis and the total value of the service will be paid by a bank transfer to the firm's bank account.

Payment Modality

The project will release payment to the bidder as per the agreement during the contract signing with ADS-W. Applicable taxes will be deducted before making payment to the bidder.

Rejection of proposals, tender cancellation

Should any proposal fail to comply with terms and conditions stipulated in this RfP, or be incomplete, conditional or obscure, or contain additions not called for or irregularities of any kind or does not respond to important aspects of the RfP, or if the bidder does not meet the eligible criteria, or if it fails to achieve the minimum technical score, it may be rejected as non-responsive.

ADS-W reserves the right to accept or reject any proposal, and to annul the bidding process and reject all proposals at any time prior to contract award, without thereby incurring any liability to the participating bidder(s).

Application process Applications must be submitted by **6th May 2025** to with the subject "RK-FINFA CONSULTANCY- CAPACITY BUILDING ON FINANCIAL LITERACY FOR SMALLHOLDER FARMERS". Any applications received after this time will not be considered. If you have any queries in relation to your submission or to any requirements of this tender, please e-mail: procurement@adswestern.org

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