



USAID | **KENYA**
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USAID KENYA DAIRY SECTOR COMPETITIVENESS PROGRAM

623-C-00-08-00020-20

EXPANSION AND REVITALIZATION OF A SUSTAINABLE SCHOOL MILK PROGRAM

Contractor Information:

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Closing Time 12.00 noon

REQUEST FOR PROPOSALS

Applications are invited from Local registered firms, individual consultancies or consortiums to expand and revitalise a sustainable school milk program.

Under this solicitation, KDSCP, based on an open competitive selection process, will award a subcontract with a value of an agreed upon amount. If you decide to submit a bid, it must be submitted in accordance with the attached solicitation and received no later than the date and time indicated.

1. Background:

The USAID Kenya Dairy Sector Competitiveness Program (KDSCP) is 5-year effort to improve Kenya's dairy industry competitiveness, implemented by Land O'Lakes, Inc., with the financial and technical support of the United States Agency for International Development (USAID). The goal of KDSCP is to increase smallholder household income from the sale of quality milk.

KDSCP is implemented through a range of activities grouped together into three broad programmatic components. First, the program will upgrade the capacity of the dairy industry to compete in local, regional and international markets. Second, it will transform dairy smallholder business organizations into viable enterprises that supply quality milk to the market and facilitate access to critical services and inputs to farmer-members. Third, the program will strengthen support markets, increasing the availability and utilization of market-link dairy business development services, inputs, technologies provided by business service providers to dairy enterprises.

Land O'Lakes promotes a milk shed development model whereby the focus will be to encourage collection of 50,000 to 100,000 liters or more from multiple collection centers within a given milk shed. The milk shed development approach will maximize farm productivity, collection and transport efficiencies to reduce costs and install best quality assurance practices throughout the milk shed. Land O'Lakes will facilitate the formation of strategic public-private alliances with, and fostering dialogue and negotiations between, leading dairy processors, SBOs, financial service providers, input and service providers, local authorities and development partners to build sustainable milk sheds. Critical to the success of this approach are strong vertical linkages—between farmers and SBOs, between SBOs and processors, and between processors and retailers/exporters—as well as strong horizontal linkages among SBOs.

KDSCP has started the process of reviving the Kenya Dairy Processors Association (KDPA). It is composed of all the registered Dairy processors in the country. One of the key constraints it faces is lack of domestic and export market information. KDSCP will facilitate access to and provision of domestic and export market information and thereafter promote industry-led market research and consumer awareness campaigns to promote purchase of quality milk

In an attempt to promote market expansion of milk and value-added dairy products a number of important market development initiatives are expected to be identified and carried out through the Competitiveness Action planning process. KDSCP anticipates supporting a number of these

interventions including industry-led promotions to educate consumers that “quality pays,” strengthening vertical linkages between dairy processors and modern retailers who are driving consumer goods sales in Kenya, and increasing access to domestic and export market and trade information that can guide strategic business planning and marketing. The economic returns on investment of paying premiums for graded milk such as extended retail shelf life, reductions in product rejections at milk collection and retail, and access to new domestic and export markets will be quantified and communicated to industry stakeholders under the “quality pays” theme.

As part of a marketing strategy to increase milk consumption in this country there is need to revitalize, improve, intensify and expand the existing school milk program by creating awareness to the young people early enough on the benefits of drinking milk and by helping schools to come up with cost effective, sustainable implementation strategies. This is intended to create a milk drinking culture in our country and will contribute to higher milk consumption thus increased production.

II. Assignment Objectives

Review the current school milk program and outline the strengths and weakness of the program. Provide an update of schools running the program and the amount of milk consumed.

Provide lessons learnt for the expansion of the program and for helping create a milk drinking culture.

Design an expanded phase of the school milk program which aims to Increase the number of participating schools and Increase the number of processors participating in the program

Identify areas where other players can participate e.g. LATF, CDF, private sector etc

Develop sustainable models for implementing the school milk program in Kenya

III. Scope of Work

1. Liaise with the current school milk committee for an update of the participating schools and processors
2. Analyze the packaging and distribution systems employed, their cost effectiveness and appropriateness
3. Provide an update and recommendations for an expanded phase
4. Network and identify models that are working in the world and document these
5. Develop cost effective and sustainable models that can be implemented in the expanded phase
6. Develop a database of all potential schools that can participate
7. Create awareness to the Ministry of Education on the benefits of this program and get their buy in to support the program
8. Liaise with the Ministry of Education and plan for a sensitization forum of the key stakeholders to share possible models and brain storm on the feasible ones.
9. Innovatively work with at least 10 processors and other private sector players and incorporate an additional 300 schools to participate in the program and move a substantial volume of milk

IV. Deliverables

Deliverables under this consultancy will include the following.

A comprehensive report containing all issues outlined in the scope of work items 1-9 and presented to the DTF and to stakeholders to incorporate their views. The report shall include a list of participating schools, data on costs and volumes, design of the expanded phase, models for implementation and outcomes of input from stakeholders from the forums which will have been held. The report will be submitted in soft and hard copies.

V. Time frame and proposed Level of effort

This assignment will take place within a period not exceeding 20 man days spread over a 2 month period. You are expected to propose a staffing scenario consistent with the requirements of the terms of reference.

VI. Application Submission Requirements:

All interested candidates will submit their proposal organised as follows:

1. Technical proposal (not exceeding 10 pages). The technical proposal should reflect how the offeror will undertake all the tasks in the Scope of work.

The offeror will provide a detailed plan of specific activities and timetable for carrying out the assignment.

2. Financial Budget The offeror shall propose a realistic cost estimate for this assignment, including a breakdown of the budget and justification of expenses. The budget shall include only those costs that can be directly attributed to the activities proposed. (with explanation of line items) Bidder must show existence of financial and administrative systems to adequately account (USAID and GAAP) for funds provided under this assignment.

3. Personnel The offeror shall list and briefly describe the name and qualifications of the consultant(s) proposed to work on the assignment. (CVs of proposed personnel to be included in an annex)

4. Experience of the firm A two to three page capability statement (Typically including organizational overview, technical representatives and qualifications of staff to carry out the assignment.

All interested applicants must provide a list of all contracts, grants, or cooperative agreements involving similar or related assignment in the last one year before this application submission. Reference information must include the location, award numbers if available; a brief description of work performed; contact with current telephone numbers.

VII. Criteria for Evaluation:

Proposals will be evaluated according to the following Criteria

1. Technical approach and methodology (40%)
2. Proposed Personnel - ability to address different components of the assignment (20%)
3. Relevance of the firm or organization's core capability/skills base to service request, and capacity to implement or manage the assignment and funds awarded (15%)
4. Budget Justification, Cost Realism (25%)

The KDSCP is authorised in accordance with the US Foreign Assistance Act and USAID Contract # 623-C-00-08-00020-00.

Grants/Contracts will be administered in accordance with provisions contained in ADS Section 302.5.6, "Grants under contracts" ADS Chapter 303, "Grants and Cooperative Agreements to non- governmental organizations" and within the terms of the USAID standard provisions applicable to non-US, non-governmental recipients. Information on these provisions can be assessed through the USAID external website at www.info.usaid.gov "Business & Procurement" section. Per ADS section 302.5.6(f), Contractors/Grantees are authorized to execute cooperative agreements on USAID's behalf.

KDSCP and USAID/Kenya reserve the right to fund any or none of the applications submitted. Registered local firms and organizations interested in implementing this assignment are requested to submit a proposal (typed no smaller than 11-point font) by **Friday, 26th 12.00noon March 2010** to the Grants Manager at:

Land 'O' Lakes Inc.
Peponi Plaza, Block B Second floor
Off Peponi Road Westlands
GPO 45006-00100
Nairobi, Kenya

Submissions must be in English and typed single-spaced on standard 8 1/2" x 11 or A4 (210 x 297 mm) type white paper. Submissions must contain **one single-sided hard copy original** of the proposal (each with a complete set of appendices/attachments where applicable), and **two copies**. The original should be "photo ready, " i.e., printed on one side only and unbound. All pages must be numbered and include the RFP reference number and name of organization on each and every page. Hard copies can either be submitted in person or at the Land O Lakes mailing address, however these must be received no later than the deadline specified above. **In addition, an electronic copy of the proposal should be submitted** either on a diskette/CD or through an email to bids@landolakes.co.ke.

Please include the name of the person in your organization who will be involved with the subcontract/grant application as well as your telephone, fax and email contact.