



## TERMS OF REFERENCE

**NAME OF PROJECT:** Youth Employment in the Agri-food Sector in Western Kenya

**Activity Title:** Institutional Capacity Strengthening and Sustainability of Private Sector for Youth Employment in Agriculture and Rural Youth Employment in the Lake Region Economic Block.

**CALL FOR EXPRESSION OF INTEREST:** Supporting ASNET financial sustainability

**Closing date:** 23/08/2023

**Contact:**

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## 1. INTRODUCTION

ASNET is the umbrella body of the agriculture sector in Kenya. It was formed through a partnership of KEPSA, KNCCI, KAM, SDG Partnership Platform of the United Nations with support from BAF, Elgon Kenya Limited, like-minded business associations, partners and other stakeholders. ASNET membership is drawn from Business associations across all value chains in the agriculture sector, Corporates, MSMEs, Academia & research, NGOs, Finance, Cooperatives and Farmers (both smallholder and large scale).

ASNET's key role is to coordinate agriculture sector actors in Kenya through various mechanisms to engage in policy advocacy and value chain development that promote increased productivity, competitiveness and attracts investments into the agriculture sector.

ASNET's strategic issues are anchored on best practices in organizing and coordinating private sector actors both regionally so as to guide ASNET towards accomplishing its mandate and realizing its overall objective through partnerships in an effort to transform and revolutionize the agriculture sector by focusing on its core functions that include:

- Enhance sector-wide coordination of the often fragmented agriculture sector
- Lead in policy advocacy for a competitive and enabling business environment
- Capacity building of associations/BMOs in the sector
- Forge greater collaboration and partnership with the national and county governments, development partners, sector associations, international and regional institutions
- Partner with government to fast-track implementation of sector flagship programs (e.g. ASTGS, Big 4 Agenda)
- Support the generation and maintenance of relevant research data.

ASNET pursues policy and business enabling environment engagement with the Government through a Memorandum of Understanding (MOU) with the Ministry of Agriculture, Livestock, Fisheries, and Cooperatives (MOALFC) that was signed in June 2021. The MOU provides a framework for private sector engagement in increasing agriculture production, export development and trade opportunities, and the creation of a business enabling environment.

## 3. Project Background and Rationale

In order to escalate further the creation of jobs for the youth in Agriculture, ASNET with support from the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) proposes to bridge the existing gaps and complement the existing work by carrying out the following activities in Western Kenya;

1. Mobilization of the private sector associations, agri-food companies, service and product providers and formation of a County umbrella body in Kisumu and Vihiga

2. Building on the business networks previously established under the first RYE partnership, sensitize private sector in Western Kenya on their role in delivering quality education through cooperation with ATVETs.
3. Hold the Lake Region Agriculture Summit in Kisumu
4. Support ASNET Financial sustainability

Since its inception, ASNET has committed to providing service to members through the implementation of Strategic objectives with key deliverables in the form of capacity strengthening, value chain development, regulation and policy, and enhanced inclusivity. The sustainability of ASNET is therefore crucial for continued enabling business environment for growth and employment creation. ASNET Secretariat support, coupled with ASNET organs capacity building on deep-dive policy analysis, innovation, trade and investments is crucial. The sustenance of the latter is in should be anchored on a sound financial sustainability framework.

GIZ is supporting ASNET to come up with a financial sustainability framework that shall enable ASNET to implement all the strategic objectives sustainably.

## **2. Purpose**

These Terms of Reference present the requirements of the consultant and the scope of work related to ASNET's financial sustainability endeavors. This exercise aims to examine ASNET's mandate as it has evolved, its funding structure, and its resource mobilization approach, and to assess potential avenues to enhance ASNET's financial sustainability considering the evolving financing landscape for think tanks/ research institutions. It also aims to initiate a new financial sustainability drive for ASNET, based on these assessments. This exercise seeks to inform ASNET's resource mobilization strategy, in line with its mandate, mission and linkages with its stakeholders, and pave the way for institutional financial sustainability in the medium and long term.

## **3. Scope of work**

ASNET is looking for an experienced consultant to assist in Carrying out a financial needs assessment to determine the long-run financial sustainability needs of ASNET

The scope of this consultancy will be the following:

### **i) The problem analysis**

The consultant shall examine how the mandate of ASNET has evolved. The consultant may use the problem tree framework to examine the relevance of ASNET's mandate to its key stakeholders and the relevance and uniqueness of its products and their linkage to the willingness of stakeholders to support the institution.

## **ii) Solution analysis**

The consultant shall undertake a solution tree analysis informed by the outcomes of the problem analysis. The solution tree analysis is expected to provide concrete recommendations and actionable items to guide the Management and the Executive Board in aligning ASNET's mandate with the needs of its targeted stakeholder on one hand, and the resource mobilization strategy on the other. The solution tree analysis must as much as possible draw from applicable financial sustainability strategies and models adopted by think tanks and how they have evolved in response to the change in the funding landscape. This will allow the consultant to map out viable sources of revenue with the potential to sustain ASNET's work. The consultant is encouraged to identify and propose an actionable strategy for mobilizing non-traditional sources of financing including those related to the private and public sectors.

The consultant will carry out the following but not limited to:

1. Carrying out a financial needs assessment to determine the long-run financial sustainability needs of ASNET including what ASNET requires to implement the 3-year strategic plan.
2. Identifying income-generating activities.
3. Outlining significant financial planning areas and associated financial strategies to be followed
4. Develop a financial sustainability framework and reference document.
5. Identify financial sustainability principles, considerations and impacts to be deliberated in financial decision-making.
6. Identifying future strategy areas based on current knowledge, where further work may be warranted to refine current financial strategies and/or create new financial strategies.
7. Establish a collaborative long-term financial sustainability process that will be repeated on a three-year cyclical basis to complement the strategic plan.
8. Create long-term financial forecasts and scenarios to illustrate future financial challenges and facilitate a long-range perspective for decision-makers, developing of the yearly budget template.
9. Build the capacity of the Secretariat and the relevant ASNET committees on writing of bankable proposals to various donor groups

## **4.0 Key Attributes of the Consultant**

It is desired that the review team includes competent consultants with demonstrated:

- i. Knowledge of how agriculture associations operate.
- ii. Knowledge of the Kenyan policy, and financial landscape as well as donor environment.
- iii. Experience in knowledge and not-for-profit associations.
- iv. Expertise in organizational development.
- v. Knowledge and proven application of the problem and solution analysis framework
- vi. Expertise in financial management and strategy development

#### 4. Outcomes

The expected outcomes include;

- Financial needs assessment conducted and long-run financial sustainability needs of ASNET identified
- Income-generating activities identified
- Financial planning areas and associated financial strategies identified.
- Financial sustainability framework and reference document developed
- Financial sustainability principles, considerations and impacts identified
- Future strategy areas where further work may be warranted to refine current financial strategies and/or create new financial strategies identified
- Collaborative long-term financial sustainability process that will be repeated on a three-year cyclical basis developed
- Long-term financial forecasts and scenarios to illustrate future financial challenges created, yearly budget template developed.
- Built capacity of the secretariat and the relevant ASNET committees on writing of bankable proposals to various donor groups

#### 5. Expected Deliverables

1. An inception report detailing the proposed methodology, work plan and timeframe and details of meetings with stakeholders (basis of the reviewer's selection and contract signing).
2. Draft report on the problem analysis, (four weeks from the commencement date) to be discussed with the project management team.
3. Draft report on the solution analysis and the proposed action plan (three weeks after the discussion on the problem analysis).
4. A combined report detailing the following:
  - i) The identified ASNET financial needs and long-run financial sustainability needs.
  - ii) Identified income-generating activities
  - iii) Identified Financial planning areas and associated financial strategies
  - iv) Financial sustainability framework and reference.
  - v) Financial sustainability principles, considerations and impacts report
  - vi) Future strategy areas where further work may be warranted to refine current financial strategies and/or create new financial strategies report
  - vii) Collaborative long-term financial sustainability process that will be repeated on a three-year cyclical basis report.
5. Long-term financial forecasts and scenarios to illustrate future financial challenges created, yearly budget template.
6. Report on capacity building on the writing of bankable proposals to various donor groups.

7. One bankable proposal
8. Comprehensive final report

#### **6. Assignment timeline and payment plan**

The process is expected to commence on the **September 01, 2023**. Periodic briefing to the implementation team will be required.

The Consultant or consulting firms are requested to quote a fee that will cover all their costs including transport, accommodation where applicable and other incidentals.

The payment plan to the Consultant is planned as follows:

- a) 30% upon mobilization of the assignment and presentation of an inception report and work plan.
- b) 30% upon facilitation and presentation of an acceptable draft report
- c) 40% upon presenting and acceptance of the final report

#### **8. Call for Expression of Interest (EOI)**

Interested applicants should send technical and financial proposals including CV(s) of consultant(s) to be involved in the assignment and contacts of previous but relevant work done, with a cover letter explaining how the qualifications and experiences of the consultant address the requirements of the TOR to [info@asnet.or.ke](mailto:info@asnet.or.ke) by **August 23, 2023 at 5.00 p.m.**