

TERMS OF REFERENCE – ASSESSMENT OF AGROECOLOGY ENTERPRISES BUSINESS ENVIRONMENT.

Client	Inter-Sectoral Forum on Agroecology and Agrobiodiversity (ISFAA).
Project	Enabling Environment Advocacy for Agroecology Enterprises (AEEs)
Reports to	ISFAA's Private Sector, Markets and Consumer Thematic Working Group (PSM&C TWG).
Assignment	Mapping of stakeholders in the business environment of agroecological enterprises (AEE), survey of legal -, regulatory -, institutional -, public services - and other challenges affecting AEEs in Kenya.
Duration	Phase I: 25 days spread between October 16 to December 15, 2023. Phase II: 30 days spread between January 15 to February 29 2024.
Contract type	Short term national contract.
Location	Kenya.

Background

The Inter-sectoral Forum on Agrobiodiversity and Agroecology (ISFAA) has been partnering with stakeholders from various sectors to advance agroecology and showcase its potential in contributing to sustainable food systems. An integral part of supporting the widespread adoption of agroecology is to ensure that agroecological entrepreneurship is promoted and strengthened across the entire food supply chain, including among enterprises involved in the provision of inputs and services, food production, aggregation, processing and manufacturing, distribution, wholesale and retail.

As is the case for all enterprises, the success and upscaling of AEEs depend in large part on the business environment, defined as the complex of policy, legal, institutional and regulatory conditions that govern business activities and includes the administration and enforcement mechanisms established to implement government policy, as well as the institutional arrangements that influence the way key actors operate,” such as government agencies, regulatory authorities, business membership organisations and trade unions.¹ A key aspect of the business environment is the enforcement of policies and regulations (including non-tariff barriers, red tape / bureaucratic procedures and corruption etc). When enforcement is efficient, businesses are able to comply with regulations and fulfil requirements for doing business without incurring high costs or facing delays.²

Limited policy and legal support and efficient enforcement has emerged as a central issue for businesses in Kenya including numerous regulations, too many required licenses, and a high number of regulators (i.e., KEPHIS, KEBS, KRA, MoA&L), all of whose processes AEEs must comply with. Combined with high taxes, the regulatory burden makes it very difficult for AEEs to establish

¹ DCED. (2018). *Supporting Business Environment Reforms*.

² Millis, B., Charrette, D.. (2009). *Competitiveness Impacts of Business Environment Reform: A bottom-up Approach. Developing Alternatives*. Volume 13.

themselves and take off. Additionally, a key gap in the provision of public services such as infrastructure, extension and / or technical support, needed to catalyse the growth of AEEs has been reported to be weak or lacking. For the purpose of this assessment, access to market rate finance is also considered part of an enabling environment.

In view of supporting the upscaling of AEEs and growth of the national agroecological sectors, it is essential to promote a more enabling business environment. This involves promoting supportive policies, regulations and standards that are conducive to the growth of AEEs, while simultaneously addressing the various barriers (procedural, regulatory, fiscal, policy-related, provision of public services) that hold them back. ISFAA through its PSM&C TWG seeks to build an enabling business environment for AEEs through bottom-up and evidence-based advocacy in Kenya.

To this end, ISFAA is conducting an assessment that aims to build an evidence-based analysis of constraints in the agroecological sector and produce recommendations for creating a more enabling business environment for AEEs.

Objectives of the assessment

More specifically, the assessment aims to;

1. Identify key stakeholders (including amongst others relevant Ministries, regulatory institutions, public service providers, industry associations, CSOs, public-private partnerships and initiatives) relevant to the AEE enabling environment advocacy work.
2. Document existing initiatives aimed at improving AEE business enabling environment for possible synergies.
3. Identify donors (if any) interested in supporting AEE enabling environment advocacy.
4. Collect and analyse information on AEE business environment challenges.

ISFAA is seeking the services of a competent expert to support ISFAA conduct an in-depth assessment of the business environment of Agroecological Enterprises (AEEs) in Kenya. The consultancy is divided into two (2) phases; phase one (1) to be implemented in quarter 4 of 2023 and phase two (2) in quarter one (1) of 2024. Initial contracting will be for Phase I, with possibility for contract renewal for Phase II, pending satisfaction with work delivered during Phase I.

Scope of work

The consultant will be responsible for undertaking the following tasks:

Phase I

- a) Commence mapping of stakeholders relevant to the business environment of AEEs in Kenya, namely AEEs and industry associations related to the agroecology sector, including key contact person for each stakeholder. The stakeholder mapping should provide brief descriptions of AEEs and the missions and interests of industry associations, as well as their level of influence they hold over both private and public sector actors. This mapping is intended to help with identifying potential allies.
- b) Design a survey questionnaire and develop a survey tool for standardized collection of data.

- c) Carry out a survey of at least 50 AEEs³ aimed at identifying and documenting existing barriers they face when running their respective businesses (these may include procedural, regulatory, fiscal, policy-related and provision of public services).
- d) Presentation of major barriers identified from the AEE survey to stakeholders for validation. The presentation and raw data should be shared with the PSM&C TWG.

Phase II

- a) Complete stakeholder mapping from Phase I by including additional stakeholders, especially policy and regulatory institutions and donors interested in funding AEE enabling environment advocacy work in Kenya. This mapping is intended to help with identifying potential allies and sources of resistance.
- b) Conduct a detailed analysis of survey results and produce a report. This report will i) present the findings of the stakeholder mapping; 2) detail all significant barriers faced by surveyed AEEs; 3) advance preliminary recommendations and advocacy strategies for resolving the documented barriers. A draft report will be submitted to ISFAA for review and feedback to be incorporated into the final version.
- c) Co-facilitate a prioritization workshop with PSM&C TWG members and other stakeholders to select the priority issues that the PSM&C TWG will advocate on first.
- d) Conduct root cause analysis of selected priority issues and update recommendations and advocacy strategies for resolving these issues.
- e) Produce position papers / policy briefs for submission to responsible government stakeholders. The number of papers / briefs to be produced will depend on the number of issues that the PSM&C TWG prioritizes and whether multiple can be bundled together.

Key qualifications, experience and skills required

The candidate should possess the following skills and competencies:

- a) University degree in agriculture, economics, business administration, public administration, or other relevant discipline.
- b) Experience in analyzing business environment issues, working with business membership organizations, or similar work in the past.
- c) Extensive experience in designing and conducting surveys, especially with digital survey tools such as KoboToolbox and ODK.
- d) Experience in qualitative and quantitative data analysis
- e) Strong report writing skills and experience in writing policy briefs, position papers or similar documents.
- f) Extensive knowledge of the Kenyan agriculture sector, including institutional and regulatory framework.
- g) Experience related to advocacy
- h) Strong communication skills, presentation skills and ability to liaise with various stakeholders, including government officials.

³ Agreement on the exact number will be found based on the budget limitations, the list AEEs compiled from the different sources and the agreement whether and how many AEEs are to be interviewed physically.

The Duration of the task completion

The assignment is divided into 2 phases to be delivered as outlined below:

- i. *Phase I*: To be accomplished between October 20 to December 15, 2023; maximum 25 days.
- ii. *Phase II*: To be accomplished between January 15 to February 29 2024; maximum 30 days.

Key deliverables

The consultant will work closely with ISFAA PSM&C TWG Chairperson. All deliverables will be submitted to ISFAA PSM&C TWG Chairperson or her designee. All draft documents will be submitted as soft copies.

The consultant should submit following key deliverables:

Phase I

- a. Inception report: Outlining details of activities with agreed methodology and timeline/ delivery dates
- b. Inception meeting with contractors
- c. A survey tool that has been tested and is ready for use (a draft questionnaire will be provided for refinement)
- d. Phase I results of stakeholder mapping
- e. Presentation of barriers / issues identified from the AEE survey

Phase II

- a. Completed stakeholder mapping including results from Phase II
- b. Comprehensive draft report of the AEE enabling environment assessment including advocacy recommendations
- c. Facilitation of stakeholder meeting for prioritization of barriers
- d. Root cause analysis of prioritized barriers
- e. A final report

Procedure for submission of expression of interest

All interested applications should submit their CV and a statement of interest to privatesectortwg@isfaa.ke (with sylviakuria@gmail.com and mwibandapramila@gmail.com in copy) along with a technical and financial proposal for Phases I and II by 5 pm on 18th October, 2023. The technical proposal should include:

- A detailed survey design, including an outline of the survey questionnaire, the proposed data collection tool, and a rough work plan indicating the sequence of activities and timeline.
- A proposed protocol for data collection. If the consultant proposes to engage an agency, other consultants or individual enumerators to support with data collection, their detailed profiles (CV, relevant qualifications, expertise in the enabling environment and relevant experience) should also be provided. If the proposal calls for more than one consultant to complete the work, a breakdown of responsibilities and time spent per person is also requested.
- Any proof of experience in analyzing business environment issues or similar work in the past in form of report copies, indication of assignment, articles or similar.

The financial proposal should be separated for the 2 phases of carrying out the assignment.

Evaluation of bids

Technical offer: The technical offer will be based on a scoring scheme proposed. Points will be awarded according to a number of criteria, these may include:

- 1 General quality of the proposal including (completeness, cohesion & coherence, how well reflecting TOR & to the point?)
- 2 Language (clarity & intelligibility)
- 3 Understanding of the TOR & processed into proposal (goals & objectives, process / methodology suggested by TOR, deliverables suggested by TOR)
- 4 Relevant experience of consultants

Financial offer: The financial offer will be mainly assessed on the basis of the best bidder, i.e., the financial offer together with the best technical bid (the most realistic). A comparative advantage will be given, if possible, to the least costly offer.