

REQUEST FOR APPLICATION (RFA)

DEVELOPMENT OF A KENYA ECONOMIC DEVELOPMENT MASTER PLAN FOR THE ARID AND SEMI-ARID LANDS (ASALS) (2025-2035)

Section A- NOTICE OF FUNDING OPPORTUNITY

The Government of Kenya (GOK) intends to develop a 10-year (2025-2035) economic development master plan for the Arid and Semi-Arid Areas of Kenya (ASALs). The proposed work by the GOK at the national and county level, is in partnership with USAID, Strathmore University and other partners. The purpose of this notice of funding opportunity is to identify firms or a consortium of firms that can deliver this master plan for the Government of Kenya. It is expected that this work will be carried out in an inclusive and collaborative way with the GOK, private sector, and other stakeholders for the master plan to be Kenyan-owned, drive sustainable socio-economic development, and contribute to the Bottom-up Economic Transformation Agenda (BETA) not only in the ASALs but Kenya as a whole.

Name of Project:	USAID Strategic Partnership Program
Request for Applications (RFA) No.	RFA-USAID SPP-2024-003
Date of Issue:	16th February 2024
Closing Date for Receipt of Applications	Midnight, 15th March 2024
Questions on this solicitation should be submitted to the e-mail address provided no later than the date indicated.	Email: trpgrants@strathmore.edu No later than: 1st March 2024
Question Response Date:	1st March 2024

Section B - PROGRAM DESCRIPTION

1 Purpose

The purpose of this activity is to design and develop a masterplan for wealth creation and the socioeconomic development of the arid and semi-arid areas (ASALs) in Kenya.

2 Rationale

Kenya's Arid and Semi-Arid Lands (ASALs) stand at a crossroads, embodying both immense potential and formidable challenges in the country's pursuit of economic development. Spanning vast expanses of arid and semi-arid terrain, these regions play a pivotal role in shaping Kenya's socio-economic landscape. However, they also face multifaceted challenges, ranging from climatic vulnerabilities and limited access to basic services, to fragile ecosystems and economic disparities.

Despite their rich cultural heritage and abundant natural resources, the ASALs have historically grappled with persistent poverty and underdevelopment. Both the Country Economic Review (CER) and subsequent analyses underscore the prevailing and imminent economic perils instigated by climate stresses. This includes substantial GDP reductions due to recurrent droughts. Recognizing the urgency of addressing these issues, the formulation of a comprehensive Economic Development Master Plan (EDMP) becomes not only a strategic imperative but a moral obligation for Kenya. The value of the EDMP will be seen in its ability to transform crisis into an economic stimulant through targeted, inclusive, and adaptive strategies.

2.1 Objectives of the Activity

The objectives for this activity include the following.

1. Document, Validate and digitize data for investment analysis in the ASALs
2. Undertake analyses of public and private sector investment opportunities to promote broad based and inclusive economic development in the ASALs
3. Develop a ten year Master Plan for economic development of the ASALs
4. Develop five year action plans with national and county governments to implement the Masterplan
5. Develop a plan for strengthening the capacity of the Ministry of ASALs and County governments to implement the Masterplan.

3 Strategic Pillars of the Kenya EDMP for ASALs

- I. Localized Mitigation and Adaptation:
The EDMP will capitalize on localized capacities to forecast, mitigate and adapt to impending disasters, to fortify resilience against various threats while simultaneously nurturing a climate for socio-economic prosperity in the ASALs .
- II. Promoting Entrepreneurial Ecosystems:
The EDMP will help define and establish a conducive entrepreneurial environment, to foster business acumen, enhance market access, and cultivate an innovation-centric atmosphere among individuals, communities and institutions in the ASALs.
- III. Inclusive and Sustainable Economic Growth:
The EDMP will endeavor to create an intricately inclusive environment, to address the economic aspirations of all societal segments, fostering an inclusive economic canvas where opportunities are ubiquitously accessible.

4 Key Design Principles of the EDMP

- I. Medium and Small Enterprises (MSMEs) as Economic Powerhouses: Positioning MSMEs as pivotal entities in spurring economic growth and providing a structured, supportive scaffold for their advancement through resource access, technological uptake, and business competency enhancements.

- II. Government as a Facilitating Catalyst: Supporting National and County Governments to engage the private sector and identify constraints and opportunities for investment, including infrastructure and security constraints, knowledge and skills development, and retrogressive policies to create the enabling environment to stimulate private sector action and investment.
- III. Championing Inclusive, Broad Based, Economic Prosperity: Ensuring that economic development is symmetrically distributed, the EDMP will help national and county governments earmark specialized attention to universally engage all demographic constituents, including women, youth, and marginalized communities, in the economic tapestry.
- IV. Adopting a Market-Centric Approach: Instituting a thorough market-oriented strategy, the EDMP will dive into comprehensive market analyses to carve out interventions that are intrinsically aligned with market dynamics and prospective opportunities.
- V. Synergistic Collaboration: The EDMP underscores the vitality of convergent collaboration among stakeholders from Government, Development Partners, Private Sectors, Academia, and Civil Society to ensure a multifaceted, supportive ecosystem for the sustainable economic evolution of MSMEs.

5 Cross-Cutting Issues and Challenges

5.1 Gender and Youth Responsiveness

Economic vibrancy in ASALs frequently emanates from MSMEs, particularly those spearheaded by women and youth, providing a sustainable pathway towards household food security and economic stability. The EDMP aims to amplify the leadership and participation of youth, women, smallholder farmers, and pastoralists in policy dialogues and enterprise development. Consequently, it will seek to facilitate and fortify an enabling environment, promoting policies and actions that embrace inclusivity, notably for women, youth, and persons with disabilities, striving for:

- i. Fifty percent of women-led associations to achieve heightened project sustainability and governance,
- ii. Enhanced capacity in management, technical skills, and financial resources, and
- iii. Amplified member participation and advocacy across identified gaps.

5.2 Climate Change and Environmental Sustainability

ASALs, despite their rich socio-economic potential, are increasingly imperiled by climate variability and change, which directly impact food security, manufacturing prospects, and overall livelihoods. To navigate these environmental nuances, the EDMP will:

- i. Align with the Kenya National Climate Policy (2016) and USAID Climate Change Strategy.
- ii. Implement strategic climate change mitigation and adaptation measures, and
- iii. Collaborate with varied stakeholders to forge a resilient and net-zero greenhouse gas emissions trajectory.

5.3 Sustainability and Indigenous Knowledge

The EDMP will be constructed to enhance a commitment to sustainability ethos, underscored by principles of local ownership, leadership, and management. It will explore options to leverage county governments' capabilities and integrate indigenous knowledge with resilience activities and frameworks. In designing the EDMP opportunities should be explored to bolster regional resilience while ensuring the mobilization of both private and public sector investments to enhance the sustainability of the development efforts.

5.4 Risk Management and Innovation

Multi-stakeholder partnerships, forming the backbone of resilient socio-economic frameworks, are crucial in this endeavor. Establishing partnerships with strategic and impact investors helps to navigate challenges within agricultural value chains.

6 EDMP Design Process

The design process will be led by a steering committee chaired by the Government of Kenya. The design of the EDMP will require close collaboration with numerous stakeholders across ASAL counties, Council of Governors, the National Treasury, technical ministries and agencies. It will entail analysis and work with multiple sectors, e.g., water, agriculture, climate, roads, health, education, livestock, transport, lands and the financial sector. An important initial step will be to identify stakeholders and establish systems and protocols for engaging them.

As noted below, the development of the EDMP will move through multiple phases, e.g., inception phase, drafting phase, review phase and validation phase. A detailed work plan with phases and schedule will be developed, reviewed and approved by the steering committee. A secretariat will be set up to work closely with the GOK to coordinate implementation of this activity.

6.1 Specific tasks include but are not limited to:

- i. Formulate and synchronize a phasing and implementation schedule, that includes inception phase (to establish suitable structures, clarify terms of references, stakeholder identification, data collection, literature review, etc.) drafting phase (data analysis and drafting the Masterplan), review phase (consultations with county and national stakeholders) and validation phase (validate and secure approvals).
- ii. GOK establish a secretariat to facilitate the development of the Masterplan.
- iii. Conduct analytical work to lay the foundation for developing an Economic Development Master Plan, including the following:
 - a. Review of lessons learned from similar “master plan like” activities from Kenya and in the region such as the Master Pan work being done by the Ministry of Agriculture, the Southern Growth Corridor of Tanzania (SAGCOT) , and the Northern Corridor Investment Plan, and the GOK’s Lapsset corridor investment studies.
 - b. Review lessons locally, regionally and globally on tools, approaches and best practices for stimulating MSMEs in ASAL type environments.
 - c. Assessment of the investment climate in the ASALs—including perspectives from the private sector.

- d. Baseline data collected and validated to support economic financial and environmental analyses of major elements of the economy and options to stimulate broad based and inclusive growth.
 - e. Investment and economic analysis to identify and prioritize potential private sector investment opportunities and public sector enabling actions.
 - f. Prepare investment promotion material.
 - g. Landscape analysis of existing private sector operating in the ASALs and those that might potentially invest.
 - h. Develop options for establishing a coordination unit (See SAGCOT) to guide and facilitate private sector investment and partnership.
 - i. Review the institutional / organizational capacity of the ASALs Ministry and county governments to implement the EDMP.
 - j. Review existing policies and regulatory frameworks to determine if there are barriers to EDMP implementation and private sector investment.
- iv. Create an EDMP framework that not only stimulates regeneration but also magnetizes private sector investments.
- v. Shape and delineate the urban environment in three-dimensional conceptualization.
- vi. Define and designate various spatial utilizations and public amenities.
- vii. Establish a harmonious blend of uses and their spatial interrelationships.
- viii. Convene focus groups the private sector, (e.g., financing, producers, manufacturers/processors, herders, transporters, traders, warehouse operators, slaughterhouses, etc...) to identify constraints and opportunities from their perspective.
- ix. Engage and embed community voices and consensus in the EDMP, ensuring it is socially robust and accepted.
- x. Consolidate and integrate inputs from various task teams, weaving them into the EDMP.
- xi. Formulate and seek approval for the draft EDMP from the GOK at national and county level..
- xii. Develop and implement a stratified dissemination framework for diverse stakeholders.
- xiii. Conduct EDMP sensitization and dissemination workshops across various stakeholder segments.
- xiv. Develop a Monitoring and Evaluation (M&E) framework that is continuous, adaptive, and actionable.

7 Deliverables

This assignment will deliver :

- i. An Approved Economic Development Masterplan for the ASALs
- ii. A GOK policy paper that defines the commitment of GOK and partners to finance and implement the EDMP.
- iii. A report and presentation(s) of investment opportunities in the ASALs
- iv. Outlined Physical and Spatial Elements of the Master Plan.
- v. EDMP Implementation Plan, including five year action plans with national and county governments to implement the Masterplan

- vi. A plan for strengthening the capacity of the Ministry of ASALs and County governments to implement the Masterplan.
- vii. An institutional strengthening plan for SDARD, CoG and Counties to implement EDMP

Section C: TEAM PROFILE

It is anticipated that this work will be carried out by an organization, a firm or consortium of firms. Ideally, the firms should have expertise in:

- i. Human-centered , systems design or other innovative approaches
- ii. Experience working with complex, multi-stakeholder partnerships and alliances
- iii. Experience of working with Governments, private sector and development agencies including donors and implementing partners
- iv. Capacity building for experiential learning
- v. Designing dissemination products for multiple audiences

Specific qualifications for the awards are shared below where applicants are expected to have experience and expertise.

- i. In-depth understanding of working with Governments and private sector partners in the diagnosis of existing constraints to economic growth, identification and prioritization of potential solutions and implementation, leading to growth opportunities for a country or a segment of a country.
- ii. In-depth understanding of dryland areas in Kenya or countries with similar ecosystem and context, including economic, social, and climate-related aspects.
- iii. In-depth understanding of the public sector policy and planning in Kenya, specifically the policy and institutional set-up relating to national and county governments and ASALs development.
- iv. Experience in leading and managing teams of experts to undertake complex analyses, multi-stakeholder consultation and processes, and strategic / policy document preparation.
- v. In-depth knowledge and experience in investment and portfolio analysis to facilitate private sector investment.
- vi. Communication, GIS mapping and analytical skills to support preparation of papers, policy briefs and presentations using multimedia tools, posters, charts, web pages, etc.
- vii. Relevant cross-cutting areas, including specifically gender, youth and social inclusion, Climate mitigation/adaptation,

Section D: ELIGIBILITY: WHO CAN APPLY FOR A GRANT?

All applicants must be able to demonstrate that they meet the following eligibility requirements.

- i. Should be officially licensed to do such business (Certificate of Incorporation/ Business Registration, Tax Compliance Certificate, Business permit, CR 12 Form, KRA PIN).
- ii. Be formally constituted at the time of grant award.
- iii. Be compliant with laws of Kenya and the government of Kenya regulations.
- iv. Pass due diligence requirements to ensure they can receive U.S. foreign assistance
- v. Have the requisite Geographic presence to carry out the assignment after the award.

- vi. Recognizes the importance of promoting the participation of women, youth, persons with disabilities, and other marginalized groups.
- vii. Must demonstrate financial stability and compliance with legal requirements.
- viii. Must comply with all relevant government regulations, including those related to taxation, labor laws, environmental standards, and other applicable laws and regulations.
- ix. Must have the requisite sector or industry focus.
- x. The winning applicant must have a UEI number and must be registered in the System for Award Management (SAM).

The above notwithstanding, applicants who fall into any of the categories below are ineligible to receive a grant: (i) Individuals and organizations associated with terrorism; and (ii) Individuals and organizations suspended or debarred from participating in federal government awards

Section E: APPLICATION AND SUBMISSION INFORMATION:

I. Application Instructions

Applications must be submitted in English as Word/Excel documents, font not smaller than Times New Roman size 11, page limit not to exceed 15 pages and include the following elements:

Applicants must submit a technical proposal detailing the applicant's approach to the assignment, financial proposal, CV(s) of key personnel and KRA PIN.

The technical application should present a concrete approach toward identifying and addressing the stated objectives in the activity description. The technical application requires the following:

- i. Contact information for the responsible party.
- ii. Demonstration of relevant previous experience and the ability to undertake and support a grant under the USAID Strategic Partnership Program as described in the activity description in this RFA.
- iii. Evidence of knowledge and understanding of the indicated problem statement.
- iv. Estimated costs for implementation through a proposed budget.
- v. Current or proposed staff members that will be assigned to manage grant activities.
- vi. The applicant is expected to show how they will monitor the implementation of the activity. Recipients are required to provide regular progress reports to the USAID Strategic Partnership Program detailing the status of project activities, achievements, challenges, and financial expenditures.
- vii. Annexes to provide supporting information, as required.

See attached **Annex 1** as a guide to prepare your proposal.

In addition, applicants must provide the following information.

- i. Documentation to verify licensure (Business registration certificate, Tax id)
- ii. Demonstration of adequate management and financial resources to perform the contract. This includes HR, Finance and Administration manuals, audited financial statements for the last two years.
- iii. Satisfactory records of performance history, integrity and business ethics

II. Budget

- i. Submit a detailed budget for a 12-month period.
- ii. The proposed budget should have enough detail to allow evaluation of elements of costs proposed. Budgets should be submitted in USD.

III. Past Performance/References

Please include three client references and contact information. References should have worked with your organization within the past two years applicable to this RFA Submission Instructions:

All applications and related documents should be submitted electronically by **Midnight, 15th March 2024** to trpgrants@strathmore.edu

Section F: APPLICATION REVIEW INFORMATION / SELECTION CRITERIA

Applications will be evaluated against the evaluation criteria in the table below:

Criteria	Maximum Score
Capability and Technical Experience Statement	60
Cost Proposal	20
Past Performance/References	20
Total	100

Section G: AWARD ADMINISTRATION INFORMATION

8 Timeframe

The overall estimated timeframe for the implementation of the activity is April 2024– April 2025. The successful applicant will provide a detailed schedule and work plan during the inception process.

9 Performance and Financial Details

Any amount that may be indicated below are projections. Applicants should not use them as targets or assume them to be guaranteed amounts.

	Grants
Number of grants to be awarded	1
Budget not-to-exceed	\$1.0 million
Anticipated period of performance (<i>duration in months</i>)	12 months
Anticipated start date of performance	As soon as the grant is awarded
Type of grant that <u>may be</u> issued: Fixed Amount award	

10 Monitoring and Evaluation

The USAID Strategic Partnership Program Management Unit (PMU) oversees the grant process. Site visits and/or meetings with the grantee will be carried out by the Grants Manager or his/her designee. The purposes of the site visit/ meetings include confirmation or assurance that:

- i. Information contained in grantee technical and financial reports is accurate.
- ii. Project activities are proceeding as planned, and/or, if major problems, delays, or obstacles exist, the grantee is effectively and constructively attempting to resolve such issues.
- iii. The grantee complies with the terms and conditions of the agreement, particularly those related to proper management and security of USAID Strategic Partnership Program funds and equipment purchased under the award.

USAID SPP will administer grant awards in accordance to the following USAID regulations:

- Code of Federal Regulations 2 CFR 200 and 700; and 48 CFR 31.2
- https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- <https://www.ecfr.gov/cgi-bin/text-idx?SID=cbb7305b43e022815d30aeaf7b642744&node=pt48.1.31&rgn=div5>
- USAID Environmental Procedures 2 CFR Part 216
- https://www.usaid.gov/our_work/environment/compliance/22cfr216

Please submit all questions concerning this call of applications to the USAID SPP team on email: trpgrants@strathmore.edu

All costs associated with responding to this RFA shall be the sole responsibility of the applicant. USAID SPP reserves the right to fund any or none of the applications submitted.

Only successful applicants will be contacted; if you are not contacted within 3 months regarding your application, please consider your application not successful.

ANNEXES

1. Application Form.



APPLICATION FORM

Section 1: Introduction

1.1. Briefly introduce your organization, its mission and vision.

1.2. Mention the purpose of the grant application and the grant program you are applying for.

Section 2: Project Overview

2.1. Provide a concise summary of the proposed project.

2.2. Explain the significance and the impact of the project on the community

Section 3: Needs Assessment

3.1. Identify the specific problem or need that your project aims to address

3.2. Present relevant data or statistics to support the need for your project

Section 4: Goals and Objectives

4.1 Clearly state the goals and objectives of your project

4.2. Ensure that your goals are SMART (Specific, Measurable, Achievable, Relevant, Time-bound)

Section 5: Project Activities

5.1. Describe the activities and strategies you will implement to achieve your objectives

5.2. Explain the timeline for each activity

Section 6: Budget

6.1. Provide a detailed budget for the project, including both income and expenses

6.2. Clearly specify how the grant funds will be used

Section 7: Evaluation and Measurement

7.1. Explain how you will measure the success and impact of your project

7.2. Describe the metrics and tools you will use for evaluation

Section 8: Organizational Capacity

8.1. Highlight your organization's qualifications and experience in carrying out similar projects

8.2. Include relevant partnerships or collaborations

Section 9: Sustainability

9.1. Discuss how the project will be sustained beyond the grant period

9.2. Address any long-term plans for the project's continuation

Section 10: Conclusion

10.1. Summarize the key points of your proposal

10.2. Express gratitude for considering your application

Section 11: Attachments

11.1. Include any required attachments, such as financial statements, letters of support, or additional documentation