
Terms of Reference for Consultancy Services to Develop Business Plans for Select Five CSOs Seeking to Set up Enterprises in Kenya

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This terms of reference (TOR) has been developed for consultancy services to support the development of business plans for five Civil Society Organizations (CSOs) interested in establishing enterprises in Kenya.

1. Background:

The Kenya Community Development Foundation (KCDF) is a leading organization in Kenya committed to promoting sustainable development through partnerships with CSOs. KCDF recognizes the importance of financial sustainability for CSOs to effectively address social challenges and contribute to community development. In line with this vision, KCDF is facilitating five CSOs in Kenya to explore and establish income-generating enterprises.

1.1 About the East Africa Financial Resilience Resource Hub

Regional Overview

Kenya Community Development Foundation (KCDF) is a core member of the **East Africa Financial Resilience Resource Hub (FRRH)**, a five-year program that incorporates the **Foundation for Civil Society (FCS), Tanzania, and CivFund-Africa, Uganda**. The three partners are co-creating a hub that will work with civil society in all its diversity including organizations, organized groups, movements, activists, and minority groups, to re-affirm visions from, and capacities in the Global South, consolidate the Global South's role in building resilient and impactful institutions and help develop a South-based network of financial resource hub that permeates dominant Global North paradigms of institutional development and resilience.

The Financial Resilience Resource Hub is guided by its impact statement which is, a financially resilient indigenous civil society ecosystem, able to generate, build, and manage resources sustainably to advance its social justice goals.

1.2 About this consultancy

While there are many ways of resourcing organizations i.e. fundraising, and membership fees among others, there is increasing appreciation that if well structured, a Civil Society Organization (CSO) or its affiliate entities can engage in business to generate flexible income. A portion of the income can be used to grow the business while a portion is utilized to finance charitable work in line with the objectives of the CSO that owns or runs the enterprise. This could be a social enterprise or a traditional market-oriented business. The key focus is to ensure there is a good return on investment. While social impact is desirable, the primary focus is the ability to generate profits that become unrestricted income for the CSO.

KCDF is considering supporting five CSOs to either start or grow their enterprises. However, there exist gaps that could be mitigated through robust business planning and follow-up mentorship and coaching. In the process, it's anticipated that some may opt to re-strategize within their initial plans while others may end up changing their enterprise ideas. Others may decide to incorporate new ideas.

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The table below offers a high-level summary of the potential enterprises (names of the target County Based CSOs and their contact information will be declared to the successful applicant at the contracting stage):

List of Organizations	High-Level Summary of the Enterprise
Organization 1	Milk and fresh vegetable value chain (aggregating fresh milk and vegetables and selling to varied outlets). The organization is based in Narok Town, Narok County.
Organization 2	Orange fleshed sweet potatoes value chain (aggregation, value addition and market linkages). The organisation is based in Seme East Sub-County, Kisumu County.
Organization 3	Trading in varied cereals such as maize, sorghum, millet, and beans (buying in bulk at harvest, drying, storing, and selling when there is high demand). The organization is based in Macalder Kanyarwanda Sub-County, Migori County.
Organization 4	Has a borehole in a semi-arid region and is proposing to set up a light water processing plant, to package and sell drinking water. The Organization is based in Tharaka Nithi County.
Organization 5	Hatchery and poultry keeping enterprise (the organisation has ventured in this enterprise before; they have a secure space to set up the enterprise and valuable experience from their previous venture). The organization is based in Ngara Area, Nairobi County.

2. Objectives of the Consultancy:

The consultancy aims to achieve the following objectives:

- a) Together with each of the five partner CSOs, co-create and deliver comprehensive business plans outlining their proposed enterprises, market analysis, financial projections, and implementation strategies. Indicative interventions under these objectives could be:
 - Developing business plan templates tailored to the needs of select five CSOs, considering their unique missions, resources, contexts, and future growth plans.
 - Engage with the five CSOs to explore their business ideas, assess feasibility, and provide guidance on viable business opportunities;

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- b) Facilitate one-on-one capacity-building sessions to equip each of the five CSOs with essential skills and knowledge for enterprise development;
- c) Provide follow-up mentorship and coaching to make the five enterprises investor-ready. Includes developing an investor readiness baseline checklist for the participating CSOs.

3. Scope of Work:

The consultancy services will include, but not be limited to, the following tasks:

- Review existing resources, guidelines, and best practices related to CSO-led enterprises and business planning;
- Develop customizable business plan templates incorporating relevant sections, guidelines, and examples;
- Conduct individual consultations with representatives from the select five CSOs to understand their organizational missions, strengths, challenges, and business aspirations. This will include reviewing the proposals and budgets of the select five partners as submitted to KCDF;
- Facilitate brainstorming sessions/ virtual meetings and face-to-face meetings with the select five CSOs to refine business ideas, conduct market assessments, and identify potential revenue streams;
- Provide advisory support to the select five CSOs in selecting viable business models, defining target markets, and establishing realistic financial projections;
- Compile and present comprehensive business plans for each CSO, including executive summaries, market analyses, operational plans, financial forecasts, risk assessments, and business model canvas (BMC).

4. Deliverables:

The following deliverables will be produced as part of this consultancy assignment:

- An inception report bearing a process update plan to guide the project through to completion.
- Five budgeted business plans tailored to the needs of each of the select five CSO enterprises. Includes an annex of an investor readiness checklist for each of the five enterprises. N: B Initial investment per enterprise is modest at between Kes 800,000 to 1000,000 (start-up or capital boost)
- Five partner-specific reports summarizing key findings, recommendations, and lessons learned for each of the select five CSOs.
- A consolidated final report further summarizing key findings, recommendations, and lessons learned for each of the select five CSOs will be part of your deliverables.
- The consultant/consultancy firm will be expected to incorporate all feedback from KCDF as well as the select five CSOs in partnership with KCDF.

5. Timeline:

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- The consultancy services are expected to be completed within thirty working days from the commencement date, subject to mutual agreement between the parties.
- The portion on essential mentorship and coaching may be spread over one year. This portion may be reviewed from time to time based on progress or lack of progress on the outlined mentorship and coaching milestones.

6. Qualifications:

Interested consultancy firms or individuals should possess the following qualifications:

- Demonstrated experience in business planning, enterprise development, and capacity-building for CSOs;
- Expertise in market research, financial analysis, and strategic planning;
- Familiarity with the Kenyan business enterprise context and experience engaging with CSOs or development organizations in the region;
- Excellent communication, facilitation, and report-writing skills;
- Proven ability to work effectively with diverse stakeholders and deliver high-quality results within deadlines;
- Demonstrable ability to have undertaken similar assignments before;
- A holder of a master's degree in the related field i.e. business with at least 10 years' experience.

7. Proposal Submission and Budget

Interested consultants/consultancy firms are invited to submit both technical and financial proposals (as one document not more than 12 pages in PDF format) detailing the methodology/approach, proposed work plan, demonstration of understanding of the terms of reference, and outlining their fees, expenses, and any other relevant costs associated with the consultancy services.

They should also include a one-pager expression of interest letter, detailed CVs, and two relevant work samples to grants@kcdf.or.ke and copy procurement@kcdf.or.ke by **5.00 pm Monday 2nd April 2024**.

9. Evaluation and Selection:

Proposals will be evaluated based on the consultancy firm's or individual's qualifications, proposed methodology, understanding of the assignment, and cost-effectiveness. Shortlisted candidates may be invited for an interview or further clarification.

10. Contact Information:

For inquiries or clarification regarding these terms of reference, please contact us via email contact provided above.

11. Canvassing

Any form of solicitation/ canvassing will lead to automatic disqualification.

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