

# **REQUEST FOR PROPOSALS**

# DEVELOPMENT OF THE BUSINESS CASE AND FINANCIAL ANALYSIS FOR THE MARKET FACILITATOR MODEL OF THE FOODFITI ZONE

# Issued by The Global Alliance for Improved Nutrition (GAIN)

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# PROJECT BACKGROUND AND SCOPE OF WORK

#### **ABOUT GAIN**

The Global Alliance for Improved Nutrition (GAIN) is a Swiss-based foundation launched at the UN in 2002 to tackle the human suffering caused by malnutrition. Working with both governments and businesses, we aim to transform food systems so that they deliver more nutritious food for all people.

At GAIN, we believe that everyone in the world should have access to nutritious and safe food. We work to understand and deliver specific solutions to the daily challenge of food insecurity faced by poor people. By understanding that there is no "one-size-fits-all" model, we develop alliances and build tailored programmes, using a variety of flexible models and approaches.

We build alliances between governments, local and global businesses, and civil society to deliver sustainable improvements at scale. We are part of a global network of partners working together to create sustainable solutions to malnutrition. Through alliances, we provide technical, financial and policy support to key participants in the food system. We use specific learning, evidence of impact, and results of projects and programmes to shape and influence the actions of others.

# **BACKGROUND**

The Global Alliance for Improved Nutrition (GAIN) is issuing this Request for Proposal (RFP) and will be the administrative lead organisation for this RFP.

GAIN has been developing a new market-based approach to scale programmes aimed at improving diets. Kenya is the first country in which this approach will be deployed at scale by GAIN. We have created a nutritious food brand called FoodFiti (FF). The first nutritious food category that will be promoted under the FF brand are vegetables.

The project conducted a consumer survey in 2022 to understand the drivers of vegetable purchases. The study concluded that *purchases* are driven by 3 consumer expectations: freshness, proximity of vegetable seller, and safety. The desire to *consume more* vegetables was driven by taste and variety. Variety was constrained by price and seasonality. Taste was driven by familiarity and availability of specific vegetables. Taste preference is main barrier to consumption for some types of vegetables, like traditional leafy greens. While vegetables were generally regarded as positive, consumers discussed a tension between buying vegetables to fill a hungry stomach vs. vegetables as a source of enjoyment.

FoodFiti Zones (FFZ) are the last mile/point of purchase integrated solution offered by the FoodFiti Brand to deliver the consumers' expectations on freshness, safety, proximity, variety and taste. FFZ addresses a specific consumer problem, as tied to the brand, and offer a solution to those needs.

The FFZ have been conceived as a catchment areas around low-income estates in urban and peri-urban areas. These FFZ cover a minimum of 1,000 households in which at least 50% are low-income earners. The project has established 53 FFZs in Nairobi, Kiambu, Machakos, Mombasa and Nakuru. By June 2024, the project aims to establish over 700 FFZ to reach 4.7 million low-income consumers to increase the vegetable consumption.

Because 70% of households in key areas are families with children, we are prioritizing these types of households in urban and peri-urban area. Parents are also the key decision makers around food. We target parents (inclusive of 2-parent households and single parents), especially with children aged 3-12 in the lower income group, LSM3-6, earning 15,000 - 40,000 KSH per month.



At the heart of the FFZ is the *mama mboga* (last mile vendor), specifically women with a semi-permanent stall (see annex for pictures), who have a loyal and frequent customer base. Included in the FFZ are other small retailers that sell to our target audience including retailers and traditional markets. Other community services, such as schools and churches, are considered relevant stakeholders in the FFZ due to their ability to communicate our brand messages and influence consumption.

The FFZ has a sourcing model that was established to support the mama mbogas in improving their offering of fresh and varied vegetables with improved safety at a competitive price. This model, known as the market facilitator model, consists of a market facilitator (MF) who aggregates orders from mama mboga's (last mile vendors) and place orders to farmer producing organisations that follow good agricultural practices (GAP). In some instances, especially in vegetables producing counties, the MFs could also source their vegetables from other traders/ aggregators who source their vegetables from GAP compliant farmers. The MF then delivers the orders directly to the mama mbogas. The shorter value chain and bulk ordering offers cost savings and safe vegetable to low-income consumers (Refer to annex for pictorial view of the model). The project is also creating demand for vegetables using media and point of sale promotions. These activities deliver significant benefits to improve the sale of vegetables for the mamabogas.

The sourcing model has been implemented at pilot scale only in 53 FFZs across five counties with 10 MF's servicing approximately 700 mama mboga's. The full scale model involves 60MFs who will source and supply vegetables to 8,500 mama mbogas within 614 FFZs distributed as follows in Nakuru 83 FFZs, Mombasa 142 FFZ, Nairobi 251 FFZ Kiambu 110 FFZ and Machakos 28 FFZs counties.

The purpose of this RFP is to engage the services of a Service Provider to support the development of the business case including a financial scenario analysis for the Market Facilitator Model operating within the FFZ.

# SCOPE OF WORK AND DELIVERABLES

### **OBJECTIVES**

The objective of the services is to identify the business case context (objectives, scope and stakeholders), clear articulation of the problem statement for the project and customer, benefits of the MF model to address the desired problems (freshness, variety, competitive price). Desired outcome is to offer clarity on the financial viability of the model.

It is expected that the service provider will work in close collaboration with GAIN to ensure successful development of the business case.

# **TASKS**

- Review relevant documentation and gather necessary information from project team to understand the project's background, context and requirements, including demand generation activities, and learnings from MF implementation. Physical visits to the Food Fiti Zone and interviews with stakeholders should be considered to gain a better understanding of how the model works.
- 2. Prepare a business case that includes: risk analysis, Operational Cost Estimates, marketing and sales (demand generation), and Financial statements (income statement, balance sheet, cashflow statement) for the previous 3 months for the key actors in the model (Last Mile Vendor; Market Facilitator; farmer/supplier).
- 3. Review of alternative financial scenarios to deliver insights on the financial stability of the MF model.

Deliverables	Deliverable due date
Business case	15 May 2024
Financial scenarios	7 June 2024
Final report	30 June 2024



# INSTRUCTIONS FOR RESPONDING

This section addresses the process for responding to this solicitation. Applicants are encouraged to review this prior to completing their responses.

#### 1. CONTACT

All enquiries concerning this RFP should be submitted to <a href="mailto:gainkenya@gainhealth.org">gainhealth.org</a> using the subject line Market Facilitator Model—Business Case and Financial Analysis In accordance with GAIN's procurement standards, the questions and answers will be circulated to all applicants in receipt of the RFP.

The deadline for submitting questions pertaining to the RFP is 15<sup>th</sup> March 2024.

# 2. BUDGET

Applicants are required to provide GAIN with a detailed fee proposal. The final budget amount will have to be approved by the organisation prior to starting the project.

# 3. FORMAT FOR PROPOSAL

The proposal needs to be formatted as two separate documents:

# **Technical proposal:**

- i. Description of previous relevant work (maximum 1 page), especially demonstrating evidence of development of business cases in the in the Kenyan context
- ii. Composition of team with names of all key staff. Please include a description of each individuals role on the project and during which phase they would be working on
- iii. Detailed methodology outlining the approach for conducting the proposed assingment (maximum 5 pages);
- iv. A timeline of the development process from briefing to approval of final proposal, providing clarity as to how the agency would collaborate with the GAIN team at each stage.

# Fee proposal must include:

- i. Fee for the duration of the assignment.
- ii. Detailed budget justification.
- iii. Offer of services.

Proposals are accepted in PDF format.

# 4. SUBMISSION

The proposals should be delivered, in electronic form only to rfp@gainhealth.org with title 'Market Facilitator Model– Business Case' by 22<sup>nd</sup> March 2024.

# 5. DEADLINE

TASK	DATE
RFP issuance	4 <sup>th</sup> March 2024
Deadline for questions and clarifications	15 <sup>th</sup> March 2024



Deadline for submissions	22 <sup>nd</sup> March 2024
Contracting process completed	15 <sup>th</sup> April 2024

#### 6. UNACCEPTABLE

The following proposals will automatically not be considered or accepted:

- Proposals that are received after the RFP deadline at the specified receiving office.
- Incomplete proposals.
- Proposals that are not signed.

#### 7. REVISIONS

Proposals may be revised by electronic mail provided such revision(s) are received before the deadline.

# 8. ACCEPTANCE

GAIN will not necessarily accept the lowest cost or any of the Proposals submitted. Accordingly, eligibility requirements, evaluation criteria and mandatory requirements shall govern.

# 9. COMPLETION

Proposals must be submitted on official letterhead of the lead organisation or firm and must be signed by a principal or authorising signatory of the lead firm or organisation.

In case of errors in calculating overall costs, the unit costs will govern.

It is the applicant's responsibility to understand the requirements and instructions specified by GAIN. In the event that clarification is necessary, applicants are advised to contact the responsible person at GAIN under section II. point 1., prior to making their submission.

While GAIN has used considerable efforts to ensure an accurate representation in this Request for Proposal (RFP), the information contained in this RFP is supplied solely as a guideline. The information is not warranted to be accurate by GAIN. Nothing in this RFP is intended to relieve applicants from forming their own opinions and conclusions with respect to the matters addressed in this RFP.

By responding to this RFP, the applicant confirms its understanding that failing to comply with any of the RFP conditions may result in the disqualification of their submission.

# 10. RIGHTS OF REJECTION

GAIN reserves the right to reject any or all submissions or to cancel or withdraw this RFP for any reason and at its sole discretion without incurring any cost or liability for costs or damages incurred by any applicant, including, without limitation, any expenses incurred in the preparation of the submission. The applicant acknowledges and agrees that GAIN will not indemnify the applicant for any costs, expenses, payments or damages directly or indirectly linked to the preparation of the submission.

# 11. REFERENCES

GAIN reserves the right, before awarding the Proposal, to require the applicant to submit such evidence of qualifications as it may deem necessary, and will consider evidence concerning the financial, technical and other qualifications and abilities of the applicant.



# 12. RELEASE OF INFORMATION

After awarding the Proposal and upon written request to GAIN, only the following information will be released: Name of the successful applicant.

The applicant's own individual ranking.



# TERMS AND CONDITIONS OF THIS SOLICITATION

#### 1. NOTICE OF NON-BINDING SOLICITATION

GAIN reserves the right to reject any and all bids received in response to this solicitation and is in no way bound to accept any proposal. GAIN additionally reserves the right to negotiate the substance of the successful applicants' proposals, as well as the option of accepting partial components of a proposal if deemed appropriate.

# 2. CONFIDENTIALITY

All information provided as part of this solicitation is considered confidential. In the event that any information is inappropriately released, GAIN will seek appropriate remedies as allowed. Proposals, discussions, and all information received in response to this solicitation will be held as strictly confidential.

# 3. RIGHT TO FINAL NEGOTIATIONS ON THE PROPOSAL

GAIN reserves the right to negotiate on the final costs, and the final scope of work of the proposal. GAIN reserves the right to limit or include third parties at GAIN's sole and full discretion in such negotiations.

# 4. EVALUATION CRITERIA

Proposals will be reviewed by the Selection Team. The following indicate a list of the significant criteria against which proposals will be assessed. This list is not exhaustive or 100% inclusive and is provided to enhance the applicants' ability to respond with substance.

Applicants are required to submit the following information, conforming to the guidelines given in this section:

- 1. Understanding of the scope of work:
  - Proposal shall demonstrate a clear understanding of the project objective and deliverables as outlined in Section I.
- 2. Demonstrate a clear understanding of the technical requirements of this RFP:
  - o Providing detailed technical documentation of the proposed strategy.
  - o Evidence of experience delivering solutions using the proposed strategy.
- 3. The creative and methodological approaches required to implement each of the parts of the scope of work
- 4. Comprehensiveness of work plan and reasonableness of proposed time frame:
  - Proposal shall include a feasible work plan to ensure successful completion of deliverables.
  - The work plan details how activities will be coordinated.
- 5. Detailed budget and cost-effectiveness of proposed approach:
  - Evidence of cost-effective approaches to undertaking the scope of work within the proposed budget.
  - Proposal shall identify possible challenges and include creative approaches to addressing them.
- 6. Management and personnel plan:
  - The team members working on this project shall have the relevant qualifications and overall experience required to successfully implement the project.



- Roles and responsibilities of each team member shall be clearly defined. GAIN shall have one main contact person clearly identified in the proposal.
- 7. A duly completed offer of services.

GAIN reserves the right to contact the individuals and contractor(s) in order to verify the information provided as part of the Proposal.

# 5. REVIEW PROCESS

The review process will involve a Review Panel with participants selected by GAIN.

# 6. LIMITATIONS WITH REGARD TO THIRD PARTIES

GAIN does not represent, warrant, or act as agent for any third party as a result of this solicitation. This solicitation does not authorise any third party to bind or commit GAIN in any way without GAIN's express written consent.

#### 7. COMMUNICATION

All communication regarding this solicitation shall be directed to appropriate parties at GAIN. Contacting third parties involved in the RFP, the review panel, or any other party may be considered a conflict of interest and could result in disqualification of the proposal.

# 8. FINAL ACCEPTANCE

Award of a Proposal does not imply acceptance of its terms and conditions. GAIN reserves the right to negotiate on the final terms and conditions including the costs and the scope of work when negotiating the final contract to be agreed between GAIN and the applicant.

# 9. VALIDITY PERIOD

The offer of services will remain valid for a period of 60 days after the Proposal closing date. In the event of award, the successful applicant will be expected to enter into a contract subject to GAIN's terms and conditions.

# 10. INTELLECTUAL PROPERTY

Subject to the terms of the contract to be concluded between GAIN and the applicant, the ownership of the intellectual property related to the scope of work of the contract, including technical information, know-how, processes, copyrights, models, drawings, source code and specifications developed by the applicant in performance of the contract shall vest entirely with GAIN.

# 11. SCOPE OF CHANGE

Once the contract is signed, no increase in the liability of GAIN or in the fees to be paid by GAIN for the services resulting from any change, modification or interpretation of the documents will be authorised or paid to the applicant unless such change, modification or interpretation has received the express prior written approval of GAIN.



# **OFFER OF SERVICES**

Offer submitted by:
<del></del>
<del></del> _
(Print or type business, corporate name and address)
I (We) the undersigned hereby offer to GAIN, to furnish all necessary expertise, supervision, materials, and other things necessary to complete to the entire satisfaction of the Executive Director or authorised representative, the work as described in the Request for Proposal according to the terms and conditions of GAIN for the following prices:
Click or tap here to enter text.
Click or tap here to enter text.
Click or tap here to enter text.
Click or tap here to enter text.
I (We) agree that the Offer of Services will remain valid for a period of sixty days (60) calendar days after the date of its receipt by GAIN.
I (We) herewith submit the following:
(a) A Proposal to undertake the work, in accordance with GAIN's requirements specified.
(b) A duly completed offer of services, subject to the terms herein.
OFFERS WHICH DO NOT CONTAIN THE ABOVE-MENTIONED DOCUMENTATION OR DEVIATE FROM THE PRESCRIBED COSTING FORMAT MAY BE CONSIDERED INCOMPLETE AND NON-RESPONSIVE.
Date this day of Click or tap here to enter text. in Click or tap here to enter text.
Click or tap here to enter text.
Signature (applicant)
Signature (applicant)
Click or tap here to enter text.
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Signature (applicant)



# **ANNEX**

# 1. MARKET FACILITATOR MODEL

# MF Model

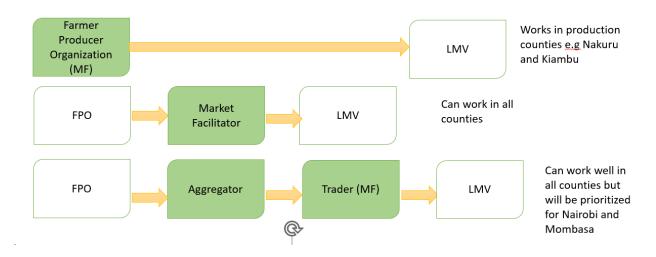


Figure 1: FoodFiti Zone vendors







# 2. FOODFITI ZONE STRATEGY

The **Food brand** is the umbrella for healthy, desirable food. With the vision to have all parents feel motivated to feed their kids nutritious food, and supported in the struggle.

The **FoodFiti Zone** will help ease the struggle for parents to achieve the meals that will deliver immediate pleasure and make meals more enjoyable for the family.

# FFZ Objectives

- Making it easy to find and buy FoodFiti
- Support consumers desire for variety, taste, freshness (quality) and safety
- Stimulating community support through tips, recipes, and cooking demos to discover and enjoy FoodFitis

# Strategy: Deliver immediate pleasure

- Aesthetics freshness, display, branding & overall look & feel
- Hygiene- safety (pesticides), water, food handling, waste management
- Flavour variety & tasty vegetables to purchase
- Convenience Proximity
- Availability stocking product

FoodFiti Zone is a geographical space defined by a residential area targeting LSM 3-6 in urban and peri-urban areas

# The FFZ consist of:

- Semi-permanent vendors who sell safe vegetables
- Small retailers that sell vegetables to our target audience
- · Some zones may include a traditional market, but not in all
- Schools
- Churches