

Request for Applications

RFA Release Date:	15 February 2023
Deadline for Questions:	5pm SAT, 22 February 2023
Closing/Submission Deadline:	5pm SAT, 1 March 2023
RFA Code:	08
SUBJECT:	Agent densification Project Management support
Purpose of the RFA:	Expansion of agent network to support sustainable growth
Eligible Organizations:	A firm with a track record of supporting, and advising on, the implementation of last-mile distribution/multi-agent informal RTM models for B2C retail companies in developing countries. Desirable experience: 1) project managing the expansion of informal RtM network, and 2) enhancing organization value proposition to informal market agent networks (see Page 6 for further details on qualifications).

Dear Applicants,

TechnoServe invites you to participate in this competitive solicitation for proposals related to the project management of an agent densification project for a B2C e-commerce company based in Nairobi, Kenya. The work will be conducted closely with the ZEBU Africa Food Security Fund (AFSF) Technical Assistance Facility (TAF) team based in Johannesburg, South Africa.

Position Location: The project will be completed in Nairobi, Kenya

Anticipated start date: 27 February 2023

Estimated Duration: The timing of the project is February – August 2023

Please note that the issuance of this RFA does not constitute an award commitment on the part of TechnoServe, nor does it constitute a commitment to pay for costs incurred in the development of an application.

Questions regarding the RFA requirements must be submitted in writing to wnyambayo@tns.org by the deadline listed above. Include the RFA Code and Subject in the subject line for your questions.

A. Background

TechnoServe is the implementing agency for the AFSF TAF. The AFSF is a second-generation fund managed by Zebu Investment Partners (ZIP) and targets high-growth Small, Medium Enterprises (SMEs) across the food value chain in Africa. Africa's food requirements are expected to double in the next 30 years with a food import bill estimated to reach USD 50 –70 billion per annum. Food value chains remain weak and under developed, while agriculture is the main form of economic activity for most people on the continent. Private investment in the agriculture sector is critical for Africa's food security and growth. The AFSF will target deal sizes of USD 2–8 million, with the goal of investing in a minimum of 10-12 agribusiness SMEs over the next 8 years. This segment of SMEs often faces challenges related to business skills, weak accounting and management systems, poor visibility and/or limited bandwidth to take advantage of market opportunities. And yet, SMEs are able to pivot and scale quickly, when the right resources are provided.

TechnoServe works alongside ZIP to implement the AFSF TAF alongside the AFSF. This is a \$1.9m grant-based facility tasked with supporting the capacity building of AFSF portfolio companies and

deepening the development impact of the AFSF investments. The facility is tasked with providing TA to AFSF portfolio companies that receive investment through the AFSF, promoting new opportunities for smallholder farmers, farmer business groups, rural communities and enhancing local economic development. This will be achieved by linking private equity investments to economic opportunities for smallholder farmers (including women and youth) and micro-enterprises; promoting uptake by AFSF investee companies of inclusive business models thereby increasing beneficiary incomes and thus enhancing economic access to food. Moreover, the TAF will support AFSF investee companies with their growth objectives by providing them with expertise and support that drive best practice and innovation.

The AFSF TAF is able to support projects in and around portfolio companies under the following components:

Inclusive Business Technical Assistance

Inclusive business TA supports investee companies to plan and pilot new business models that improve commercial and broader community (or development) impact often demonstrating the business case for smallholder sourcing and supporting SMEs to integrate more farmers into their supply chains and micro-retailers into their distribution chains.

Core Business Support

The Core Business TA is intended to enable AFSF portfolio companies to attract and take full advantage of capital investments from the AFSF, realising their potential as high-growth companies, creating jobs and contributing to the agricultural and economic development of Africa.

Ecosystem Development Technical Assistance

Ecosystem Development projects will seek to strengthen market systems around AFSF portfolio companies and will be measured by quantitative indicators such as finance mobilised as well as qualitative indicators for market development such as policy change, industry influence and stakeholder learning. This component will serve as an important knowledge sharing conduit emphasizing key thematic and common areas/issues identified through the scoping, design and execution of TA.

B. Program Description

To meet our objectives, the AFSF TAF is working with the Company to implement an Agent Densification project across multiple regions in Kenya. The objective is to efficiently and effectively project manage the rapid recruitment and onboarding of 41 000 new agents, in areas surrounding its 11 distribution depots onto the Company platform to support long-term, sustainable growth.

Launched in Kenya in 2013, the Company is a leading B2C e-commerce platform with a distribution solution to serve the rapidly growing 750 million middle and low-income African consumer market who are remote, unbanked and unconnected. It harnesses mobile technology, a network of approximately 36k local Agents, and a proprietary logistics platform to reach a market that formal retail and even other Kenyan e-commerce models cannot - it is the only e-commerce business operating in rural areas in Kenya. The Company markets c.4.2k competitively priced, high quality SKUs across 14 categories, delivering at no cost to thousands of rural customers every day. Broadening access to affordable high quality products - in particular foodstuff and household goods - for hundreds of thousands of low-income families located in difficult-to-serve areas regardless of their access to technology.

The Company currently serves its agent network via its depots, however Management has proven there is a significant “white space” of unserved customers within the existing network footprint resulting in foregone revenue and cost inefficiency. The Company has recently developed an agent mapping tool to assess gaps in its network and identify opportunities to increase agent density. The tool has identified an opportunity to recruit an additional c.41k agents within existing areas of operation, driving sales volumes while decreasing cost per drop due to logistics synergies from greater customer density.

The Company must move ahead rapidly with agent densification in order to demonstrate the potential for further growth and profitability, and build a platform for profitable and inclusive growth; but it also needs to improve its agent engagement and retention by assessing the performance of the current model and recommending improvements to ensure further growth is sustainable. However, the business currently lacks the internal project management capacity and financial resources to progress the initiative at the speed and scale required. AFSF TAF can support The Company to achieve rapid progress in scaling its agent network in a cost-effective manner by providing external project management capacity to drive agent recruitment while ensuring that internal cost increases are minimised through carefully targeted and sequenced expansion. This external expertise will work in collaboration with the Company Sales team to achieve the targets of this intervention.

The Company expects that the initiative will ultimately create significant incremental revenue, while reducing its current delivery cost per drop, driving significantly enhanced commercial performance. In the shorter term, progress towards meeting these targets will provide important proof points of business model viability, and support sustainability in the longer term.

From an impact perspective, the initiative could sustain up to 41,000 jobs in rural areas where employment is difficult to find and where it can be assumed that many new agents will not have been operating as trading MSMEs prior to joining the Company network. The AFSF TAF intervention therefore has significant potential to contribute to create and/or maintain jobs in local economies.

I. Duties and Responsibilities

1a) Identify opportunities to improve agent model:

1. Assess current sales operations to understand how the Company recruits, develops and manages its agents e.g. personnel, processes (current agent selection framework, tools, data/metrics etc.), and systems
2. Map how other departments e.g. supply chain, marketing, etc. support sales operations in the process of agent recruitment, development and management
3. Clearly define the current agent value proposition (drawing on qualitative and quantitative analysis)
4. Provide recommendations on opportunities to:
 - a. optimize Company agent selection framework
 - b. improve Company value proposition to agents, including identification of key datapoints or metrics that will be used to define the Company's value proposition to the agents
 - c. improve Company agent management model, if appropriate

1b) Test and validate improved agent model:

5. Test recommended improvements to agent selection framework, value proposition to agents and agent management model in at least two sample markets, validating benefits through analysis of key data points/metrics. *Data diagnostic will be supported by the Company's BI & Analytics team*
6. Based on this analysis, define an optimised agent model to roll out during implementation phase

2a) Validate white space opportunities:

7. Validate 'white space' opportunity identified by Company's agent mapping tool considering:
 - a. Feasibility of serving the agents in those areas from a logistics, practicality and cost-to-serve perspective;
 - b. Opportunity size (i.e. revenue potential, considering competition (if any)) of the areas
 - c. Attractiveness of value proposition to agents
 - d. etc.
8. Prioritise target areas for densification based on attractiveness of validated white space opportunities and available resources, c.600 Sales Agents that would be provided by the company should all 41k agents be in lucrative white spaces.

2b) Develop agent densification roadmap:

9. Develop project implementation workplan, and recommendations on scale up and how implementation should be approached in future to ensure economies of scale, this should include how the Company needs to be organised internally to drive cost efficient expansion of its network
10. Mobilise project resources required for efficient field implementation e.g. the team of field Sales Agents¹, field advertising, etc. *(the required Sales Agents, advertisement media and other field resources will be provided and managed by the Company)*
11. Develop KPI framework in collaboration with management, for overall project management and review.

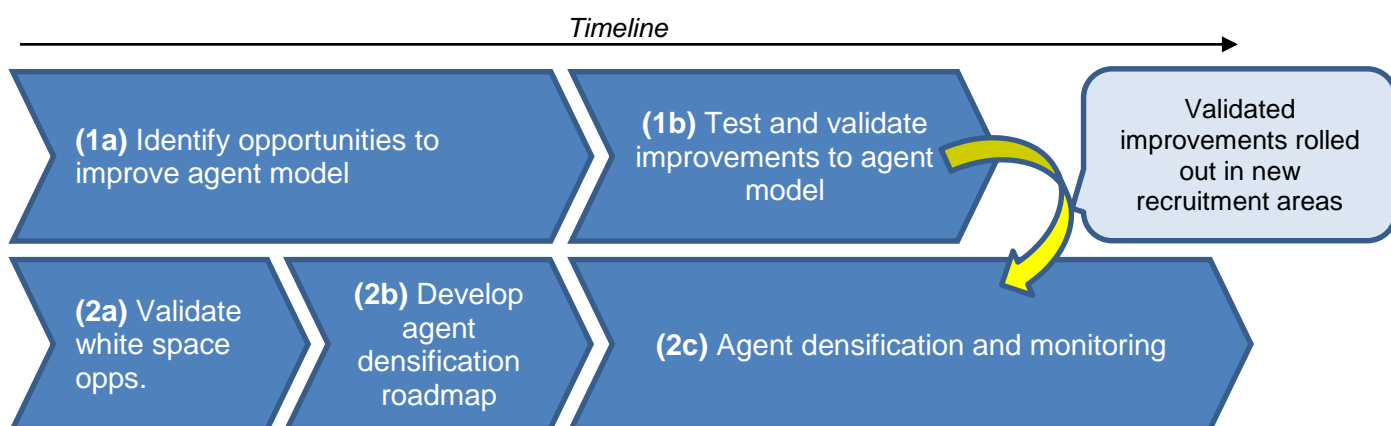
2c) Agent densification and monitoring:

12. Oversee the field advertisement and agent recruitment in the selected areas. *Advertising will be driven by the Company*
13. Oversee the new Agent training and onboarding process (Note: this will be facilitated by the Company based on its existing training and onboarding curricular. The TA service provider is expected to provide capacity building support and drive efficiency by ensuring the training and onboarding of agents is done within the set deadlines and budget).
14. Analyse data collected during the recruitment process and develop recommendations on how to further refine the Company’s value proposition and agent model
15. Develop and submit a comprehensive post-implementation report and KPI results
16. Prepare and provide bi-weekly progress updates to report on progress of implementation including lessons learnt and recommendations on efficient agent recruitment for the Company
17. Manage all stakeholders including any other service providers in collaboration with Company management

All the above activities form the major and critical parts of the scope. Candidate selection and performance will be judged on capability to implement and successful achievement of these.

II. Deliverables

Suggested phasing of support:



Activity	Deliverable	Anticipated due date
Validate white space opportunities (see Duties and Responsibilities, Section 2a, items 7-8)	Document highlighting key validated white space opportunities, together with any additional tools developed during analysis and model refinement	24 March 2023

¹ Sales Agents are employees of the Company responsible for the recruitment and management of the agents (in the market). They will be used to support agent recruitment and training.

	process(that can be used by the Company's team while they are in the market to drive agent densification)	
Develop agent densification roadmap (see Duties and Responsibilities, Section 2b, items 9-11)	Detailed project implementation workplan KPI framework (validating expected targets and timeline)	7 April 2023
Identify opportunities to improve agent model (see Duties and Responsibilities, Section 1a, items 1-4)	Document highlighting opportunities to improve agent selection framework, value proposition and management model, together with supporting analysis	7 April 2023
Test and validate improvements to agent model (see Duties and Responsibilities, Section 1b, items 5-6)	Ongoing updates to SteerCo on emerging findings Document summarising validated improvements to model	2 June
Agent densification and monitoring (see Duties and Responsibilities, Section 2c, items 12-17)	Bi-weekly project progress reports including recommendations on efficient agent recruitment for the Company to Steering Committee. Training registers and onboarding records KPI results chain Comprehensive post-implementation report	25 August

III. Expected Impact:

Business impact: In addition to the current revenue generating initiatives, this agent densification initiative will likely create significant incremental revenue, while reducing current delivery cost per drop, and ultimately driving significantly enhanced commercial performance.

Micro-enterprises impact: This initiative could sustain up to 41,000 jobs in rural areas where employment is challenging and where it can be assumed that many new agents will not have been operating as trading MSMEs prior to joining the Company network.

The KPIs of this project will be defined in the KPI framework developed by the service provider in collaboration with management and the TAF.

IV. Skills Required

- Experienced Firm/Agency with project management expertise and track record in supporting the design and implementation of last-mile distribution/ informal route-to-market (RTM) models in developing countries.
- Track record of successfully supporting companies with the expansion of informal RtM networks required; with experience in Africa, e-commerce and retail networks preferred.
- Proven analytical and quantitative skills with evidence of advanced data analytical and opportunity sizing work.
- At least 8-10 years of relevant experience required.
- Key personnel proposed should have an advanced degree in business management or other relevant field, and Project Management advanced qualification(s) preferred.
- Experience working with private agribusiness companies required, experience in Kenya would be a bonus.
- Prior strategy consulting experience will be reviewed favourably.
- Strong stakeholder engagement and communication skills required.
- Demonstrated leadership skills, teamwork and relationship building.
- Excellent written and verbal communication and interpersonal skills.
- Strong computer skills, including MS Word, PowerPoint, and Excel.
- Ability to work independently, flexibly, and responsively.
- Ability to adapt to changing working conditions.
- Ability to prioritise and meet deadlines.

C. The Application and Subaward Process

Application Submission

The subaward application process under this RFA will consist of one (1) phase of competition where full applications shall be submitted by interested parties to TechnoServe for evaluation. Applications should address:

- How the organization intends to carry out the project – proposed approach, actions/activities and timelines, and project/stakeholder management plan
- Milestones and results to be achieved over the life of the project
- Past performance and institutional capacity
- Team structure; roles and responsibilities of each team member
- Budget details
- Exit strategy

Step 1:

Applications will be developed and submitted by the Applicant to TechnoServe utilizing the templates provided (or other referenced material as stated in the RFA) in accordance with all guidelines by the stated submission deadline. Late submissions will not be accepted.

The main body of the technical proposal should be no longer than 40 pages (or slides).

Step 2:

Applications will be vetted by TechnoServe staff to ensure each application meets the requirements set forth in this RFA. Any applications failing to meet minimum requirements will be disqualified from competition. The minimum requirements include the eligibility criteria, use of application templates provided, submission by the deadline, etc.

Step 3:

Applications received within the application deadline that meet the minimum requirements set forth in the RFA will be evaluated by a Selection Committee using the following criteria:

Selection Criteria	Scoring
1. Relevance of the proposed approach in response to the RFA	30
2. Illustrated capacity of the applicant to implement the project and past experience with similar projects	30
3. Feasibility of planned activities and anticipated results	25
4. Budget reasonableness and cost effectiveness	15
Maximum Score	100

Step 4:

The Selection Committee will recommend those applications with the highest scores for award. As applicable, the Selection Committee may request applicants to provide additional information and edit their applications. In such cases, the Selection Committee will also establish a deadline for submission of revised applications.

Step 5:

Successful applicants will be notified by TechnoServe and will begin to work with TechnoServe staff to revise their applications to be incorporated into a full subaward. This step will include a pre-award risk assessment.

Step 6:

Following the successful conclusion of the application process and acquisition of any required donor approvals, TechnoServe will issue the successful applicant(s) with a subaward with details on the scale, scope, cost, and terms and conditions. Whenever possible, TechnoServe will meet with new subrecipients to provide an orientation outlining the main requirements for performance and reporting.

Step 7:

Throughout the duration of the subaward, TechnoServe will monitor the subrecipient's performance and compliance with all subaward terms and conditions.

D: Program Budget Submission and Costing guidelines

Individual subawards will vary depending on availability of funding, nature and scope of program activities, the period of implementation, and justification of costs proposed. Although consideration will be given to all applications received by the deadline, it is recommended that the total budget requested from TechnoServe does not exceed US\$80 000. Subawards will be issued on a competitive basis and only to a selected number of applicants.

While reviewing application budgets and budget narratives, the Selection Committee will ensure that:

1. The budget application reflects all the resources necessary for program implementation (Direct and Indirect Costs, as applicable).
2. The budget narrative provides details on all types of costs planned, cost per unit and cost justification. The budget narrative should be prepared using the provided Budget Notes template (attached).
3. All costs budgeted are eligible. Budgeted costs categories may include but are not limited to:
 - a. **Personnel:** Salaries and benefits for full and part-time staff involved in the project. Staff can be paid only for activities performed within the framework of the proposed project. All personnel expenses must be justified with information on the role of the proposed staff in project implementation.
 - b. **Consultants and Other Outside Services:** Fees for any external consultants or contracted firms required to support subaward activities.
 - c. **Travel:** Flights, per diem, and any other required travel costs for project personnel to conduct implementation activities.

- d. **Office Costs:** Any required cost for the subrecipient's local office to support project implementation.
- e. **Other Direct Costs:** Any other direct costs of the project, such as costs for conducting trainings, developing publications, etc.
- f. **Indirect Costs:** If applicable, organizational overhead costs.

Pre-Agreement Costs - TechnoServe will not reimburse costs incurred prior to the effective date of the subaward. In special cases where pre-agreement costs are necessary to comply with the proposed delivery schedule, TechnoServe may discuss and negotiate with the applicant the approval of certain pre-agreement costs. Such costs are only allowable with the prior written approval of TechnoServe.

E. Submission Guidelines

Applicants must submit their applications, budgetary information as well as any other information responding to the terms, conditions, specifications and requirements of this RFA to:

TechnoServe

To: Wadzanai Nyambayo, Senior Programme Manager

Email Address: wnyambayo@tns.org

Applications must be received by the submission deadline specified on the first page of this RFA. Late submissions will not be accepted.

Attachments to this RFA:

Attachment A: Budget Template