



REQUEST FOR PROPOSALS (RFP) to Conduct Market Research in Kenya

RFP NUMBER: ATP19-RFP-Africa-05-2019
Title: Assessment of market access issues, potential solutions, and the ideal conditions for U.S. soy in the Kenyan market
Program: World Initiative for Soy in Human Health
Organization: American Soybean Association
Project Duration: Assessments should be completed prior to August 31, 2019
Proposal Due: June 14, 2019

1. Purpose

The need for this market assessment is based on a basic understanding of the current market situation for U.S. soy exports. U.S. soy products are currently uncompetitive due to a number of issues, with regulations and logistics being among the most prohibitive to U.S. industry gaining increased market share. Regulatory barriers prevent the import of GMO soy products, while shipping costs exceed those from nearby competitors, thereby reducing any pricing advantage the U.S. may hold. Such issues make it extremely difficult for the U.S. to gain market share in Kenya.

The market research to be conducted under this program should identify the market access issues facing the U.S. soy industry, provide a set of recommendations for addressing the issues, and include a description of the circumstances needed to create a favorable situation for U.S. exports and strategic recommendations for consideration. WISHH would like to identify the conditions under which U.S. soybean exports would be able to compete with other international suppliers, and capture a larger percentage of the market share. WISHH is interested in identifying export opportunities for U.S. soy in terms of feed and food.

This RFP is a solicitation of applications from companies and/or individuals to conduct a market assessment on the business opportunities for U.S. soy in Kenya. This assessment should also identify companies that are interested in utilizing soy as an ingredient in animal and aquaculture feeds, as well as soy foods. This assessment should not only address the market access constraints but should also identify the potential opportunities for the U.S. to export soy.

2. Background of the WISHH Program

The American Soybean Association (ASA) was founded in 1920 by soybean farmers and extension workers to promote soy for high protein applications in developmental settings. Overseas activities initiated in the mid-1950s, and to date ASA has worked in over 80 countries. The World Initiative for Soy in Human Health (WISHH) was founded in 2000 to expand the work of the American Soybean Association (ASA) in developing emerging markets to improve health, nutrition and food security, building the groundwork for future markets of soy. WISHH provides services in food technology, business development, nutrition services, and program and proposal development. WISHH expertise extends its network into additional areas, such as aquaculture and animal feed.

ASA/WISHH connects trade and development to strengthen agricultural value chains in emerging markets, creating trade and long-term demand for U.S. soy. Trade can improve lives worldwide for both farmers and consumers. U.S. soy trade in emerging markets is pivotal to improve accessibility, affordability, and acceptability of high-quality plant and animal-sourced proteins in developing economies. Rising incomes in emerging economies generate further opportunity for trade. ASA/WISHH builds opportunity for long-term trade by improving agricultural value chains, human and animal nutrition, and farmer net incomes. ASA/WISHH initiatives broadly fit in two arenas: (1) trade-building long-term, early-stage market development, and, (2) trade-building international agriculture and economic development. The St. Louis-based Program operates in sub-Saharan Africa, Asia and Central America.

ASA/WISHH offers over six years of proven feed sector capacity and decades of accumulated knowledge from ASA programs. Principal approaches include market and economic assessments, technical assistance and capacity building, food and feed trials and demonstrations, farmer field days, youth mentorship programs, food and feed value chain development, and market linkages.

ASA/WISHH achieves its mission by working in close partnership with: (1) the public sector (e.g., USDA, USAID, U.S. land grant universities, and host country governments), (2) the private sector (e.g., trade associations: Qualified State Soybean Boards and U.S. Soybean Export Council), and (3) private voluntary organizations. The Program draws upon the resources and experience of these partners and the services of a cadre of ASA/WISHH consultants with technical expertise in agricultural, international and commercial development spheres.

ASA/WISHH relies on decades of experience in food commercial development and agricultural development programming. The Program takes pride in its growing portfolio of success with U.S. government-funded projects, including USDA (Food for Progress, McGovern-Dole, Global Broad-Based Initiative, Foreign Market Development, Market Access Program, Emerging Markets Program, and Quality Samples Program) and USAID funding in both prime and sub-recipient capacities. ASA/WISHH has also attracted both private sector and other complementary funding sources from various donors to build on and leverage core funding from Qualified State Soybean Boards.

The WISHH program receives funding from the United States Department of Agriculture (USDA) through the Emerging Markets Program (EMP), Market Access Program (MAP), Foreign Market Development Program (FMD), Agriculture Trade Promotion Program (ATP) and the Global Broad-Based Initiative (GBI). WISHH's objective is to increase the international consumption of soy protein in the human, livestock, and aquaculture sectors in new markets and thereby create new opportunities for soybeans and providing higher economic returns to U.S. soybean producers.

3. Project Description

Market conditions are constantly changing in sub-Saharan Africa, with growth and development in specific sectors occurring in a relatively short time frame, creating new opportunities. Under this program, ASA/WISHH will investigate current market conditions in Kenya to determine the opportunity for U.S. soy to enter the market, and collect information to inform future WISHH strategy for implementing activities in Kenya.

The need for this market assessment comes from a desire to build a long-term strategy to facilitate the export of U.S. soy into the Kenyan market. WISHH understands that U.S. soy exports are currently uncompetitive due to market access issues and a lack of competitive pricing. WISHH hopes that this assessment will uncover additional trade barriers that may need to be addressed to open the market to U.S. soy products. This market assessment should focus on the following:

1. Identify the primary market access barriers that are preventing U.S. soy products from entering the market
2. Identify the most suitable and effective strategies for addressing the market access issues
3. Identify the conditions required for U.S. soy to gain market share in Kenya
 - a. Local value addition
 - b. Logistics
 - c. Price
 - d. Regulatory
 - e. Others
4. Identify potential Kenyan partners that would be interested in and capable of importing U.S. soy products

Expected outputs/deliverables:

1. One market assessment addressing key questions and topics highlighted in Sections 3 and 4.
 - a. Reference Appendix A for an example of an acceptable report outline. Changes should be made where necessary.
 - b. The final report should provide strategies for increasing U.S. soy exports
 - c. The market analysis is to be based on primary and secondary data collection.
2. A descriptive list of stakeholders
 - a. Include individuals involved in key market access issues in Kenya
 - b. Include individuals that may be potential buyers of U.S. soy
 - c. To follow outline provided in Appendix B
 - d. Individuals from this list will be selected to participate in additional follow up activities.
3. The measurable goals and objectives of the proposal are the following:
 - a. Conduct at least 15-25 key informant interviews (in country and by phone), including FAS, feed processors, importers, farmers, and other stakeholders
 - b. Complete and submit all deliverables and activities proposed within the specified timeline

4. Scope of Work

As a part of this program, ASA/WISHH seeks to retain a consultant to address the following questions and topics:

1. Information on soy foods
 - a. What types of soy foods are most popular?
 - b. Where are the majority of soy foods coming from (import vs. local production)?
 - c. Which companies are involved?
 - d. Please describe the demand and supply situations.
2. Information on finished feeds (animal and aquaculture)
 - a. Where is finished feed coming from (import vs. local production)? Quantity?
 - b. What feed products are made locally? Which are imported? Quantity?
 - c. Which companies are importing? Which are producing locally? Quantity?
 - d. The total quantities imported and produced per year
3. Information on feed ingredient imports (animal and aquaculture)
 - a. Where are feed ingredients coming from (import vs. local production)? Quantity?
 - b. Which ingredients are procured locally? Which are imported? Quantity?
 - c. Which companies are importing? From where? Quantity?
 - d. What is the quantity imported/produced per year?

4. Who are the major stakeholders in terms of livestock, poultry and fish production; feed production; feed import; major international organizations working in the sector; NGOs, and other important members of the feed value chain?
5. Provide an outline of the major government policies (U.S. and Kenyan) regarding the soy utilization areas (food and feed).
 - a. What are the trade implications of these policies?
 - b. Assessment on barriers and limiting factors to growth of the feed industry
6. Examine the impact of international trade policy on trade relations between the U.S. and Kenya
 - a. Identify the impact that U.S. and Chinese tariffs have had on trade with Kenya and other East African markets (If any).
7. Examine the impact of new infrastructure development projects in Kenya, such as the new rail corridor between Mombasa and Nairobi and others.
 - a. What are the future trade implications of these types of projects?
8. Regional trade structures and relationships
 - a. For example what is the impact of the new Africa Continental Free Trade Agreement?
9. What would be the most cost-effective way for a Kenyan company to gain access to U.S. soybeans or products containing U.S. soybeans (e.g., finished fish and poultry feeds)?
10. What is the processing capacity and feed production output?
11. Which countries are the main competitors to U.S. soy?

Below is an example of how a company may conduct the requested assessment:

Phase 1: Desk research to address topics and questions above. Some points may be answered through online research and phone calls.

Phase 2: Conduct field research to provide further analysis on the above questions and topics. At this time, key informant interviews could be conducted. Appendix A is the suggested outline for the report. Changes should be made where necessary.

Phase 3: Develop a list of industry stakeholders that should be involved in future market development activities. These individuals may include feed millers, ingredient and feed importers, animal and fish farmers, government officials, NGO representatives, and others that may have expert knowledge of the Kenyan feed value chain. Information in Appendix B will help WISHH staff identify future program participants.

Deliverables:

1. Market assessment report completed similar to the outline provided in Appendix A, with changes where appropriate.
2. At least one trip to Kenya to meet with industry stakeholders
3. Detailed list of industry stakeholders including the information provided in Appendix B

5. Deliverables for RFP

1. Proposals must contain at a minimum the specific criteria requested in the RFP scope of work. The proposal should include the following sections:
 - a. Company background and relevant experience
 - b. Proposal summary
 - c. Proposed action plan for the completed scope of work

- d. Proposed budget including materials, service fees, and travel
- e. Proposed timeline for completing the assessment
2. Proposals should be submitted no later than 5:00 pm CST on Friday, June 14. To be considered for the award, proposals must be submitted by email to Chris Slemp (cslemp@soy.org).
3. All proposals should be submitted with the name of the proposal and your company name in the subject line.

6. Skills/Knowledge

- The desired candidate should have at least 10 years of market research experience in the agriculture industry, preferably in Africa.
- Excellent communication skills in both verbal and written English and an ability to communicate in French.
- Experience in study design and data collection and analysis of quantitative and qualitative data and supervisory capabilities of each of these areas.
- The ability to convey information accurately and clearly at meetings or in reports, to personnel and clients with different backgrounds or levels of business competency.
- The ability to network and identify new companies for participation in WISHH programs.
- Computer literacy and knowledgeable in the use of word processing software as well as in use of the internet.
- Willingness to travel to African countries
- Passion for people and the strengthening of private business capacity
- Tolerance for stress
- Proven intercultural communication skills
- Ability to be flexible and meet strict deadlines

7. Notes

Award: This RFP does not commit the ASA/WISHH to award a contract or to pay any costs incurred in the preparations or submission of proposals, or costs incurred in making necessary studies for the preparation thereof or to procure or contract for services or supplies. The ASA/WISHH reserves the right to reject any or all proposals received in response to this RFP and to negotiate with any of the vendors or other firms in any manner deemed to be in the best interest of the ASA/WISHH. The ASA/WISHH reserves the right to negotiate and award only a portion of the requirements; to negotiate and award separate or multiple contracts for the elements covered by this RFP in any combination it may deem appropriate, at its sole discretion to add new considerations, information or requirements at any stage of the procurement process, including during negotiations with vendors; and reject proposal of any vendor that has previously failed to perform properly or in a timely manner contracts of a similar nature, or of a vendor that, in the opinion of the ASA/WISHH, is not in a position, or is not sufficiently qualified, to perform the contract.

This RFP contains no contractual proposal of any kind, any proposal submitted will be regarded as a proposal by the vendor and not as an acceptance by the vendor of any proposal by the ASA/WISHH. No contractual relationship will exist except pursuant to a written contract document signed by the authorized procurement official of the ASA/WISHH and by the successful vendor(s) chosen by the ASA/WISHH.

Conflict of Interest: All team members must provide a signed statement attesting to a lack of conflict of interest, or disclosing any real or potential conflicts of interest.

Non-Discrimination Statement: In accordance with Federal Law and U.S. Department of Agriculture (USDA) policy, ASA/WISHH prohibits discrimination in its programs and activities against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation or all or part of an individual's income is derived from any public assistance program or activity conducted. ASA/WISHH is an equal opportunity provider and employer.

Submission of Questions: All questions regarding the preparation of proposals must be submitted in writing (by e-mail) to Chris Slempe at cslemp@soy.org (cc: jneiderman@soy.org) **no later than 5pm CST on Friday, June 14, 2019**. A copy of all written questions and responses will be provided to all interested organizations by email request on or shortly after Monday, June 3, 2019. No questions will be answered over the phone or in person; all questions must be in writing and sent via email.

Guiding Principles: Consultants must conduct all activities in an ethical manner. Market research activities should appropriately balance the desired creation of evidence with the protection of human subjects, including safeguarding the dignity, rights, safety, and privacy of participants. Evaluators are responsible for applying ethical principles in all stages of the research, and for raising and clarifying ethical matters with stakeholders during the course of the activity.

Appendix A: Market assessment report outline

- I. Executive Summary
- II. Methodology
- III. Basic Market Information
- IV. Supply Situation
- IV. Demand Situation
- V. Trade Situation
- VI. Regulatory/Market Access Issues/Trade constraints
- VII. Recommendations

Appendix B: Key account summary

Please provide the following information for key accounts that WISHH can recruit for future activity participation. You may add others that you were unable to meet with during this contract.

1. Company/organization name
2. Contact (name, phone number, and email)
3. Address
4. GPS coordinates of the facility (if available)
5. Brief description of the company (include core competencies, primary customers, product information and other relevant information)
6. Sector (Poultry/processing/importer/exporter/feed miller).
7. If an importer, what products are they importing, what is their yearly import volume, and where do they source their products from?
8. If a processor what products are they processing and what is their yearly processing capacity?
9. If a farmer what is their yearly feed demand?
10. If a feed miller, what types of feeds and what is the quantity produced per year?
11. If a feed importer, where do they obtain their product from?
12. What equipment does the company use for soybean value addition?
13. Comments and other suggestions