

UPDATED
REQUEST FOR APPLICATION (RFA)
DEVELOPMENT OF THE KENYA SHOCK RESPONSIVE SAFETY NET SYSTEM

Name of Project:	USAID Strategic Partnership Program
Request for Applications (RFA) No.	RFA-USAID SPP-2024-001
Date of Issue:	25 th January 2024
Closing Date for Receipt of Applications	Midnight, 1st March 2024
Questions on this solicitation should be submitted to e-mail address provided no later than the date indicated	Email: trpgrants@strathmore.edu / careersbs@strathmore.edu No later than: 23 rd February 2024
Question Response Date:	23 rd February 2024

1 PROGRAM DESCRIPTION AND OBJECTIVES

The USAID Strategic Partnership Program (USAID SPP) is a five-year United States Agency for International Development (USAID)-funded program being implemented by Strathmore University Business School. The program brings together different stakeholders to advocate for economic development and empowerment of people in various communities through enterprises, business associations and cooperatives in inclusive and deliberate advocacy and support efforts.

The program is structured around three distinct components: Kenya Small Business Development Centers (Kenya SBDC), the Agency Voice of the Private Sector (AVPS) and the Transformational Resilience Programming (TRP). Collectively, these three components form a dynamic consortium, working in concert to advance developmental change within the program's scope. Each component brings unique expertise and strategies, synergizing efforts toward the program's objectives.

Transformational Resilience Programming (TRP) is one of the components under the USAID SPP and it seeks to transform the resilience programming landscape of Kenya by supporting both levels of government in development as well as implementation of policies and strategies towards a more competitive, inclusive, and resilient economy. It also seeks to promote transformative private sector-led investments that expand economic opportunities in vulnerable communities.

Objectives of the Transformational Resilience Programming Component:

- i. *Increased resilience investments:* It will facilitate and operationalize strategic and transformational investments in an integrated resilience framework.

- ii. *Creation of local ownership and commitment to building regional resilience that enables sustainable and inclusive growth moving forward:* It will support an inclusive, coherent, and locally owned resilience programming for multiple shocks and disasters, ensuring that stakeholders develop and own it at all levels, from national to sub-national and community levels.
- iii. *Institutionalized knowledge management and coordination platforms:* It will support the development of a system for data collection, analysis, modeling, prediction, and feedback loops to inform locally led decisions in building and strengthening resilience.
- iv. *Capacity building of institutions at national, sub-national, and community levels:* It will support the necessary technical capacity and human and financial resources allocated to implement the new resilience programming framework.
- v. *Finance mobilization:* It will support the development and implementation of a strategy for mobilizing public and private sector financing.

1.1 Funding Opportunity

The purpose of the Sub-grant is to support the Government of Kenya to design a Shock Responsive Safety Net System for Kenya. The National Drought Management Authority (NDMA) will lead collaborative efforts with other stakeholders to develop a Shock Responsive Safety Net System for Kenya that will allow pooling of resources from GOK, development partners and private sector, eliminate parallel systems, reduce fragmented delivery modalities, improve targeting of limited resources to reach the intended beneficiaries, and be able to transition beneficiaries from relief assistance to resilience building.

1.2 Rationale

Kenya is just recovering from a protracted drought following five consecutive failed rainfall seasons. Over the past five years Kenya has been buffeted by exogenously induced shocks, including drought, desert locust invasion, rift valley fever, inflation, and Covid 19. Each of these shocks have wreaked havoc on the lives and livelihoods of millions of people churning at or near the poverty line and put significant stress on strained humanitarian resources and capacity to deliver services. For example, the 2021-2023 drought alone saw the devastation of livelihoods in affected communities, and the loss of an estimated 2.6 million livestock, worth about Ksh 1.8 billion to Kenya's economy. The Government of Kenya has significantly strengthened its humanitarian response capabilities, but it currently does not have the financial resources or fiscal space to both meet existing assistance needs and to address humanitarian vulnerability resulting proactively and systematically from shock impacts.

At present Kenya has a safety net, The Hunger Safety Net, which plays an essential role in targeting and delivering assistance for the indigent, non-productive households and individuals that are permanently in need of social assistance. This program is designed to provide sustained, predictable assistance to a carefully identified set of vulnerable participant households in selected

geographic areas. It aims to address the impacts of chronic poverty and is not designed to respond to the emergency needs of households and communities during times of shock. However, when a shock occurs, the impacts overwhelm the productive households living at or near the poverty line—households normally ineligible for the Hunger Safety Net—resulting in a rapid expansion of humanitarian needs, the erosion of critical household assets, and the potential long-term impoverishment of affected households.

Although multiple government agencies, donors, private sector, and non-governmental organizations have stepped in to deliver essential financing and services to support the lives and livelihoods of people that are productive but poor, a key observation from recent drought response efforts is the glaring deficit in “shock-responsive” programing capable of rapid expansion to provide timely support to households facing drought or other shocks impacting their livelihoods.

The most recent example comes from the last drought. While the need for social protection interventions during the last drought kept increasing as the drought lingered, the existing emergency assistance efforts proved inadequate to cater for all the needy households. Food assistance in kind also proved expensive, especially when centrally procured, even when lower food prices prevailed in some of the worst drought-affected counties. Operational gaps were also observed, with overhead costs for the multiplicity of implementing entities taking away substantial resources that would otherwise translate to an increased number of beneficiaries. The lack of coordination and coherence in the assistance distribution systems resulted in late, duplicative, uneven, inadequate, and in some cases inappropriate types of support.

Also of concern is the fact that most of the existing shock responsive emergency assistance mechanisms are drought-focused, while sources of shocks are diverse, including flooding, pandemics/epidemics, desert locusts and conflict. While progress has been made in early warning for all of these, a coordinated system of protective response remains lacking, and this lack is taking its toll on the social and economic fabric of Kenya.

The Government of Kenya (GOK) is proposing to tackle the challenge of insufficient capacity and resources to systemically respond to and mitigate the negative impacts of significant destabilizing shocks by establishing a Shock Responsive Safety Net System. The Shock Responsive Safety Net System will be housed in the National Drought Management Authority that will enable the country to build on existing capacity and infrastructure for responding to emergencies, e.g., disaster preparedness capacity, early warning systems, the National Drought Emergency Fund, etc. The Shock Responsive Safety Net will not duplicate the Hunger Safety Net but will complement it with a focus on the productive at-risk population that periodically needs assistance when a major shock hits. In doing so, the Shock Responsive Safety Net will help to protect resilience gains.

Recognizing the prominent role that drought related shocks have played, especially in the arid and semi-arid lands (ASALs) of Kenya, a Shock Responsive Safety Net System will have a focus on the ASALs. But the Shock Response Safety Net System will not be limited to the ASALs. The System will enable GOK and its partners to respond to shocks country wide, as needed. The intent is that the System should be both robust and versatile, objectively informed by tracked indicator

thresholds, against which triggering for deployment of prepositioned resources occurs. The System should be informed by global best practices and local contextual success stories.

The System, once established, should be able to allow pooling of resources from GOK, development partners and private sector, reduce bureaucracy during implementation, eliminate parallel systems, reduce overhead costs, reduce fragmented delivery modalities, improve targeting of limited resources to reach the intended beneficiaries, and be able to transition beneficiaries from relief assistance to resilience building.

1.3 Key Assumptions

The following are critical assumptions that may influence design of a Shock Responsive Safety Net System:

- i. Kenya will have 2 to 5 significant shocks (drought, health, economic) in the next 5 years that threaten the lives and livelihoods of millions of Kenyans.
- ii. Drought shocks are recurring and cyclical and will continue to reoccur over time for the near future.
- iii. Kenya will not have the resources, by itself, to respond to the emergencies and needs of everyone affected by the shocks. Kenya will continue to need the assistance of the global community (development, humanitarian, private sector, non-governmental) to finance and deliver shock induced emergency related assistance.
- iv. The Government of Kenya is committed to providing the enabling environment (including leadership, financing, coordination, policy, etc.) for a Shock Responsive Safety Net System to forecast shocks and manage emergency assistance to save lives and livelihoods.
- v. The Government of Kenya has established the NDMA to manage and deliver emergency assistance, established a legal framework, and developed operational guidelines for the National Drought Emergency Fund to support actions to save lives and livelihoods.
- vi. The global community has and continues to be essential in responding to shocks and meeting emergency needs.
- vii. Current and past responses to shocks have employed multiple systems by multiple actors that have led to inefficiencies and lack of transparency.
- viii. Improving the forecasting of shocks, coordination of assistance at national and county level, and delivery of emergency services at national, county and subcounty levels could significantly contribute to stabilizing Kenya's development trajectory by enhancing timely delivery of emergency services, saving resources (financial, human, physical), and improving resilience of at-risk populations.
- ix. An effective Shock Response Safety Net System will need the support and buy-in from the Government of Kenya (national and county levels), local communities, global partners, and community (public, private, non-governmental).

1.4 Design Process

The overall focus of this sub grant is to develop a Shock Responsive Safety Net System for Kenya. Central to this is a co-creation design process that will be co-led by NDMA on behalf of the GOK and a senior donor official representing non-GOK resource partners. The outcome of this design process will be a Program Document that will guide the establishment, financing, and implementation of a Kenya Shock Responsive Safety Net System.

To guide the design processes and decide on the core elements of the Program, it is proposed that a resource partners group composed of senior government and donor (resource) partners be established. The design process will include several phases, including the following.

1.4.1 Inception Phase

At the outset (inception) of the design process NDMA will establish a resource partners group to guide the design process. The resource partners group will review the concept paper that provides a vision for a Kenya Shock Responsive Safety Net System. A start up meeting will be held with the resource partners and technical team for the resource partners to agree on assignment's focus, scope and approach, and detailed work plan.

1.4.2 Stocktaking Phase

The purpose of the stocktaking phase is to take stock of the broad range of options and actions to deliver emergency assistance that are being used in Kenya and other parts of the world. During the stock taking phase stakeholder consultations will be held; a meeting of local, regional, and international experts will be held to gain an understanding of best practices, tools, and approaches for a Shock Responsive Safety Net System; analysis and modeling will be completed to inform safety net options and priorities. During the stock taking phase resource partners will provide the technical team with an analytical agenda to support program design to guide the technical team's analytical work.

1.4.3 Prepare Shock Responsive Safety Net Program Document Phase

The purpose of this phase is to build consensus and co-create a Shock Responsive Safety Net Program. The technical team will produce a document outline and table of contents with input from the resource partners. Resource partners will review evidence and agree on core components of a Shock Responsive Safety Net System, and review and agree on the scope, scale, trigger mechanism and timeline of a Shock Responsive Safety Net Program. During this phase a budget, financing plan and financing modalities will be prepared and reviewed.

1.4.4 Review, Approval Phase

The purpose of this phase is to provide an opportunity for wider stakeholder review. The program document will be subjected to validation by stakeholder representatives through conduct of several validation meetings or workshops as agreed during the inception process. During this phase resource partners will secure the review and input of their government and parent

agencies on the Program. Issues will be reviewed by the resource partners group and adjustments made as needed in the program document. Resource partners will be requested to approve the Shock Responsive Safety Net Program and provide an indication of the type and level of support, if any, they may provide.

1.4.5 Sensitization Phase

The purpose of this phase is to publicly increase awareness of the Kenya Shock Responsive Safety Net System among constituencies, beneficiaries, technical partners, and stakeholders in general. During this phase individuals and agencies that will have a role in implementing the Shock Responsive Safety Net System will be trained on key elements of the system.

1.5 Detailed Scope of Work

- I. Facilitate and support the engagement of a resource partners group, led by the Government of Kenya, to shape a shared vision for a Shock Response Safety Net System and guide the process to design and operationalize it.
- II. Organize Experts Meeting to review known tools, approaches, evidence, lessons, and emerging issues to inform the design of a Shock Response Safety Net System.
- III. Support NDMA in conducting stakeholder consultations at various levels to obtain input into the design of the Shock Responsive Safety Net System.
- IV. Review the NDMA existing capacity and systems to implement and manage a Shock Response Safety Net System, including: the National Drought Emergency Fund (NDEF), Drought Contingency Fund (DCF) supported by European Union (EU), the Operational Guidelines for the NDEF, national and county level capacity; and propose adjustments needed to align with and support a Shock Response Safety Net System.
- V. Develop a sensitization and training plan to strengthen capacity of national, county and subcounty entities engaged in delivering the Shock Response Safety Net System.
- VI. Undertake strategic analyses and modeling to address key questions and issues to inform priorities for the Shock Responsive Safety Net System.
- VII. Establish an institutional strengthening plan for NDMA to implement a Shock Response Safety Net System.
- VIII. Prepare a budget and a sustainable financing plan for the Shock Responsive Safety Net Program
- IX. Prepare implementation plan to operationalize the proposed Shock Responsive Safety Net Program.
- X. Draft program document and present to Resource Partners Group for feedback and approval.
- XI. Develop a Monitoring and Evaluation (M&E) framework that is continuous, adaptive, and actionable.
- XII. Prepare a policy brief for submission to the Ministry of East African Community (EAC), the ASALs and Regional Development and the Council of Governors (CoG).

1.6 Expected Outcomes

This assignment will contribute to:

- I. A GOK policy paper that defines the commitment of the GOK and partners to finance and implement the Shock Responsive Safety Net System.
- II. A GOK Program, owned and established by the GOK, which defines the Shock Responsive Safety Net System's goals and objectives, implementation modalities as well as the attendant GOK and partner financing arrangements, partnership strategy, and accountability modalities.
- III. Regulations and operational guidelines for the Shock Responsive Safety Net System. This may entail amendments to reflect on the flexibility on resourcing the NDEF based on PFM Act (2012), and/or creation of new laws and guidelines to allow the system to work.
- IV. A communication, sensitization, and training plan to strengthen capacity of national, county and subcounty entities engaged in delivering the Shock Response Safety Net System.
- V. An institutional strengthening plan for NDMA to implement a Shock Response Safety Net System

2 AWARD INFORMATION

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

	Grants
Projected number of grants to be awarded	1
Projected not-to-exceed amount of an individual grant	\$300,000
Currency in which grant will be issued and paid	USD
Anticipated period of performance of an individual grant (<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	

3 WHO CAN APPLY FOR A GRANT?

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

- 1) Should be officially licensed to do such business (Certificate of Incorporation/ Business Registration, Tax Compliance Certificate, Business permit, CR 12 Form, KRA PIN).
- 2) USAID SPP anticipates that each of the awards will be carried out by an organization, a firm or consortium of firms. Ideally, the entity demonstrates the following experience and expertise;

- i. In-depth understanding of dryland areas in Kenya and the regional context, including economic, social, and climate-related aspects.
- ii. In-depth understanding of the intergovernmental mode of government and public sector policy and planning in Kenya, specifically the policy and institutional set-up relating to ASALs development.
- iii. Experience in organizing and facilitating collaborative and inclusive review of complex multi-stakeholder consultation and planning mechanisms.
- iv. Communication and editing skills to support preparation of papers, policy briefs and presentations using multimedia tools, posters, charts, web pages, etc.
- v. Relevant cross-cutting areas, including specifically gender, youth and social inclusion, Climate mitigation/adaptation,
- vi. Private sector engagement in economic development, Financial and economic analysis.
- vii. Human-centered design, design thinking, systems thinking or other innovative approaches
- viii. Capacity building for experiential learning
- ix. Experience of working with development agencies including donors among others

4 EVALUATION CRITERIA

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

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

5 APPLICATION AND SUBMISSION INFORMATION:

5.1 Application Instructions

- 1) Applications must be submitted in English. (Word/Excel documents, font not smaller than Times New Roman size 12) and include the following elements:
- 2) Offeror 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.

Satisfactory records of performance history, integrity and business ethics

5.2 Submission Instructions

All applications and related documents should be submitted electronically by **Midnight, 1st March 2024** to trpgrants@strathmore.edu / careersbs@strathmore.edu

5.3 Administration of Grants

USAID SPP will administer grant awards in accordance with 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-](https://www.ecfr.gov/cgi-bin/text-idx?SID=cbb7305b43e022815d30aeaf7b642744&node=pt48.1.31&rgn=div5)

[dx?SID=cbb7305b43e022815d30aeaf7b642744&node=pt48.1.31&rgn=div5](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 / careersbs@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.

5.4 APPLICATION FORM & BUDGET INSTRUCTIONS

A. CAPABILITY AND TECHNICAL EXPERIENCE STATEMENT

Applicants to demonstrate capabilities and technical experience by providing the following:

1. Organization Overview with a cover page with contact information for follow up questions.
2. Statement of Opportunity- Provide a summary of the specific opportunity, challenge, or gap that this specific grant addresses, with specific emphasis on how the activity will build resilience to future shocks in the ASALs.
3. Project Description- Using the Application form provided (**ANNEX 1**), please indicate the project objective and list every activity, a brief Theory of Change statement, specific strategies to identify social inclusion gaps and how they can be addressed, provide a brief statement on how your organization plans to monitor and evaluate the success of this work, brief profile of the proposed project team members, and past performance information relevant to this activity.

B. COST/BUDGET

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

C. PAST PERFORMANCE/ REFERENCES

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

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