



TERMS OF REFERENCE

NAME OF PROJECT: PRIVATE SECTOR LED AGRICULTURE TRANSFORMATION INITIATIVE IN POLICY, PUBLIC PRIVATE DIALOGUE AND INSTITUTIONAL CAPACITY STRENGTHENING

CALL FOR EXPRESSION OF INTEREST: DEEP DIVE ON AGRICULTURAL FINANCING & INVESTMENT

Closing date: 26/03/2025

Contact:

**The Chief Executive Officer,
Agriculture Sector Network (ASNET)
P.O Box 46826 -00100
Nairobi, Kenya
Email: info@asnet.or.ke**

1. Introduction

Agriculture is the backbone of Kenya's economy, contributing 22% to GDP and supporting over 70% of rural livelihoods. However, financing challenges hinder productivity, value addition, and commercialization. Limited access to affordable credit, low private sector investment, and inefficiencies in financial policies prevent optimal sector growth. To address these challenges, ASNET, with support from GIZ under the AgSys Project, is conducting a Deep Dive Policy Analysis on Agricultural Financing & Investment to assess existing policies, identify gaps, and propose solutions for an enabling business environment.

This activity aligns with the broader Private Sector Led Agriculture Transformation Initiative implemented by ASNET to strengthen policy advocacy, enhance private sector participation, and create an enabling business environment for sustainable agricultural transformation.

2. Objectives of the Assignment

The primary objectives of this assignment are to:

- i. Compile existing agriculture financing policies and policy options
- ii. Conduct an in-depth policy analysis on agricultural financing, identify gaps, and assess their effectiveness.
- iii. Evaluate key challenges affecting access to credit and investment in the agriculture sector.
- iv. Identify opportunities for financial support through public-private partnerships, blended finance, and risk mitigation mechanisms. (Identify opportunities to enhance financial support)
- v. Develop evidence-based policy recommendations to improve financing mechanisms at national and county levels.
- vi. Strengthen stakeholder collaboration to develop innovative financing models that reduce risks and enhance investment in agriculture.
- vii. Align Kenya's agricultural financing strategies with regional (EAC, COMESA, AfCFTA) and global (SDGs, CAADP) frameworks.

3. Scope of Work

The consultant will undertake the following tasks:

3.1. Policy and Regulatory Analysis

- Compile a database of all existing agriculture financing policies and policy options
- Conduct a comprehensive review of agricultural financing policies, regulations, and frameworks.
- Assess policy implementation gaps, regulatory bottlenecks, and institutional weaknesses in agricultural financing.
- Identify inconsistencies between national and county-level agricultural finance strategies.
- Evaluate government financing instruments, including subsidies, credit guarantee schemes, and tax incentives.

3.2. Market and Investment Analysis

- Evaluate access to credit for smallholder farmers, cooperatives, and agribusinesses.
- Assess the role of commercial banks, microfinance institutions, SACCOs, and fintech in agricultural finance.
- Identify key barriers to private sector investment in agriculture and recommend solutions.

3.3. Stakeholder Mapping & Consultations

- Identify and map key stakeholders in agricultural financing, including financial institutions, policymakers, agribusinesses, and donors.
- Conduct stakeholder consultations, focus group discussions, and expert interviews.
- Organize roundtable meetings with MoALD, MITI, Council of Governors (CoG), financial institutions, and private sector actors.

3.4. Regional and Global Benchmarking

- Review best practices in agricultural financing from EAC, COMESA, SADC, and global markets.
- Analyze Kenya's alignment with international investment frameworks in agriculture.

3.5. Strategy and Recommendations

- Develop policy recommendations for enhancing agricultural financing.
- Provide strategic interventions for blended finance, PPPs, and risk mitigation.
- Align recommendations with national (ASTGS), regional (AfCFTA), and global (SDGs, CAADP) frameworks.
- Develop an Agricultural Finance & Investment Strategy Document.

4. Expected Deliverables

- i. Inception Report detailing methodology, work plan, and key focus areas.
- ii. Stakeholder Consultation Report summarizing key insights and findings.
- iii. Comprehensive Policy Analysis Report assessing agricultural financing policies, gaps, and opportunities.
- iv. Investment and Market Analysis Report evaluating financing models and private sector participation.
- v. Final Report with Policy Recommendations outlining strategic actions for improved agricultural financing and investment.
- vi. Presentation of Findings to ASNET and key stakeholders.

5. Methodology and Approach

The consultant will adopt a participatory and evidence-based approach, including but not limited to:

- i. Desk research and policy reviews.
- ii. Stakeholder engagement workshops and roundtable meetings.
- iii. Comparative analysis with global and regional best practices.

- iv. Quantitative and qualitative data analysis.

6. Timeline & Duration

The assignment will be conducted over a maximum of six weeks, with the following suggested key milestones (not conclusive):

Activity	Timeline
Inception Report & Work Plan	Week 1
Data Collection & Stakeholder Consultations	Week 2-3
Policy & Market Analysis	Week 3-4
Draft Report Submission	Week 5
Validation & Final Report Submission	Week 6

7. Qualifications & Experience

The consultant should have:

- i. Advanced degree in Economics, Finance, Agricultural Policy, or a related field.
- ii. Proven experience in policy analysis, agricultural finance, and investment advisory.
- iii. Strong understanding of Kenya's agricultural sector, financial markets, and regulatory environment.
- iv. Expertise in regional and global agricultural investment frameworks (AfCFTA, EAC, COMESA, SDGs, CAADP).
- v. Demonstrated ability to engage with high-level policymakers, financial institutions, and agribusiness stakeholders.

8. Reporting and Supervision

The consultant will report to ASNET's Secretariat and work closely with the Policy Advocacy and Research Office throughout the assignment.

9. Application Process

Interested consultants should submit:

- i. Technical proposal outlining approach, methodology, and work plan.
- ii. Financial proposal detailing consultancy fees and expenses.
- iii. CVs of lead consultants and relevant experience.
- iv. Sample of similar previous assignments.

10. Submission Process and Timeline

Proposal/Expression of Interest should be submitted to ceo@asnet.or.ke and copied to, winnie@asnet.or.ke by **26 March 2025 at 1700 hours EAT**. Only shortlisted applicants will be contacted.