REPUBLIC OF KENYA
MINISTRY OF CO-OPERATIVES AND MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT

STATE DEPARTMENT FOR MICRO, SMALL AND MEDIUM ENTRPRISES DEVELOPMENT

NATIONAL YOUTH OPPORTUNITIES TOWARDS ADVANCEMENT (NYOTA)

TERMS OF REFERENCE

CONSULTANCY SERVICES FOR DIGITAL TRAINING ON ACCESS TO GOVERNMENT PROCUREMENT OPPORTUNITIES (AGPO), UWEZO FUND, WOMEN ENTERPRISE FUND (WEF), YOUTH ENTERPRISE DEVELOPMENT FUND (YEDF), FINANCIAL INCLUSION FUND (HUSTLER FUND), AND COUNSTITUENCY INDUSTRIAL DEVELOPMENT CENTERS (CIDCs).

Introduction
Over the period 2010 to 2019, Kenya's economy achieved robust growth, averaging 5.0 percent per year. This sustained economic growth translated into improved living standards and a steady reduction in poverty, however a series of successive shocks including from the global pandemic, regional drought, commodity price volatility, and tightening of credit markets threatens this positive growth. For example, in 2020, poverty increased to an estimated 35.7 percent due to the impacts of COVID-19, before going back to the pre-pandemic level of 33.4 percent in 2022.6 Despite poverty being lower than the Sub-Saharan Africa average, it remains well above the LMICs average.

According to the 2019 population and Housing Census, Kenya is a young country with approximately 39 percent of its population of 47.6 million (in 2019) under the age of 15 years. A further 4 percent is over 65, leaving 27.1 million individuals (57 percent) of working age. Out of this group, some 8.3 million are inactive, with just 18.8 million (69 percent) in the labor force. The largest age cohort in Kenya is between 13 and 17 years of age and roughly one million youth will be joining the labor force each year over the next decade. This presents a tremendous opportunity for faster economic growth if we can improve labor force participation for these young population. In addition to unemployment, underemployment – working less than 28 hours a week – also presents a challenge, particularly for youth, women, those in rural areas, and those with lower levels of education. The World Bank estimates that Kenya is at the start of its demographic transition, and thus the government's policies regarding the productive employment of its young people will influence the country's future growth rates.

According to the 2014 Kenya Skills towards Employment and Productivity (STEP) Skills Survey, in urban Kenya, only 37 percent of women aged 20-24 work, compared to 60 percent of men. This is not explained by more women in education or training: only 77 percent of women in that age group, who are not in school or training, are looking for work or working, compared to 97 percent of men. Household and family responsibilities and gender norms, which affect mostly women's labor market decisions, help explain this gap

In order to address the mentioned challenges experienced by the youth, the GoK with financing credit from the World Bank is implementing the National Youth Opportunities Towards Advancement Project (NYOTA)

The National Youth Opportunities Towards Advancement Project (NYOTA) aims to increase employment, earnings and promote a savings for targeted youth at a national scale. The main beneficiaries of the proposed project will be youth between 18 to 29 years of age, PWDs up to 35 years age in all 47 Counties with little or no education who are unemployed, underemployed or in low tier employment with low earnings including 10,000 refugees and 10,000 vulnerable host communities. The level of education of targeted beneficiaries will be up to Form 4. An analysis of the country context indicates that this group—especially youth aged under 25— has unemployment rates that are more than twice as high as the unemployment rates for older workers, and critically, have a significantly higher incidence of low-productivity, low-paying jobs. Among women, as labor force participation profiles for Kenya show, these are also the critical years when women start to form a family and when they are most likely to drop out of the labor force altogether.

The NYOTA project has four components. Component 1 addresses youth employability by focusing on labor supply side constraints and offers skills training and intermediation related activities. Component 2 focuses on the labor demand side constraints and facilitates youth with aptitude for entrepreneurship with training on core business skills and provides them with seed money to start their businesses as well as support social enterprises to provide similar support to the hard to serve youth. Component 3 plans to improve youth supporting by helping increase opportunities for savings among targeted youth. Component 4 provides support for strengthening youth employment systems, capacity and project management.

Under sub component 4.2, the SD MSMEs Development will manage the process of intake, awareness raising on Government Procurement Opportunities, government funds (Uwezo Fund, WEF, YEDF, FIF (Hustler Fund)), and Constituency Industrial Development Centers and channeling of eligible project beneficiaries to appropriate services. A key element of the intake process will include sharing information on the funds, including AGPO. Anecdotal evidence, based on consultations with young people, suggests that a significant barrier to the access and use of these sources of financing relates to lack of information and understanding of the existence of the funds, requirements for accessing these funds, and the procedures for applying for these funds. To this end, the project will ensure that the young people registered in the project, regardless of the component to which they will be referred, will be provided with this information. As noted above, a comprehensive assessment of the barriers and constraints to young people making use of these funds will be undertaken and will inform future counselling and information-sharing on how best to access and use these resources.

SPECIFIC ASSIGNMENT AND OBJECTIVES

The main objective of this Consultancy is to develop and deliver digital training on Government funds, AGPO and CIDCs opportunities for youth through mobile telephone technology.

The role of the Consultant is to develop, customize, and disseminate digital training on accessing and benefitting from AGPO, Government Funds (YEDF, WEF, Uwezo, FIF) and CIDCs through mobile telephone technology (USSD, Apps, etc) and web based platforms that will equip project beneficiaries in the country with the knowledge and practical steps, including complementary actions, needed to start and register new businesses; undertake aspects of business improvement; and how to take advantage of Government opportunities.

The content should be based on a needs assessment of design and delivery and may include aspects of financial literacy, basic knowledge in procurement, registration of businesses, where and how to access portals where most procurement opportunities are posted in print or electronic media either by Central Government, County government, Ministerial County Development Agencies (MCDA), and Semi-Autonomous Government Authorities (SAGA) alongside possible opportunities and business networking under Private Public Partnerships (PPP).It should give the minimal conditions to access the opportunities FAQs in Procurement AGPO, Women Enterprise fund, Youth fund, Uwezo fund Financial Inclusion Fund and CIDCs. It should also highlight the various types and kinds prevailing in the funds Since most of these funds have independent secretariats, there should be links that leads the applicants to view any other information regarding the packages.

The digital delivery will be accessible nationwide targeting Kenyan youth. **A minimum target of 600,000 youth will receive the digital training** with activities to improve access through digital delivery for a period of 4 years, to eligible project beneficiaries: youth aged between 18 to 29 years of age, PWDs up to 35 years age. The targeted youth are those already in business as well as youth interested in starting businesses.

Targeted number of Youth to participate in the awareness on AGPO, Catalytic Fund and CIDCs shall be ***as follows;***

Target	**Period I (2024-25)**	**Period 2 (2025-2026)**	**Period 3 (2026-2027)**	**Period 4 (2027-2028)**
Quarterly Target	**50,000**	**62,500**	**62,500**	**50,000**
Cumulatively targeted	**50,000**	**250,000**	**250,000**	**50,000**

The State Department for MSMEs Development invites eligible consulting firms ("Consultants") to (i) develop digital training that meets the identified needs; (ii) deliver the digital training to targeted beneficiaries through web-based platforms and a toll free interactive mobile telephone platform operable for both simple and smart phones; (iii) develop final report.

Specifically, the objectives are to:

i. Conduct needs assessment on the targeted youth knowledge of the various Government funds, AGPO and CIDCs and document the gaps found. The needs assessment will cover the desired content, design and delivery required.

ii. Develop and customize digital training on entrepreneurship and business management that meets the needs of the selected beneficiaries.
iii. Develop a Digital Delivery Plan that will outline the objectives, content, timelines, methodology, implementation schedule and logistics; mode of delivery, ways to customize and tailor the content to the needs of the specific beneficiaries, and monitoring and evaluation.
iv. Implement the digital delivery sensitizations on AGPO, YEDF, WEF, Uwezo, FIF funds and CIDCs content to applicants. This will include communicating to the youth, delivery of the sensitization content, tracking progress and usage of the web-based platform and mobile telephone platform and producing a report for each activity.
v. Document lessons learnt and share with the State Department for MSMEs Development and other partners.

SCOPE OF WORK

a) Needs assessment

The Consultant will conduct a needs assessment to better understand the challenges experienced by youth in accessing government opportunities through AGPO, YEDF, WEF, Uwezo Fund, FIF and CIDCs. This assessment should cover the entrepreneurship and business management skills needed by targeted youth and the preferred mode of delivery.

b) Develop the Digital Training

Based on the results of the needs assessment, the Consultant shall develop the training curricula to be delivered through an interactive USSD mobile telephone platform operable for both simple and smart phones and or a web-based platform. The training should be scalable and tailorable. The State Department will be responsible for verifying that the training content and delivery mode meets the standards expected for the target group of beneficiaries.

The development will include several tests, including tests at a large scale with youth beneficiaries, in order to check for quality and completeness and ensure delivery (including language of instruction) is viable for the targeted beneficiaries. The SDMSMEs in liaison with AGPO Secretariat and catalytic Fund officers will advise on improvements to the content based on the pilot experiences and approve the content beforehand.

c) Pilot Test

Test the program with a selected group of youth beneficiaries to check for quality and completeness and ensure delivery (including language of instruction) is viable for the targeted beneficiaries. SDMSMEs will advise on improvements to the content based on the pilot experiences and approve the content beforehand.

d) Deliver the Digital Training

Based on the identified needs, the consultant will deliver content through an interactive mobile phone platform and or web-based platform. During implementation, the consultant will be expected to customize the content to the contextual and methodological needs of the beneficiaries/applicants. The total target beneficiaries are 600,000 youth. This will require the use of not just the mobile phone platform but also the web-based platform to increase the reach and allow a self-paced training for those who register. The Language should be English and Kiswahili and the content shall be openly available for selection.

DELIVERABLES

1) Needs assessment report to inform the Content and delivery mode(s).
2) Communication Plan for the Youth to be informed about the digital training.
3) Developed catalytic funds, AGPO and CIDCs content for Digital Delivery.
4) Pilot testing report with experiences and lessons learned.
5) Quality Control and quality assurance.
6) Weekly Report of progress of the youth beneficiaries indicating milestones achieved.
7) Weekly Report of usage (frequency and duration) of the web-based platform and mobile telephone platform by youth beneficiaries.
8) Periodic updates of the digital content over duration of the contract. Hand over the platform to State Department for MSMEs Development at the end of the period

KEY STAFF

Key staff to include 1) a team leader, 2) an expert on e-learning, 3) a communication specialist, and 4) a help desk supervisor to complement the digital delivery expert.

The Consultant interested in providing AGPO, Catalytic Fund and CIDCs Content Digital Delivery Services should have:

1. Experience in applying a digital platform for the delivery of learning content and has delivered digital content to a minimum of 100,000 users over the last two years (show proof, 2021 to present);
2. Minimum of 3 years' relevant experience and technical capacity to deliver learning material through mobile phone platforms to the targeted beneficiaries;
3. Undertaken a minimum of two assignments of similar nature in the past three years (2020 to the present); including at least one in Kenya;
4. Demonstration of ability to introduce and customize learning content based on the user and contextual needs of the beneficiaries; this means customizing content to suit web-based platform and mobile phone delivery.
5. Prior experience in providing content on procurement issues and catalytic fund or related field.

LOCATION

The assignment will be carried out to youth country wide. The digital training will be delivered to youth in all 47 counties, in urban and rural areas.

TIME FRAME AND CONTRACTING

The selection method is *Quality and Cost Based Selection* (QCBS). The Consultant will quote the cost per trainee based on all costs relating to the Digital Delivery of AGPO, Catalytic Funds and CIDCs.

The consultant shall report to the Principal Secretary, State Department for MSMEs Development. SDMSME reserves the right to terminate contracts for non-performance or emergent capacity constraints of the training provider.

The duration of this contract will be for a period of one (1) year, renewable subject to (1) successful delivery (as assessed by SDMSME); 2) availability of resources; 3) continued need; 4) suitability to and acceptance of changes in the TORs that SDMSMEs may decide to make.

OBLIGATIONS OF THE SDMSMEs

1. Verify that the digital training meets the standards expected for the target group of beneficiaries and advise improvements to the digital training based on the pilot experiences.
2. Supervise implementation of the digital training by the Consultant.
3. Review and provide feedback for modification of the training after the first 3 months of implementation and thereafter every 3 months
4. Monitor the progress under this activity and the satisfaction of beneficiaries – in complement to the monitoring performed by the Consultant.