Scope of Work

Consultant: Individual
Program: AgriFin Program
Scope of Project: Socio-Economic Research Consultant
Country: Kenya
From: 6th April 2023
To: 30th April 2023
Task Manager: Program Director
Technical Manager: Deputy Program Director

Mercy Corps Background

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action—helping people triumph over adversity and build stronger communities from within. Now, and for the future. As a global organization with programs in over 40 countries, we focus much of our advocacy on influencing governments, multi-lateral institutions as well as foundations and the private sector to improve relevant policies, practices and decisions in order to better help vulnerable communities lift themselves out of poverty.

Program Context

Nearly one and a half billion poor people live on less than US$1.25 a day. One billion of them live in rural areas where agriculture is their main source of livelihood. An estimated 70 million Small Holder Farmers (SHF) live in Sub Saharan Africa, over half of whom are women.

Smallholders, who typically farm two hectares or less, provide over 80% of the food consumed in a large part of the developing world, contributing significantly to poverty reduction and food security. However, increasing fragmentation of landholdings, especially in infrastructure, coupled with reduced investment support, growing competition for land and water, rising input prices and climate change threaten this contribution, leaving many smallholders increasingly vulnerable.

Given increasing world populations and demand for food, SHFs occupy an important segment of the global agricultural value chain. Multinational buyers will increasingly rely on smallholders to secure their supply of commodities and to help satisfy consumer sustainability preferences.

At an estimated $450 billion, the global demand for smallholder agricultural finance is large—and largely unmet. Credit provided by informal and formal financial institutions, as well as value chain actors, currently only meets an estimated USD 50 billion of the more than USD 200 billion need for smallholder finance in the regions of sub-Saharan Africa, Latin America, and South and Southeast Asia. Impact driven smallholder agricultural lenders, currently satisfy less than two percent of the demand. The volume and value of savings, lending and payment transaction SHFs in most African countries is not specifically measured.

Mobile phones are a powerful tool to access the electronic national retail payments system and enable vast numbers of clients to use a range of financial and informational services at lower cost. In
agriculture, progressively more services are being delivered via mobile phone. Applications now deliver direct specific, timely information on agricultural production methods to farmers through their mobile phones. Moving beyond one-to-one communication, there are internet- and SMS-based services that allows farmers to access inputs; access price information on different crops and provides a platform for smallholders to collectively sell crops and buy inputs, thereby lowering costs and accessing new markets.

We believe that digital innovation can revolutionize the way smallholders farmers feed the world, that’s why, based on years of learning and iterating, we built the AgriFin model to facilitate that process.

Launched in 2012, AgriFin’s primary target group is un-banked smallholder farmers living on less than USD 2 per day. Mobilizing a vast network of partners, AgriFin ensures that the needs of farmers inform the design of partner products and services. Our shared global context is challenging – climate variability and population growth present unprecedented challenges. Yet, our experience tells us that farmers are determined to beat the odds.

With access to the right tools, smallholder farmers can build the resilience they need against climate and emergency shocks and continue to feed their communities. We know that government and private sector partners are best suited to deliver those tools, and that technology is a critical accelerator. Our aim is to connect smallholder farmers to products and services that increase their productivity and income by 50%, with a 40% target population of Women and Youth.

**Purpose of Engagement**

The purpose of this assignment is to engage a Socio-Economic Research Consultant to conduct a study to enable AgriFin “get it right” before committing resources, time, or budget. The study should give AgriFin and other stakeholders a clear picture of the proposed area under investigation. The end result should be the development of a report providing actionable insights as inputs for future concept note development for a capacity-building framework targeting digital innovators in the Agricultural ecosystem.

**Scope of Work**

Under the direction of the AgriFin Program Director, the consultant will be responsible for the following key activities:

- **Outline the economic landscape through a critical review of the capacity-building sector for digital innovators in the Agricultural system in East Africa.**
- **Conduct a situational and gap analysis of the capacity-building sector for digital innovators in the agricultural ecosystem in Kenya outlining key barriers, opportunities, actors, and impact against relevant SDGs. This can include blended methodology to understand internal and external factors.**
- **Support the development of a high-quality feasibility study focusing on the resources needed, legal and regulatory framework, focusing on available timelines.**

This project implementation shall be fully consultative with key stakeholders and in close coordination with AgriFin program.
Deliverables

The consultancy is a continuation of providing AgriFin Program with the following deliverables, with specific timelines to be agreed in the approved consultant workplan: The consultant is expected to work for 5 days on this assignment.

Deliverables and Implementation Schedule

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<thead>
<tr>
<th>Deliverable #</th>
<th>Deliverable Description</th>
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<tr>
<td>Deliverable 1:</td>
<td>Research methodology and approach report</td>
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<td></td>
<td>• Two-page report outlining the research methodology and approach</td>
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<tr>
<td>Deliverable 2:</td>
<td>Final research study</td>
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<td>• Ten-page narrative report on the research study on specified questions listed in the scope of work and accompanying citations</td>
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Required Qualifications

1. Demonstrated experience with socio-economic research on digital services solutions.
2. Masters in economics and/or related social sciences required.
3. Strong written and oral communication and presentation skills in English, including report development, writing and editing.
4. Expertise in report and proposal writing.
5. Experience in research in the digital economy exemplified by previous work product for key stakeholders in the ecosystem.

Application Guidance:

Please send the following submittals to agrifinprocurement@mercycorps.org by 10:00 am EAT Monday, March 3, April 2023.

- Identification document
- Tax registration certificate
- Resume and cover letter.
- Proposed daily rate in Kenya shillings
Note that the lack of any of the above documents in your submission could result in disqualification.

**Ownership/Control of Work Product/Publication**

Matters relating to ownership and control of work product and publication of materials produced during course of this engagement are addressed in the main contract agreement entered into between Mercy Corps and the Consultant for performance of services for AgriFin Digital Farmer II.

**Authorship and Acknowledgement**

Matters relating to authorship and acknowledgment of any materials produced by the Consultant during the course of this engagement are addressed in the main contract agreement entered into between Mercy Corps and the Consultant/ consultancy firm for performance of services for AgriFin Digital Farmer II.

**Task Manager/Coordination/Reporting**

The Task Manager for this engagement is AgriFin’s Program Director. The consultant will direct all communications to the ADF Task Manager, with support of Deputy Program Director.

**Endnotes**

1. IFAD, Smallholders, food security, and the environment, 2013
7. Dalberg, 2012

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i IFAD, Smallholders, food security, and the environment 2013
iv Dalberg, 2013
v Dalberg, 2013
vii Dalberg, 2013