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Request for Proposal (RFP) for Consultancy Services: Financial Management

Introduction

Pepea is a EUR 20 million fund managed by Goodwell Investments on behalf of Oxfam Novib. The fund is proposed to invest in SMEs with high impact potential to support the growth of impact driven East African entrepreneurs. Pepea focuses on innovative, early-growth stage companies that are increasing the involvement of female stakeholders, creating new jobs, facilitating living wages, and reducing greenhouse gas emissions.

The Smallholder Safety Net Upscaling Programme (SSNUP) is a 10-year programme funded by the Ministry of Foreign and European Affairs of Luxembourg (MFEA) as Lead Donor and supported by Lux-Development, the Swiss Agency for Development and Cooperation (SDC), and the Liechtensteinischer Entwicklungsdienst (LED).

The programme aims to address issues related to smallholders' resilience and food insecurity by increasing the amount of private capital in local agrifood systems. It relies on the knowledge, experience, and network of impact investors (asset managers) in agriculture to identify technical assistance (TA) needs of the aggregators in agri-food systems and implement TA projects to respond to those issues. The aggregators/beneficiary organisations are agri-SMEs, farmer organisations, or financial intermediaries that are current or future investees of the impact investors.

Gaea Foods Ltd has been approved for under this program to enhance its operations and support its network of farmers. This RFP is issued by Goodwell Investments, investors in Gaea Foods, to strengthen the internal financial management processes of Gaea Foods and thus make it more sustainable (training, coaching, advising on financial practices aligned with ESG principles). We are seeking proposals from qualified consultants to support the business in the area of financial management.

Background

Gaea Foods is a pioneering female-founded and led business within Kenya's potato value chain. Founded in 1998, the company has evolved substantially from its origins as a sole proprietorship focused on trading ware potatoes to its current status as a leading potato processor with a vision for expansive growth. Gaea Foods directly sources potatoes from smallholder farmers, who often struggle with market access due to systems largely dependent on middlemen who may not ensure fair pricing. By incorporating direct linkages with farmers, Gaea Foods guarantees steady demand for farmers' produce and allows for flexible pricing aligned with market conditions. This dedication to improving the livelihoods of smallholder farmers involves increasing their yields, reducing post-harvest losses, ensuring reliable supply chains and paying suppliers reliably. Gaea Foods is now seeking qualified consultants to provide expertise and help implement the approved SSNUP (Smallholder Safety Net Upscaling Programme) project as discussed below.

Project Purpose and Goals

The SSNUP (Smallholder Safety Net Upscaling Programme) project, supported by ADA Microfinance, is designed to enhance the operations of Gaea Foods and support its network of smallholder farmers. Three key objectives of the project are:

1. **Strengthening the Safety Net of Smallholder Households:**
 - Ensure steady demand and fair pricing for the produce of smallholder farmers by reducing their reliance on middlemen. This will provide farmers with more stable and predictable income.
 - The project will include farmer training to promote product quality consistency and enhance technical know-how, leading to better yields and improved livelihoods.
2. **Strengthening Agricultural Value Chains:**
 - The project aims to optimize the potato value chain from seed provision to market delivery. This involves enhancing seed quality, agricultural practices, and market access to transform potato farming into a more robust economic driver, promising enhanced food security and increased GDP contribution.
3. **De-risking or Increasing Investments in the Agricultural Sector:**
 - The project will focus on strengthening the systems, structures, and capacity of Gaea Foods to ensure its continuity and resilience. By adopting robust practices and establishing strong organizational frameworks, the project will mitigate risks and enhance operational efficiency.

Gaea Foods seeks qualified consultants to assist in implementing the approved SSNUP project, providing expertise in financial management. This assistance will help Gaea Foods achieve the project's goals, drive sustainable development in the agricultural sector, and support the livelihoods of smallholder farmers in Kenya.

Scope of Work: Financial Management Consultancy

Objective: Establish robust financial management systems within Gaea Foods' finance department to ensure effective financial management and reporting.

1. **Financial Systems and Compliance:**
 - Review the investor's financial due diligence report and recommend an implementation plan to close gaps identified in historical and future financial statements.
 - Review and update the finance manual including policies to optimize net working capital management.
 - Streamline tax procedures for compliance; provide guidance on tax planning and management.
 - Support IFRS implementation for SMEs; provide training on IFRS compliance.
2. **Operations and Reporting:**
 - Design and implement templates for financial reporting and budgeting the board and investors.
 - Assist in setting up an accurate assets register; implement procedures for regular review and reconciliation.
 - Ad hoc supervision of daily finance operations, including financial transactions and reconciliations.

- Analyse and make recommendations on information (including accounting) system required by the company.
- 3. **Capacity Building:**
 - Coach senior management on key financial management areas of focus for non-financial managers.
 - Train and support the newly hired accountant in implementing finance manuals, accounting, and reporting systems.
 - Provide on-the-job and practical training to enhance the skills and competencies of the finance team.
 - Identify skills gaps and hiring recommendation in the finance department for the next two years

Deliverables: The consultancy period will involve a 6-month implementation plan, followed by a monitoring and evaluation plan to be tracked by management post implementation. The consultant will be required to provide an interim report mid-way through the consultancy and a final report at the end of the consultancy.

Selection Criteria

- Proven track record in supporting financial management systems for SMEs with expertise in training and capacity-building for finance teams.
- Expertise in financial management, accounting, reporting systems, finance manuals, templates, and tax compliance.
- Experience in supporting daily finance operations, including financial transactions and reconciliations.
- Ability to provide training and support to newly hired staff.

Submission Details

- Company profile.
- Relevant experience and track record including list of similar companies worked with.
- Proposed methodology and Work plan.
- Team composition and CVs of key personnel.
- Financial proposal (including cost breakdown) and terms of payment.
- References from previous clients.

Submission Deadline

Proposals must be submitted no later than **11th October 2024** to anne@goodwell.nl and jennifer@goodwell.nl

Contact Information

For queries or further information, please contact:

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Conclusion

We look forward to receiving comprehensive proposals from qualified consultants who can contribute to the success of the programme and the enhancement of Gaea Foods' operations. Thank you for interest in partnering with us to support smallholder farmers and drive sustainable development.