



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND ECONOMIC PLANNING
P. O. BOX 30007-00100
NAIROBI

REQUEST FOR EXPRESSIONS OF INTEREST (REOI)

FOR

PROVISION OF BANKING SERVICES FOR MAINTAINANCE OF
RURAL CREDIT GUARANTEE SCHEME (R- CGS) EURO BANK
ACCOUNT AND KSH SUB ACCOUNT FOR RURAL KENYA
FINANCIAL INCLUSION FACILITY (RK-FINFA)

REF No: 2000004121 and No 2000004122

REOI NO. RKFIFNA /REOI/NCB/02/2023 - 2024

Issued on:26.03. 2024

CLOSING DATE:25.04.2024 AT 11.00 AM.

Instructions to Consultants

Reference Number: 2000004121 and No: 2000004122 **Date 26.3.2024**

Provision of Banking Services for Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro Bank Account and Ksh Sub Account for the Rural Kenya Financial Inclusion Facility (RK-FINFA)

1. The Government of the Republic of Kenya has received financing from the International Fund for Agricultural Development (IFAD) towards the implementation of the Rural Kenya Financial Inclusion Facility (RK-FINFA) project and intends to apply part of the proceeds under the loan to implement the Rural Credit Guarantee Scheme (R-CGS) Rural Investment Instrument. The R-CGS is designed as a sustainable financing vehicle which can utilize resources from the Government and from interested international financiers to unlock private investment into Kenya's agricultural and agribusiness sector at attractive market terms through Kenyan financial institutions.

The use of any IFAD financing shall be subject to IFAD's approval, pursuant to the terms and conditions of the financing agreement, as well as IFAD's rules, policies and procedures. IFAD and its officials, agents and employees shall be held harmless from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any party in connection with the Rural Kenya Financial Inclusion Facility (RK-FINFA) project.

2. This Request for Expressions of Interest (REOI) follows the general procurement notice that appeared in MyGov newspaper on 28th February 2023, on the IFAD website and on UNDB on 1st March 2023. The REOI was advertised in MyGov newspaper, the National Treasury website www.treasury.go.ke and the Public Procurement Information Portal www.tenders.go.ke on 28th March 2023.
3. The client now invites expressions of interest (EOIs) from legally constituted consulting firms (not individual consultants) ("consultants") to provide **Provision of Banking Services for Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro Bank Account and Ksh Sub Account for the Rural Kenya Financial Inclusion Facility (RK-FINFA)** More details on these consulting services are provided in the preliminary terms of reference (PTOR) attached as **Annex 1**. The consultant may sub-contract selected activities provided that said services do will not exceed 20% of the total consultancy work.
4. Before preparing its EOIs, the consultant is advised to review the preliminary terms of reference attached as **Annex 1**, which describe the assignment and **Annex 2** that details the evaluation of the technical qualifications.
5. The consultant shall not have any actual, potential or reasonably perceived conflict of interest. A consultant with an actual, potential or reasonably perceived conflict of interest shall be disqualified unless otherwise explicitly approved by the Fund. A consultant including their respective personnel and affiliates are considered to have a conflict of interest if they a) have a relationship that provides them with undue or

undisclosed information about or influence over the selection process and the execution of the contract, b) participate in more than one EOI under this procurement action, c) have a business or family relationship with a member of the client's board of directors or its personnel, the Fund or its personnel, or any other individual that was, has been or might reasonably be directly or indirectly involved in any part of (i) the preparation of this expression of interest, (ii) the selection process for this procurement, or (iii) execution of the contract. The consultant has an ongoing obligation to disclose any situation of actual, potential or reasonably perceived conflict of interest during preparation of the EOI, the selection process or the contract execution. Failure to properly disclose any of said situations may lead to appropriate actions, including the disqualification of the consultant, the termination of the contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Projects and Operations¹.

6. All consultants are required to comply with the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations (hereinafter, "IFAD's Anticorruption Policy") in competing for, or in executing, the contract.
 - a. If determined that a consultant or any of its personnel or agents, or its sub-consultants, sub-contractors, service providers, suppliers, sub-suppliers and/or any of their personnel or agents, has, directly or indirectly, engaged in any of the prohibited practices defined in IFAD's Anticorruption Policy or integrity violations such as sexual harassment, exploitation and abuse as established in IFAD's Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse² in competing for, or in executing, the contract, the EOI may be rejected or the contract may be terminated by the client.
 - b. In accordance with IFAD's Anticorruption Policy, the Fund has the right to sanction firms and individuals, including by declaring them ineligible, either indefinitely or for a stated period of time, to participate in any IFAD-financed and/or IFAD-managed activity or operation. A debarment includes, *inter alia*, ineligibility to: (i) be awarded or otherwise benefit from any IFAD-financed contract, financially or in any other manner; (ii) be a nominated sub-contractor, consultant, manufacturer, supplier, sub-supplier, agent or service provider of an otherwise eligible firm being awarded an IFAD-financed contract; and (iii) receive the proceeds of any loan or grant provided by the Fund. The Fund also has the right to recognize debarments issued by other international financial institutions in accordance with its Anticorruption Policy.
 - c. Consultants and any of their personnel and agents, and their sub-consultants, sub-contractors, service providers, suppliers, sub-suppliers and any of their personnel and agents are required to fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to this selection process or the execution of the contract and to have such accounts, premises, records and documents audited and/or inspected by auditors and/or investigators appointed by the Fund.
 - d. Consultants have the ongoing obligation to disclose in their EOI and later in writing as may become relevant: (i) any administrative sanctions, criminal convictions or

¹ The policy is accessible at www.ifad.org/anticorruption_policy.

² The policy is accessible at <https://www.ifad.org/en/document-detail/asset/40738506>.

temporary suspensions of themselves or any of their key personnel or agents for fraud and corruption, and (ii) any commissions or fees paid or to be paid to agents or other parties in connection with this selection process or the execution of the contract. As a minimum, consultants must disclose the name and contact details of the agent or other party and the reason, amount and currency of the commission or fee paid or to be paid. Failure to comply with these disclosure obligations may lead to rejection of the EOI or termination of the contract.

- e. Consultants are required to keep all records and documents, including electronic records, relating to this selection process available for a minimum of three (3) years after notification of completion of the process or, in case the consultant is awarded the contract, execution of the contract.
7. The Fund requires that all beneficiaries of IFAD funding or funds administered by IFAD, including the client, any consultants, implementing partners, service providers and suppliers, observe the highest standards of integrity during the procurement and execution of such contracts, and commit to combat money laundering and terrorism financing consistent with IFAD's Anti-Money Laundering and Countering the Financing of Terrorism Policy.³
8. **Procedure:** the selection process will be conducted using **QCBS** as laid out in the IFAD Procurement Handbook that can be accessed via the IFAD website at www.ifad.org/project-procurement. The client will evaluate the EOIs using the criteria provided in **Annex 2**. The shortlisted consultant(s) will be provided with the detailed TORs and asked to submit a detailed technical and financial offer. The evaluation will include a review and verification of qualifications and past performance, including a reference check, prior to the contract award.
9. Consultants may associate with other firms to enhance their qualifications but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.
10. Any request for clarification on this EOI including the TOR should be sent via e-mail to the address below procurement@treasury.go.ke, procurement.rkfinfa@treasury.go.ke not later than 3rd April 2024. The client will provide responses to all clarification requests by 5th April, 2024
11. **Submission Procedure:** please submit your expression of interest using the forms provided for this purpose. Your EOI should comprise one (1) original copy of each EOI form annexed to this document. EOIs shall be submitted to the address below no later than 25th April 2024
12. Completed Expression of Interest documents enclosed in a plain sealed envelope clearly marked "REOI for Provision of Consultancy Services for Management Information Systems for the Rural Kenya Financial Inclusion Facility (RK-FINFA)" and addressed to: -

The Principal Secretary
The National Treasury
Rural Kenya Financial Inclusion Facility (RK-FINFA) project

³ The policy is accessible at <https://www.ifad.org/en/document-detail/asset/41942012>.

Reinsurance Plaza
Aga Khan Walk/ Taifa Road
7th Floor,
P.O BOX 30007-00100,
Nairobi, Kenya
[Tel:+254-203225000](tel:+254-203225000) EXT 138,144
Email: procurement@treasury.go.ke ,
procurement.rkfinfa@treasury.go.ke

and be deposited in the Tender Box provided at the Reinsurance Plaza Building, 7th Floor, Aga Kahn Walk/ Taifa Road, Nairobi, so as to be received on or before 25th April, 2024. at 1100 hours, Kenyan Time.

The Expression of Interest will be opened immediately after the closing date and time in the presence of candidates or their representatives who choose to attend at the Reinsurance Plaza , Aga Kahan Walk/ Taifa Road , Nairobi, Board Room on 7th Floor on 25.04.2024 at 1100 hours, Kenyan Time.

**HEAD, SUPPLY CHAIN MANAGEMENT SERVICES.
FOR: PRINCIPAL SECRETARY / NATIONAL TREASURY**

Form EOI-1
EOI Submission Form

[Location, date]

[Authorized official]

**Re: Consulting Services for Provision of Banking Services for
Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro
Bank Account and Ksh Sub Account for the Rural Kenya
Financial Inclusion Facility (RK-FINFA)**

Ref: 2000004121 and No: 2000004122

We, the undersigned, declare that:

1. We are expressing our interest in providing the consulting services for the above-mentioned assignment and have no reservations to the REOI, the instructions to the consultants and any addenda thereto.
2. Our expression of interest is open for acceptance for a period of ninety (90) days.
3. Our firm, its associates, including any subcontractors or suppliers for any part of the contract, have not been declared ineligible by the Fund and have not been subject to sanctions or debarments under the laws or official regulations of the client's country or not been subject to a debarment recognized under the Agreement for Mutual Enforcement of Debarment Decisions (the "Cross-Debarment Agreement")⁴, beyond those declared in paragraph 9 of this EOI submission form.
4. We acknowledge and accept the IFAD Revised Policy on Preventing Fraud and Corruption in its Activities and Operations. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any prohibited practices as provided in ITC Clause 6. Further, we acknowledge and understand our obligation to report to anticorruption@ifad.org any allegation of prohibited practice that comes to our attention during the selection process or the contract execution.
5. No attempt has been made or will be made by us to induce any other consultant to submit or not to submit an EOI for the purpose of restricting competition.

⁴ The Cross-Debarment Agreement was entered into by the World Bank Group, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, additional information may be located at: <http://crossdebarment.org/>.

6. We acknowledge and accept the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any sexual harassment, sexual exploitation or abuse. Further, we acknowledge and understand our obligation to report to ethicsoffice@ifad.org any allegation of sexual harassment, sexual exploitation and abuse that comes to our attention during the selection process or the contract execution.

7. The following commissions, gratuities, or fees have been paid or are to be paid with respect to the selection process: *[Insert complete name of each recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity.]*

Name of Recipient	Address	Reason	Amount	Currency

(If none has been paid or is to be paid, indicate “none.”)

8. We declare that neither our consulting firm nor any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners have any actual, potential or perceived conflict of interest as defined in ITC Clause 5 regarding this selection process or the execution of the contract. *[insert if needed: “other than the following:” and provide a detailed account of the actual, potential or perceived conflict].* We understand that we have an ongoing disclosure obligation on such actual, potential or perceived conflicts of interest and shall promptly inform the client and the Fund, should any such actual, potential or perceived conflicts of interest arise at any stage of the procurement process or contract execution.

9. The following criminal convictions, administrative sanctions (including debarments) and/or temporary suspensions have been imposed on our consulting firm and/or any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners:

Nature of the measure (i.e., criminal conviction, administrative sanction or temporary suspension)	Imposed by	Name of party convicted, sanctioned or suspended (and relationship to the consultant)	Grounds for the measure (i.e., fraud in procurement or corruption in contract execution)	Date and time (duration) of measure

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If no criminal convictions, administrative sanctions or temporary suspensions have been imposed, indicate "none".

10. We acknowledge and understand that we shall promptly inform the client about any material change regarding the information provided in this EOI submission form.
11. We further understand that the failure to properly disclose any of information in connection with this EOI submission form may lead to appropriate actions, including our disqualification as consultant, the termination of the contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Projects and Operations.
12. We understand that you are not bound to accept any EOI that you may receive.

[Authorized signatory]

[Name and title of signatory]

[Name and address of firm]

Form EOI-2
Organization of the Consultant/institution

**Re: Consulting Services for Provision of Banking Services for
Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro
Bank Account and Ksh Sub Account for the Rural Kenya
Financial Inclusion Facility (RK-FINFA)**

Ref: 2000004121 and No: 2000004122

[Provide a brief description of the background and organization of your firm/entity and of each associated firm for this assignment. Include the organization chart of your firm/entity. The EOI must demonstrate that the consultant has the organizational capability and to carry out the assignment. The qualifications document shall further demonstrate that the consultant has the capacity to field and provide experienced replacement personnel on short notice. Key staff CVs are not required at the shortlisting stage.]

Name of the firm	
Date of establishment	
Country of registration	
Full address of the firm	
Focal point: name, position, contact information (telephone, email):	Name:
	Tel:
	Email:
Number of branches in the country	
Country(ies) of operations with number of branches in each country	
Number of full-time employees	
Number of part-time employees	
Field(s) of expertise of the firm	
Number of professional staff with experience related directly to the	

assignment	
Subsidiary and associated companies <i>(wherever applicable)</i> : (details in the following format to be provided for all associates) – (i) Name of the company (ii) Nature of business (iii) Address of the company (iv) Website of the company (v) Brief description of company (maximum of 120 words)	
Any other information that the consultant would like to add:	

Maximum

10

pages

Form EOI-3
Experience of the Consultant

Re: Consulting Services for Provision of Banking Services for Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro Bank Account and Ksh Sub Account for the Rural Kenya Financial Inclusion Facility (RK-FINFA)

Ref: 2000004121 and No: 2000004122

[Using the format below, provide information on each relevant assignment for which your firm, and each associate for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under the preliminary terms of reference included in this EOI. The EOI must demonstrate that the consultant has a proven track record of successful experience in executing projects similar in substance, complexity, value, duration, and volume of services sought in this procurement.]

Maximum 20 pages]

Assignment name:	Approx. value of the contract (in current US\$):
Country: Location within country:	Duration of assignment (months):
Name of client:	Total No. of staff-months of the assignment:

Address, and contact details (including email address(es)):	Approx. value of the services provided by your firm under the contract (in current US\$):
Start date (month/year): Completion date (month/year):	No. of professional staff-months provided by associated consultants:
Name of associated consultants, if any:	Name of proposed senior professional staff of your firm involved and functions performed (indicate most significant profiles such as project director/coordinator, team leader):
Narrative description of project:	
Description of actual services provided by your staff within the assignment:	

Name _____ of _____ Firm: _____

ANNEX 1

for the Rural Kenya Financial Inclusion Facility PRELIMINARY TERMS OF REFERENCE

Re: Consulting Services for Provision of Banking Services for Maintenance of Rural Credit Guarantee Scheme (R-CGS) Euro Bank Account and Ksh Sub Account (RK-FINFA)

Ref: 2000004121 and No: 2000004122

Introduction

Rural Kenya Financial Inclusion Facility (RK-FINFA) is a six-year development project financed jointly by the International Fund for Agricultural Development (IFAD) and the Government of Kenya (GoK). RK-FINFA supports the transformation of rural and smallholder agriculture sector through private sector-led development by improving the access of the smallholder farmers and rural micro, small and medium enterprises to appropriate financial services. The project works with financial institutions to expand the volumes and outreach of their agricultural and rural operations across Kenya. It consists of three interlinked components: (a) Component 1: Technical Support and Innovation Services (TSIS); (b) Component 2: Rural Investment Instruments; and Component 3: Enabling Rural Finance Environment and Project Coordination.

The Assignment

The Government of the Republic of Kenya has received financing from the International Fund for Agricultural Development (IFAD) towards the implementation of the Rural Kenya Financial Inclusion Facility (RK-FINFA) project and intends to apply part of the proceeds under the loan to implement the Rural Credit Guarantee Scheme (R-CGS) Rural Investment Instrument. The R-CGS is designed as a sustainable financing vehicle which can utilize resources from the Government and from interested partnering financiers to unlock private investment into Kenya's agricultural and agribusiness sector at attractive market terms through Kenyan financial institutions.

In the implementation of the R-CGS subcomponent, RKFIFA is required to deposit credit guarantee funds of about Euro 4.5 (Ksh 675 million) million with a commercial bank acceptable to IFAD and the Government. The Euro amount will be disbursed in two tranches. The deposit shall be in the form a competitively rewarded Euro denominated bank account. The Euro Account will have a Kenya Shillings (Ksh) denominated sub account. The Amount of the Ksh deposit is expected to be about Ksh 1.4 billion by the end of the Project life. The total inflows for the account is estimated at about Ksh 2 billion by the end of the Project life. The balances at the sub-account shall also be a competitively rewarded. The Ksh account shall take the form of current account. The duration of the bank account(s) shall be in line with the Project closure date

of 31 December 2028 or as otherwise advised. For the said bank accounts and duration, RKFIFA reserves the right to determine account(s) balances and tenure. There shall be no limitation to GoK (RKFIFA) closing the bank account as and when may be demanded.

The Bank shall not have any actual, potential or reasonably perceived conflict of interest. A Bank with an actual, potential or reasonably perceived conflict of interest shall be disqualified unless otherwise explicitly approved by IFAD. A Bank including their respective personnel and affiliates are considered to have a conflict of interest if they a) have a relationship that provides them with undue or undisclosed information about or influence over the selection process and the execution of the contract, b) participate in more than one EOI under this procurement action, c) have a business or family relationship with a member of the Procuring Entity or its personnel, the Fund or its personnel, or any other individual that was, has been or might reasonably be directly or indirectly involved in any part of (i) the preparation of this REOI, (ii) the shortlisting or selection process for this procurement, or (iii) execution of the contract. The Bank has an ongoing obligation to disclose any situation of actual, potential or reasonably perceived conflict of interest during preparation of the EOI, the selection process or the contract execution. Failure to properly disclose any of said situations may lead to appropriate actions, including the disqualification of the Bank, the termination of the contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Projects and Operations

Successful bidders at REOI will be evaluated based on the following criteria;

1. Licensing and compliance status: Bidders must be a commercial bank holding a valid banking license from the Central Bank of Kenya (CBK) as at the date of bid submission.
2. Interest Rates: the interest rates quoted by different banks will be compared to determine the highest potential return on R-CGS deposits. RKFIFA preference is on the highest returns on the R-CGS deposits.
3. Reputation and Stability: The bank should be in good regulatory standing with CBK. Bidders are encouraged to attach most recent audited annual report under this criterion.
4. Customers Deposit: Minimum customers deposit of Kenya Shillings 200 Billion required

ANNEX 2
Qualification and Evaluation Criteria

Item	Criteria	Points
The following is the shortlisting criteria		
1	Licensing and compliance status: Bidders must be a commercial bank holding a valid banking license from the Central Bank of Kenya (CBK) as at the date of bid submission	20
2	Interest Rates: the interest rates quoted by different banks will be compared to determine the highest potential return on R-CGS deposits. RKFIFA preference is on the highest returns on the R-CGS deposits	35
3	Reputation and Stability: The bank should be in good regulatory standing with CBK. Bidders are encouraged to attach most recent audited annual report under this criterion.	20
4	Customers Deposit: Minimum customers deposit of Kenya Shillings 200 Billion required	25
	Total Points	100
	Minimum points required to pass	80 points