



ToR: Strategy/Aug25/001

TERMS OF REFERENCE FOR DEVELOPMENT OF SME DEVELOPMENT PROGRAM ON SME SUPPORT ON MODERN TRADE MARKET ACCESS

I. BACKGROUND

Established in 1959, Kenya Association of Manufacturers (KAM) is a representative of manufacturing and value-add industries in Kenya. The Association has grown into a dynamic, vibrant and credible Association that unites industrialists and offers a common voice for businesses.

We have been in the forefront of driving fact-based policy advocacy towards the formation of industrial policies to strengthen and support the country's economic development. Through fact-based advocacy, KAM partners with Government and its associated agencies to ensure a dynamic and flourishing manufacturing sector in Kenya, to realize a double-digit contribution to GDP.

KAM members are categorized into 14 sectors, 13 of which are in processing and value addition while the other one offers essential services to enhance formal industry. Sub-sectors are defined by the type of raw materials companies import or the products they manufacture.

The Association also plays a crucial role in advocating the government to create an environment conducive to entrepreneurship and SME development to secure the future of industry. About 44% of our members are SMEs. KAM, therefore, sets out to provide strategic leadership in supporting Manufacturing SMEs towards inclusive global competitiveness. To achieve this, KAM has the SME development Subunit which offers value added services to growth oriented and market ready manufacturing SMEs. The SME Subunit is geared towards preparing, nurturing, and growing businesses to take full advantage of new emerging market frontiers both locally and internationally with the aim of fostering the development of a flourishing entrepreneurial culture and competitive small and medium manufacturers in Kenya and in the region.

2. RATIONALE

The crucial role of MSMEs is underscored in Kenya's Vision 2030 - the development blueprint which seeks to transform Kenya into an industrialized middle-income country, providing a high-quality life to all its citizens by the year 2030. The MSME sector has been identified and prioritized as a key growth driver for the achievement of the development blueprint.

Micro and Small Enterprises (MSEs) contribute about 12% of the Gross Domestic Product (GDP), employ millions of adult Kenyans and consume and pay for publicly funded services through licenses and taxes.

MSMEs employ approximately 14.9 million Kenyans with unlicensed enterprises contributing 57.8 per cent. Paid employees in licensed businesses were about four million. Overall, the sector accounted for 81.1 per cent of employment opportunities in the country.

KAM, therefore, seeks to ensure the growth of manufacturing MSMEs by developing a program that aims to support SMEs in accessing a variety of market channels therefore KAM seeks the services of a consultant to provide technical assistance as follows:

3.0 SCOPE OF THE ASSIGNMENT

3.1 Overall Objective.

To review, enhance, and develop the Market Access Program to ensure its relevance, effectiveness, and alignment with KAM's strategic initiative of SME Development as well as the partner(s) impact objectives/goals. The assignment will ensure the integration of impactful initiatives that promote SME competitiveness and sustainable access to markets.

3.2 Specific Objectives

- i. Design and Validation of Program Activities: Develop and validate key program activities, including SME capacity-building initiatives and strategic partnerships with modern trade players.
- ii. Development of Monitoring and Evaluation (M&E) Framework: Establish robust program evaluation metrics and frameworks from baseline, midline, to endline stages. This should also include mechanisms for post-program impact assessment to determine long-term success and sustainability, even beyond the program timeline. In addition, design program tools to track the metrics.
- iii. Budget Planning: Draft preliminary budgets for core program activities, ensuring alignment with the overall program objectives and within available financial constraints.
- iv. Stakeholder Mapping: Identify and recommend key implementation partners, including public and private sector stakeholders, who will support the effective delivery and scaling of the program.

3.3 Deliverables

- i. Inception Report: Outlining the understanding of the assignment, proposed methodology, work plan, and timelines.
- ii. Validated Program Framework: A detailed document presenting reviewed and enhanced program components, including SME support initiatives and modern trade engagement strategies.
- iii. Monitoring & Evaluation (M&E) Framework: A comprehensive M&E plan with key indicators, data collection tools, and timelines covering baseline, midline, endline, and post-program evaluation phases.
- iv. Activity-Based Budget Estimates: Draft budgets for key program activities, aligned with the program objectives and budget ceilings.
- v. Stakeholder Mapping and Engagement Plan: A detailed list of recommended partners (public, private, and development actors) with proposed roles and engagement approaches.

- vi. Final Program Report: A consolidated report integrating all program components, validated findings, recommendations, and final versions of all deliverables.

4.0 DURATION OF THE ASSIGNMENT

The assignment should be completed within 20 working days after contract signing.

5.0 REPORTING.

The consultant will be directly reporting to the Head of Strategy

6.0 QUALIFICATION AND EXPERINCE

The consultant should be a holder of a postgraduate degree, entrepreneurship or development studies or economics or strategic management from a recognized University or have experience working in the manufacturing sector.

He/She should have over 10 years' experience in developing and institutionalizing SME development programmes within Kenya or globally.

The consultant also needs to demonstrate ample experience in designing and institutionalizing programmes for assisting SMEs to develop market strategies for their business development.

The consultant also needs to demonstrate ample experience and knowledge of public policy relevant to the manufacturing sector.

7.0 Application for consultancy

Interested consultants are requested to submit a soft copy of the proposal (technical and financial to procurement@kam.co.ke) by 21st **August 2025** and the reference the email subject to "**CONSULTANCY FOR THE DEVELOPMENT OF SME PROGRAM ON SME SUPPORT ON MODERN TRADE MARKET ACCESS**"

1. Technical proposal

- i. Description of the firm and the firm's qualifications (where applicable)
- ii. Copy of company certificate of incorporation (where applicable)
- iii. Copy of Company CR12 ((where applicable)
- iv. Statutory KRA PIN and VAT certificate copies (where applicable)
- v. A valid Tax compliance certificate
- vi. Brief description of Understanding of the requirements for services, including assumptions
- vii. Proposed approach and methodology
- viii. Executive brief of relevant similar projects undertaken in the past 2 years.

2. Financial proposal

- i. A summary of the price.
- ii. The period of its validity.

Note:

- Technical and financial proposal should be presented separately
 - For individual consultant, please submit individual pin certificate as well as valid tax certificate
3. **Curriculum Vitae and two recommendations:** - should contain CVs for all Consultants involved in the Consultancy

Please note that only successful bidders will be contacted.

ENDS