

INVITATION TO TENDER**Project: Policy and Infrastructure****Contract: Scoping of green and sustainable business models for the youth in 14 counties under the green finance for youth employment (GFYE) project**

The Financial Sector Deepening Trust (FSD Kenya) invites you to submit a tender for the above contract in accordance with the attached terms of reference.

1. Tenders may be submitted in any format and should encompass:

- a **A brief profile** of the consultant/firm highlighting relevant work specific to this assignment.
- b **Team composition**, role and experience
- c **Description of approach and methodology** for the assignment including work and deliverable schedule.
- d **Proposed level of effort** for each team member (specifying time in-country and off-site).
- e **Curriculum vitae** of proposed team members highlighting relevant experience relevant to this work and related references
- f **Breakdown of consultancy fee** to be submitted separately in line with clause 2.2
- g **Breakdown of reimbursable expenses** by activity to be submitted separately in line with clause 2.2.

2. Deadline for receipt of tenders

- 2.1 Your tender must be received **4:00pm, (East Africa Time), on 18th February 2026 and should be valid for 6 months. Tenders received after the due time and date will not be accepted.** Tenders should be submitted by e-mail using the addresses provided. Tender documents should be as concise as possible and should not exceed a total of **15 pages (excluding annexes).**
- 2.2 The technical and financial proposals should be submitted separately to tenders@fsdkenya.org as detailed below:
 - The Technical proposal should be submitted with the following subject:
Technical proposal - GFYE green business models scoping
 - The Financial proposal should also be submitted with the following subject:
Financial proposal - GFYE green business models scoping
- 2.3 Under no circumstance are bidders to submit **both** technical and financial proposals as a single document, doing so will lead to disqualification.
- 2.4 If you have any **clarification questions relating to this tender**, please email us at tenders@fsdkenya.org no later than 6th February 2026. Responses to clarification questions shall be sent on 10th February 2026 and may be shared with other bidders

(redacting any details of the bidder) to ensure a level playing field and that all bidders have access to the same information.

3. Joint proposals and consortium

3.1 Bidders may elect to form a consortium and submit a single unified proposal. All parties to the joint bid will be held jointly and severally liable for the obligation of the contract should they be selected as the preferred bidder. Bids submitted by the consortium must meet the following requirements:

- A statement of intent must be included as part of the bid submission formally notifying FSD Kenya of the joint bidding arrangement and listing all member entities.
- The joint consortium must appoint a lead member and include a **Power of Attorney** (or equivalent legal agreement) from all non-lead members, granting the lead member full legal authority to represent them in all matters related to this tender. This document must clearly define the scope of authority.
- The lead member must provide proof of authority for the individual who acts as the authorised signatory for all official communications, bid documents and eventual contract. This person will be the sole point of contact for the duration of the procurement process. Any changes to this arrangement must be timeously communicated to FSD Kenya supported by relevant documentation.

4. Evaluation of tenders

4.1 This procurement will be conducted as a combined Expression of Interest and invitation to tender process. Evaluation will be undertaken in two sequential stages. Only bidders that meet the minimum requirements under mandatory requirements in the terms of reference will have their proposals evaluated.

4.2 Tenders will be assessed in accordance with good commercial practice and will involve both a technical and commercial evaluation. A quality and cost-based selection (QCBS) will be applied in the evaluation of the tenders and the preferred bidder selected both based on a combination of technical and financial evaluations rather than just the lowest price. FSD Kenya aims to ensure the proposal provides the **best overall value for money**. The evaluation will therefore not be solely based on the lowest price but on the optimal combination of cost and quality over the contract's lifecycle. Bidders are encouraged to demonstrate how their proposal delivers maximum value, efficiency, and effectiveness.

4.3 Proposals will be ranked according to their combined technical (TS) and financial (FS) scores using the weights (T = the weight given to the technical proposal; F = the weight given to the financial proposal and S indicating the total score attained. $T + F = 100$ points. Indicated in the evaluation criteria section $S = TS \times T\% + FS \times F\%$.

4.4 The weights given to the technical (T) and financial (F) proposals are **T = 80% and F = 20%**. The Bidder achieving the highest combined technical and financial score will be invited for negotiations.

5. Contractor due diligence requirements

5.1 Bidders should provide valid registration documents and tax compliance documentation from their country of jurisdiction.

5.2 FSD Kenya will undertake a due diligence assessment and screening of the preferred Bidder as part of background check and share a screening questionnaire to aid in processing the screening. FSD Kenya reserves the right to proceed or reject Bidder(s) depending on the outcome of this assessment and consider the next ranked bidder.

The findings of this assessment will be kept confidential and used internally for the purposes of this evaluation.

6. Complaints and reporting

- 6.1 If you would like to lodge a complaint regarding this procurement process, please write to tenders@fsdkenya.org referencing the title of this procurement or to the Head of operations, lydia@fsdkenya.org. FSD Kenya team will acknowledge receipt of the complaint in writing within three (3) working days and provide responses preferably within two weeks.
- 6.2 If you come across any issues of bribery, corruption or wrong doing on the part of FSD Kenya part during this procurement, please feel free to transparency@fsdkenya.org or fsd.whistleblower@bdo-ea.com, or through the toll free hotline **800-720-025** that is externally managed by the Trustees.

7. Conflict of interest

- 7.1 Tenderers (and any sub-contractors) must disclose in their Tender details of any circumstances, including personal, financial, and business activities that will, or might, give rise to a conflict of interest, if they were awarded this contract. Where Tenderers identify any potential conflicts, they should state how they intend to avoid such conflicts. FSD Kenya reserves the right to reject and tender which, in FSD Kenya's opinion gives rise, or could potentially give rise to, a conflict of interest.

8. Other information

- 8.1 FSD Kenya reserves the right to accept any tender (s) or to reject all tenders at any time. FSD Kenya also reserves the right to cancel this procurement at any point in time prior to award of the contract.

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SCOPING OF GREEN AND SUSTAINABLE BUSINESS MODELS FOR THE YOUTH IN 14 COUNTIES UNDER THE GREEN FINANCE FOR YOUTH EMPLOYMENT (GFYE) PROJECT

1. BACKGROUND

Financial Sector Deepening Kenya (FSD Kenya) is an independent trust dedicated to the achievement of a financial system that delivers value for a green and inclusive digital economy while improving financial health and capability for women and micro and small enterprises (MSEs). FSD Kenya works closely with the public sector, the financial services industry, and other partners to develop financial solutions that better address the real-world challenges that low-income households, micro and small enterprises, and underserved groups such as women and youth face. Current FSD Kenya funders are the United Kingdom's Foreign, Commonwealth and Development Office (FCDO), The Gates Foundation, the Swedish International Development Cooperation Agency (Sida) and the International Fund for Agricultural Development (IFAD). To learn more about our work, refer to our [website](#).

The Green Finance for Youth Employment (GFYE) Project is a four-year Project (**2024-2027**) that is funded by the Ministry for Foreign Affairs (MFA) of Finland in partnership with the National Treasury of Kenya and the International Fund for Agricultural Development (IFAD). The Project is aimed at creating decent jobs for the youth in green value chains operating in rural Kenya, specifically by addressing key constraints for private sector financing that is required for effective youth job creation. The intended impact of the Project is for the rural youth to have increased and resilient incomes through green livelihoods, which is to be achieved through scalable green investment models for the youth and access to sustainable financing and investments for youth and rural enterprises that is youth-led or youth-employing. The Project target low-income rural youth aged between 18-35 years involved in both on-farm and off-farm activities in 14 Counties in Kenya, with at least 50% of the targeted youth being women.

The 14 target Counties are: Meru, Tharaka Nithi, Nyeri, Kirinyaga, Embu, Machakos, Nakuru, Kisii, Siaya, Nandi, Kakamega, Busia, Bungoma and Trans Nzoia.

The project will be implemented through three inter-related components:

- *Component 1:* Scalable green business models and products for the youth, with a focus on the identification and classification of existing scalable green business models and targeted financial products for young women and men that operate in the Kenyan food system. A key objective of this component is to provide an evidence base and solid framework for the capacity building and financing components of the project (Component 2-3).
- *Component 2:* Capacity building for green investments for youth employment, including building the capacity of young women and men and youth-led and youth employing MSMEs to access and effectively use green financing. This Component also includes dedicated capacity building on the supply side, i.e. financial institutions operating in rural areas such as SACCOs and MFBs.
- *Component 3:* De-risking for increased green financing to the project target group through a piloting a "Youth Green Loan Product", to be implemented by the National Treasury.

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FSD Kenya is an implementing partner of the GFYE Project and is responsible for the implementation of Component 1, jointly with other GFYE implementing partners and stakeholders. One of the planned activities under Component 1 is a scoping analysis of commercially viable green and sustainable business models and employment opportunities for the youth, women and persons with disabilities in the 14 target Counties. However, it is not just about identifying viable enterprises but identifying those that are commercially viable and can be financed by participating financial institutions (PFIs) in the GFYE project. As such, the scoping analysis will include an assessment of financial institutions, business and enterprise support organisations that are financing and supporting these businesses. It will also include an analysis of labour market supply and demand-side dynamics to inform the capacity initiatives under Component 2 of the project.

FSD Kenya has already commissioned a separate but complementary analysis of viable and sustainable employment and business models for the youth in the food systems/food value chains of the 14 target Counties under a separate Terms of Reference and contract. As such, the scoping analysis under this Terms of Reference will focus on business models that fall outside the food value chains in the target Counties. Further, the identification of these business models will in part be guided by a draft Green Finance Taxonomy that has been developed to assess and evaluate green investments for the RK-FINFA and GFYE projects.

FSD Kenya is seeking the services of a qualified technical resource (a firm) under a consultancy agreement to undertake the scoping analysis in line with the objective and scope of work set out below.

2. OBJECTIVE

The objective of the consultancy is to undertake a scoping analysis that identifies and assesses commercially viable, green and sustainable business models and associated employment opportunities—outside the food value chains—for youth, women, and persons with disabilities in the 14 target counties.

For the purposes of this TOR, food system activities include primary production, agri-input supply, agro-processing, and food logistics, which are excluded from the scope of this assignment.

3. SCOPE OF WORK

The scope of work will include the following specific activities:

3.1. Inception and methodology development

- 3.1.1. Review relevant GFYE Project documentation, the draft Green Finance Taxonomy, and **draft outputs from the parallel food systems analysis**. This review will ensure full alignment of the scoping analysis with the GFYE project objectives, implementation logic and target outcomes, and avoid duplication with other parallel activities/programmes especially the food systems analysis.
- 3.1.2. Propose clear criteria for assessing commercial viability, green impact, job creation potential, inclusivity (youth, women, and persons with disabilities), and bankability.
- 3.1.3. Develop a detailed inception report outlining the analytical framework, methodology, data sources, stakeholder engagement approach, county coverage strategy, and workplan.

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3.2. Mapping and identification of green business models

- 3.2.1. Identify and short-list green and sustainable business models outside food value chains that have potential for scale in the target counties. These could potentially include renewable energy, waste management, circular economy activities, green manufacturing and other environmentally sustainable livelihood and enterprise activities consistent with the draft Green Finance Taxonomy and international best-practice.
- 3.2.2. Assess selected business models against market demand, business potential, scalability, and environmental sustainability, guided by the Green Finance Taxonomy.
- 3.2.3. Analyse the potential of these business models to generate decent employment and enterprise opportunities for youth, women, and persons with disabilities.

3.3. Assessment of bankability and financial ecosystem

- 3.3.1. Analyse the extent to which identified business models are currently financed or could be financed by PFI's participating in the GFYE Project and other financial institutions.
- 3.3.2. Assess PFI's green financing products, risk appetites, eligibility criteria, and constraints in relation to the identified enterprises.
- 3.3.3. Map business development and enterprise support organisations providing financial and non-financial support relevant to the identified business models.
- 3.3.4. Identify gaps and opportunities to improve alignment between enterprises, ESOs, and PFI's.

3.4. Labour market supply and demand analysis

- 3.4.1. Conduct a labour market analysis for the identified business models, assessing demand for skills and types of employment likely to be created; and supply of labour from the youth, women and PwDs in the target Counties.
- 3.4.2. Identify skills gaps, barriers to entry, and inclusion-related constraints affecting participation in these green sectors.
- 3.4.3. Generate evidence to inform the design of capacity-building and skills development interventions under Component 2 of the GFYE Project.

3.5. County-level and cross-cutting analysis

- 3.5.1. Assess variations in opportunities, constraints, and enabling conditions across the 14 target counties.
- 3.5.2. Identify cross-cutting policy, regulatory, infrastructure, and market constraints affecting the growth and financing of green enterprises.

3.6. Validation and stakeholder engagement

- 3.6.1. Engage relevant stakeholders, including PFI's, ESOs, government agencies, private sector actors, and development partners, to validate findings.
- 3.6.2. Facilitate in-person validation workshops or consultations to refine business model prioritisation and recommendations.

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3.7. Recommendations and actionable insights

- 3.7.1. *Provide clear, actionable recommendations to: (a) inform component 1 interventions related to enterprise and market development; (b) guide component 2 capacity building and skills development initiatives and component 3 on de-risking for increased green financing and (c) strengthen linkages between viable green enterprises and PFIs.*
- 3.7.2. *Propose an indicative pipeline of green, bankable business models suitable for GFYE support.*

4. CONDUCT OF THE WORK

This is a unique assignment involving different partners. FSD Kenya will handle all contractual matters including the payments against all the deliverables under this assignment. The consultant will directly report to FSD Kenya, and a primary point of contact will be established at the inception phase of this assignment. All the technical outputs and deliverables from this work will be jointly reviewed by FSD Kenya and other project partners including IFAD and other implementing partners. The consultant will be required to work alongside other technical consultants that are separately contracted to undertake other activities that are complementary to the scoping analysis.

5. DELIVERABLES

The consultant is expected to deliver the following specific outputs:

1. An inception report, with a methodology, diagnostic tools as specified in section 3.1 under the scope of work, and the work plan. The inception report should not be framed in the traditional way of repeating what is already highlighted in the TOR but should instead outline a clear and well-thought-out delivery plan including identifying issues that need to be agreed on from the outset.
2. An interim report: Comprehensive assessment of green and sustainable business models outside food value chains; analysis of bankability, financial institutions, ESOs, and labour market dynamics, and County-level and cross-cutting insights.
3. Validation presentation and workshop outputs: Presentation of key findings and preliminary recommendations to stakeholders and summary of feedback and validation outcomes.
4. A final report, reflecting revisions made following comments from the project partners and the stakeholder validation workshops. It should include a clear prioritization of business models and action-oriented recommendations aligned with GFYE Component 1, 2 and 3.
5. Executive summary/policy brief: A concise, decision-focused summary highlighting priority business models, financing considerations, and employment opportunities for youth, women, and persons with disabilities.

6. EVALUATION CRITERIA

This procurement will be conducted as a combined Expression of Interest and invitation to tender process. Evaluation will be undertaken in two sequential stages. Only bidders that meet the minimum requirements under mandatory requirements will have their proposals evaluated.

FSD Kenya will examine the applications to determine completeness and sufficiency in

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the technical and financial proposal. Applications will be evaluated against the criteria in the tables below.

Mandatory requirements
A brief profile with minimum 5 years' Proven experience
Team composition and Curriculum Vitae
Consultancy fee and reimbursable fees
Technical expertise in labour market assessment, market analysis, business development, or any related and relevant field.
Track record of undertaking similar assignments
Proven research experience

Evaluation criteria		
Criteria, sub-criteria, and point system for the evaluation of Technical Proposals		Points
1	Experience of the Firm	
1.1	Minimum 5 years' Proven experience in multi-county or national level labour market analysis, enterprise survey or market assessments.	10
1.2	Experience working with financial institutions and youth-focused programs.	5
1.3	Capacity to manage complex stakeholder engagements	5
2	Description of Approach and methodology	
2.1	Quality of the proposed technical approach and methodology	20
3	Team composition, work and deliverables schedule	
3.1	Proposed team and work plan, including clarity of deliverables schedule. Bidders must indicate team composition and number of person-days per county, demonstrating feasibility, appropriate expertise, and alignment of level of effort with assignment scope and timelines.	20
4	Qualification and experience of key personnel proposed	
4.1	Qualification and experience of the proposed team. Bidders to include CVs and supporting certifications and relevant recommendation of ALL KEY PERSONNEL. 1. Lead Consultant/team leader: the team leader must possess a minimum advanced degree in agricultural economics, development finance or a related field. She/he must have minimum 8-year demonstrable experience in green and sustainable finance, labour market analysis, enterprise development or a relevant field and must have undertaken a similar assignment within the last three years. In addition, the firm should provide one or more experts able to perform the following roles and functions:	20

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	<p>2. An expert with an advanced degree in rural finance, agricultural finance or a related field with a minimum 5-year experience in agricultural and business development, youth inclusion or economic inclusion programmes and has undertaken a similar assignment within the last three years.</p> <p>3. Other team members with expertise in research methods, youth and women economic empowerment and other technical aspects of this work and possess a minimum bachelor's degree and have undertaken a similar assignment over the last five years.</p>	
	Total Points for the four (4) technical criteria (St)	80
	The minimum technical score St required to pass for financial proposal to be scored is	65
	<p><u>Financial Evaluation</u></p> <p>The formula for determining the financial scores is the following: $FS = 100 \times FL / FP$, in which FS is the financial score, Fm is the lowest price and FP the price of the Proposal under consideration. The weights given to the Technical (T) and Financial (F) Proposals are: T = 80% and F = 20%</p>	20