REQUEST FOR EXPRESSIONS OF INTEREST (REOI)

INTERNATIONAL TANFEEDS LTD

FUNDED BY

AFRICAN DEVELOPMENT BANK
(As Administrator of the Agriculture Fast Track Fund)

International TanFeeds Ltd (TANFEEDS) has received financing from the African Development Bank and plans to utilize part of this grant to carry out a feasibility study on the “Tanzania Feed Value Chain Expansion for Smallholder Impact” project. The idea behind this project is to carry out a feasibility study (Technical, Financial, Market and Environmental & Social Impact Assessment) and to develop a bankable business plan.

The services included under this contract are:

Feasibility Study:

- Determination of technical feasibility of the project;
- Economic and financial evaluation of the project including Risk and Sensitivity Analyses;
- Carry out an Environmental & Social Impact Assessment;

Proposal of an appropriate institutional framework and organization to be put in place that shall among others, minimize the risks of the project not being implemented within the best conditions of cost and time.

The full Terms of Reference for the assignment can be consulted on TANFEEDS ’s website at www.tanfeeds.com and AFDB and UNDB websites as follow : www.afdb.org and www.devbusiness.org.

3. TANFEEDS now invites eligible consultants to indicate their interest in providing these services. Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.).

4. Eligibility of Applicant:
i. Short listed firms must be legally registered.
ii. Short listed firms may choose to form a joint venture/consortium/association under one lead firm;
iii. Short listed firms may also associate and subcontract highly qualified unregistered Consultants/Firms to enhance their qualifications and capabilities;
iv. In case of joint venture/consortium/association, the Lead Firm should be clearly identified and shall be contracted to carry out the assignment and shall be liable for the assignment;
v. The consultants shall only sign the form of undertakings or the implementation of the project;
vi. The lead consultant firm shall submit only one technical proposal and one financial proposal separately as per the AfDB detailed instructions;

5. The estimated duration of service is 4 months and the estimated starting date is 15th July 2019.

6. Expression of interest must be received at the address below no later than June 25, 2019 5.00 pm local time.

For the attention of: Prof. Faustin P. Lekule
Managing Director, International Tanfeeds Ltd.
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1.0. Background

International TanFeeds Ltd (TANFEEDS) has received financing from the African Development Bank and plans to utilize part of this grant to carry out a feasibility study on the “Tanzania Feed Value Chain Expansion for Smallholder Impact” project. The idea behind this project is to carry out a feasibility study (Technical, Financial, Market and Environmental & Social Impact Assessment) and to develop a bankable business plan for the company’s animal feed processing plant (the “Project”) in Morogoro Tanzania.

1.1. Overall Project Objective

The overall project objective is to contribute to the improvement of the company’s income and livelihoods of smallholder farmers in Tanzania through improved soybean and maize production under an out-grower scheme, which will create stronger market linkages for smallholders, animal feed processing and marketing activities.

2.0. Main Tasks/Scope of the Assignment

2.1. Carry out a Scanning Study.

The consultancy firm should start the assignment by initially carrying out the following scanning study activities:

2.1.1. External scanning

The external scanning will focus on the following three specific areas

a) Industry trends

The consultancy firm will identify changes, demand and supply trends for the poultry feed in Tanzania;
b) *Economy/business/social study*

Identify changes in the economy, society and the business climate and the potential and broad effect/impact of the planned project.

**2.1.2. Internal Scanning**

The consultant firm should carry out a SWOT analysis (strengths, weaknesses, opportunities and threats) of the project.

**2.2. The Expected Outcomes of the Project.**

The expected outcomes of the project include the following:

- Food and nutrition security of small holders enhanced;
- Employment opportunities created;
- Incomes and welfare of participating small holder farmers improved;
- Poverty level among small holders reduced;
- Women involvement in maize, Soybean & Oilseed value chains promoted.

**2.2.1. Soybean and maize outgrower scheme.**

Soybean and maize production and their use as poultry/animal feed is the most important foundation for any efficient poultry feed value chain. TANFEEDS will expand its out-grower scheme system to reach up to 15,000 small holder farmers.

To achieve this objective, the consultancy firm will undertake the following activities:

i. Determine the potential of contract farming with respect to soya and maize in Tanzania;

ii. Estimate the demand for soybean and maize by TANFEEDS;

iii. On post-harvest and smart agriculture practices to be adopted by partner smallholder farmers under the out-grower scheme.

**2.2.2. Marketing**

I. The consultancy firm shall review the poultry/animal feed marketing opportunities in relation to the following:

- Market size (current and future);
- Market trend;
- Market growth rate;
- Market profitability;
- Poultry/animal feed promotion/marketing plan.

II. Analyse the local poultry/animal feed markets and propose the appropriate marketing strategy for the company.

III. Review TANFEEDS existing marketing strategy and its ability to compete in the local market:
• Assess the company’s product competitiveness in the current market environment.

2.2.3. Environmental & Social Impact Assessment.

(i) Assess and comment on environmental considerations including
- General adverse effect of the environment of the company’s operations;
- Occupational safety: Workers’ Health and welfare use of protective clothing, prevention and provision of personal protective equipment and staff training;
- Recommend a feasible and cost-effective mitigation measures that will ensure that the proposed project is environmentally friendly, economically viable, socially acceptable and sustainable.

2.3. Financials

Review and assess the project concept and prepare a financial plan for the project including capital investments required detailing investment and work required to bring the project to its full production potential:

(i) Provide base case assumptions for the future expansion operations of the company focusing on:
   - Prepare financials for project for implementation purpose;
   - Direct costs (labour and other direct inputs);
   - Other overheads.

(ii) Review the projected revenues;

(iii) Develop a comprehensive business plan for the project (cash flow, profit and loss account, balance sheet and justify all assumptions etc);

(iv) Advice on investment structuring and phased or whole project financing (what funding it will require and what capital raising activities have already been undertaken or should be undertaken in the future);

2.4. Project Sustainability strategy

The consultancy firm should identify a strategic fit between the project opportunities and strengths to develop a competitive advantage of the project sustainability by addressing the following:

a) Whole project level issues
   - Growth - expanding the size of the business;
   - Stability-maintaining the size of the business;
   - Retrenchment - refocusing the business for improved performance;
   - Hiring of competent management and technical personnel.

b) Assess enterprise level issues
   - Importance of poultry/animal feed enterprise – The business enterprise should be identified as a profit center and cost center or investment center. The company’s business needs to stand on its own as to its contribution to the project’s objectives;
• **Existing and new business interactions** – The consultancy firm should identify the synergies that exist among existing and new project due to shared resources or management skills that will make the businesses complementary. Conversely, are there situations where the existing and new business will compete for resources or management skills?

• **Portfolio analysis.** The consultant firm should examine the existing and new business mix and ask the question: what is the best combination and relative size of enterprises for the project? The purpose of this exercise is to develop the type of project operations that meets the goals of the company.

### 2.5. Project management

a. Assess the overall project management practices taking into consideration the local conditions (location, climate and climate change, prevalence of poultry/animal and crop disease and available appropriate technologies);

b. Develop a sustainable production management plan for the project

c. Assess the capacity of TANFEEDS plan to expand its feed processing capacity and to develop an out grower supply soybean and maize scheme;

d. Determine production output levels that may be reasonably attainable in the proposed time horizon;

e. Recommend the processed products based on how much can the company reasonably expect to market relative to competing products;

### 2.6. Project Management and Value Change

1. Develop an organizational and project management structure of the business with emphasis on (a) key characters/personalities/entities, (b) responsibility lines/management system;

2. Propose the project's out-grower program with emphasis on capacity building for smallholder farmers and their integration in the soybean and maize value chains.

### 3.0. Team Composition and Qualifications

The consultancy firm shall have a multidisciplinary core team of experts comprising and of a Team Leader who must:

- have required skills and experience in the livestock sector development in Tanzania
- have excellent communication and analytical skills;
- be proficient in report drafting; and
- have excellent team working abilities
- submit original recent signed CV and clearly indicating the start and end date (month and year) of relevant assignments completed.

### 3.1. Composition of the consultancy team:

1. Agri-economics / Agribusiness Expert- Team Leader;
2. Livestock production Expert;
3. Environment Assessment Expert;

3.1.1. Qualification and skills

**Key expert 1: Agri-economics / Agribusiness Expert- and Team Leader**

**Qualification and skills**

- A university degree in agricultural economics, agribusiness marketing, business management of related field with at least 10 years of work experience in feasibility and investment researches/studies;
- Post-graduate degree in agriculture economics or agribusiness will be an added advantage;
- Experience in project appraisal, formulation evaluation of agriculture projects;
- Proven experience in financial analysis of agriculture (crop, livestock) and marketing;
- Analysis of short- and medium-term credit needs and availability;
- Good knowledge of development issues in rural area of Tanzania, especially related to business, marketing and agriculture development investment aspects;
- Practical knowledge of the broad range of livestock marketing functions and activities, such as assembling, processing, distribution, regulation, inspection, standardizing, storage, transportation and financing in Tanzania
- Experience in carrying out preparation of economic assessment studies and making recommendations for interventions;

**Specific professional experience**

- Experience as Team Leader in at least one project of similar size and complexity
- Demonstrated analytical and interpersonal skills, ability to think and act strategically, multi-task and meet deadlines;

**Key expert 2: Livestock Expert**

**Qualification and skills**

- A university degree in animal science
- Post graduate degree in animal nutrition will be an added advantage
- Proven skills in extensive and intensive poultry production in Tanzania or the region;
- At least 10 years of professional experience working in the livestock sector in the Tanzania or the region;
- Current knowledge of the trends in the livestock value chains in Tanzania and the region;
- Proven experience in carrying out feasibility studies in livestock projects;
- Experience in animal feed technology and feed processing;

**Key Expert 3: Environmental &Social Impact Assessment Expert**

**Qualification and skills**
- A Bachelor’s degree in Environmental Sciences, Natural Sciences or its equivalent.
- Proven skills and experience in Environmental Impact Assessment is highly desirable.
- At least 5 years of relevant experience in carrying out Environmental Impact Assessment.
- Proven ability and experience in conceptualizing, designing and implementing major projects and producing comprehensive reports or studies.
- Demonstrated technical knowledge of best available practices related to environment and social risk management standards and practices.
- Ability to engage with various stakeholders and effective influencing skills.
- Certification by National Environmental and Management Council (NEMC) will be an added advantage.

Key Expert 4: Agri-processing Expert Equipment/machinery

Qualification and skills

- University Degree in Mechanical Engineering and technology, or Processing Engineering;
- Animal feed machinery and equipment expertise.
- Should have a minimum of 5 years of relevant work experience in processing machinery and equipment;
- Specific experience in identification and installation of equipment in a modern feed processing plants;
- International and regional experience in feed processing requirements
- Experience in animal feed related industry.

Specific professional experience

Overall familiarity with the livestock processing industry, including different production methods for feed products related processing Knowledge of feed processing industry standards and procedures.

4. Additional Required Expertise:

The additional Experts that the consultant may consider are needed should have University Degree with a minimum of 5-year experience

5.0. Timeline

The client expects the work within a period of three months giving the consultant time to fully assess the results time to respond to the client’s comments on an ongoing basis.

6. Consultancy Phases

The consultant will have the following phases: -
• **Inception Phase:** The consultant will present an inception report to the client on the firm's understanding of the study objectives and work plan.

• **Field Work Phase:** This is the period when the consultancy team stays at field for data collection.

• **Final Phase:** This is the period when the consultancy firm produces reports and other requirements.

### 7.0. Deliverables

- Inception report
- Draft report
- Final report documenting whether all activities were completed and objectives of the assignment were addressed in two hard copies and one soft copy of the report. The final report should also document any other observations made and recommendations made to the client;

### 8.0. Eligibility of Applicant

vii. Short listed firms must be registered.

viii. Short listed firms may choose to form a joint venture/consortium/association under one lead firm;

ix. Short listed firms may also associate and subcontract highly qualified unregistered Consultants/Firms to enhance their qualifications and capabilities;

x. In case of joint venture/consortium/association, the Lead Firm should be clearly identified and shall be contracted to carry out the assignment and shall be liable for the assignment;

xi. The consultants shall only sign the form of undertakings that they would make themselves available for the implementation of the project;

xii. The lead consultant firm shall submit only one technical proposal and one financial proposal separately as per the AfDB detailed instructions;

xiii. Any change in the structure of the joint venture or other arrangement post-selection of a firm shall be subject to the approval of the Client.

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**Managing Director, International Tanfeeds Ltd.**  
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