



STATE DEPARTMENT FOR THE BLUE ECONOMY AND FISHERIES

MINISTRY OF MINING, BLUE ECONOMY AND MARITIME AFFAIRS

Kenya Marine Fisheries and Socioeconomic Development (KEMFSED) Project

Credit Number: IDA 65400

Project Number: P163980

**TERMS OF REFERENCE
FOR**

**CONSULTING SERVICES FOR DEVELOPMENT OF BLUE ECONOMY MASTER
PLAN FOR KENYA**

(FIRMS SELECTION)

**PROCUREMENT/CONTRACT REF NO.: KE-MOMBEMA-C1-2024-038-CS-
CQS/MMBEMA/SDBE&F/03/2024-2025**

DECEMBER, 2024

Client:

State Department for the Blue Economy and Fisheries

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1.0 INTRODUCTION

1.1 PROJECT BACKGROUND

The Government of Kenya (GoK), through the State Department for the Blue Economy and Fisheries (SDBEF) and with support from the World Bank, is implementing the Kenya Marine Fisheries and Socio-Economic Development (KEMFSED) project, which aims at supporting the country in its efforts to leverage emerging opportunities in the Blue Economy. The project's overall objective is to improve management of priority fisheries and mariculture and increase access to complementary livelihood activities in coastal communities.

The KEMFSED project, which is implemented in Kenya's coastal counties namely Mombasa, Kwale, Kilifi, Tana River, and Lamu, aims at strengthening the management of fisheries that are priority to coastal livelihoods, thereby securing stocks at sustainable levels of harvesting through monitoring, control and surveillance. At the same time, the project aims at strengthening coastal households' access to complementary livelihood activities toward diversification of sources of household income to reduce dependence on capture fisheries. By improved management and conservation of marine and inland water resources, reducing illegal fishing activities, and enhancing the value of the fish products in the value chains, the sector is expected to improve its contribution to the overall economy.

The project comprises of the following three components:

- a) **Component 1: Governance and Management of Marine Fisheries** focusing on improving the management of marine fisheries in Kenyan waters. Fisheries governance interventions will be promoted through strengthened co-management of near shore fisheries, and **infrastructure development** to support the management of fisheries at both the national and county level.
- b) **Component 2: Coastal Community Empowerment and Livelihoods** contributing to the Project Development Objective (PDO) by strengthening livelihoods in coastal communities through a combination of technical and financial support for the implementation of livelihood, social welfare, and environmental subprojects; provision of scholarship grants and complementary capacity-building and mentoring of beneficiaries.
- c) **Component 3: Project Management** that support financially the project management at both national and county levels to ensure coordinated and timely execution of project activities.

1.2. Rationale for the development of the 10-Year Integrated Master Plan

Kenya is endowed with diverse marine and inland blue economy resources comprising of rivers, dams, lakes and the Indian Ocean. The inland water resources include lakes, dams and rivers of varying sizes.

These aquatic/blue resources are home to a wide range of life making them some of the richest ecosystems which provide diverse services that are beneficial to the human well-being, the environment and the economy. The socio-economic and ecological benefits include food and nutrition security from fisheries resources, tourism, shipping, mining, energy and ecosystem services such as carbon sequestration, water filtration, atmospheric and temperature regulation, protection from erosion and extreme weather events. As the pressure for land-based resources increases, the blue economy is receiving more attention, and with this there is a need to use these resources in a more sustainable manner.

Like many countries in Africa, Kenya has not maximally utilized her blue spaces for socio-economic development. The strategic location however, provides an opportunity for unlocking the potential for sustainable economic development. Historically, Kenya only emphasized on utilizing her blue spaces for transport, tourism and artisanal fishing while ignoring other resources as economic drivers.

Notable post-independence efforts by the Government of Kenya to harness the blue economy resources were made in the 1970s when the government embarked on a journey of facilitating industrial fishing and processing as well as maritime transport through provision of basic infrastructure and equipment. The Kenya National Shipping Line, the Kenya Fishing Industries, Kenya Fish Net Industry, the Government Clearing Agency and the Kenya Safari Lodges and Hotels are some of the entities facilitated through public private partnerships. These industries provided employment along the value chains. However, apart from beach tourism which succeeded, marine transport, industrial fishing, marine tourism and sport fishing were lost as emphasis shifted to land-based enterprises thereby losing the opportunity to become a maritime nation. The decline in these enterprises led to loss of employment opportunities and the contribution of the Blue Economy to the Gross Domestic Product (GDP).

At the global level however, there is a move towards utilization of the marine and aquatic space for sustainable socio-economic development. At the Pan Africa level, there are efforts to create wealth from Africa's oceans and seas by developing a dynamic sustainable Blue Economy in a secure and environmentally sustainable manner, hence the development of policy framework to guide the African States. A number of countries in the African region have undertaken an affirmative action towards unlocking the blue economic growth with positive social and economic benefits. Kenya wishes to join the rest of the world in sustainably undertaking Blue Economic growth as a new avenue for generating revenue and creating employment opportunities for the youth and other stakeholders.

The Constitution of Kenya safeguards the environment in article 42 and this provides a legal basis for exploring the existing and emerging blue resources such as oil and gas, mineral exploration and energy in an environmentally secure and sustainable manner. Further, sustainable blue economy has been identified as one of the priorities under the Kenya Government development agenda namely; Kenya Vision 2030 and Bottom-Up Economic Transformation Agenda (BETA). Regionally, the African Union Agenda 2063 and globally UN Sustainable Development Goals No.

14 and 15 has recognized blue economy sector as having potential of promoting economic growth, social inclusion, and improving livelihoods.

In 2018, Kenya hosted the first ever international Sustainable Blue Economy Conference (SBEC 2018) alongside the Government of Canada and the Government of Japan. The focus of the conference was to harnesses the potential of oceans, seas, lakes and rivers to improve the lives of people, particularly women, youth and Indigenous peoples in developing states and to leverage the latest innovations, scientific advances and best practices to build prosperity while conserving our waters for future generations. The conference acknowledged the limited capacity of public sector to finance the scale of investments needed to realize a sustainable blue economy and the role of private sector to step in to bridge the financing gap. Further, the conference provided the platform for strategic deliberations on promoting the productivity, inclusivity and the sustainability aspects of the resources of a sustainable blue economy in an integrated, balanced and holistic manner. It also recognized the crucial role of science and research as an interdisciplinary approach for human geography, accounting, finance, policy development, implementation and evaluation.

1.3. Justification for the 10-Year Master Plan

As outlined in the Executive Order No. 2 of 2023, the State Department for the Blue Economy and Fisheries (SDBEF) among other is mandated to: Coordinate development of national oceans and blue economy strategy and policy; coordinate development of policy, legal, regulatory and institutional framework for the fisheries industry and the blue economy; drive sustainable transformation and diversification of the ocean's economy by promoting research and innovation; increase local participation and investment in the blue economy through private sector engagement and partnerships; and protection of Aquatic Ecosystems. Further, through interagency collaboration, support in enhancing maritime security and safety through securitization of landing sites as border points by registration of members of Beach management Units and to curb IUU fishing activities and related crime.

The development of blue economy in Kenya is expected to offer opportunities for a sustainable growth in a number of traditional and emerging economic sectors, which are considered as Blue Economy key priority sectors:

- i) **Increasing shipping/ port activities:** opportunity for the country to position itself, while addressing challenges such as pollution, inefficiency, climate risks, invasive alien species in ballast waters among others.
- ii) **Fisheries:** increased sustainable catches: to be achieved with reduced input costs and IUU fishing while food security and livelihoods to be enhanced by increased investments and restoring overexploited or collapsed fish stocks.
- iii) **Mariculture:** high potential for sustainable development, with use of efficient climate-smart technologies and offshore farming techniques.
- iv) **Coastal tourism:** impacts need to be minimized by introducing the real value of ecosystem services in development planning and by embracing activities with minimal impacts (e.g. ecotourism, nature-based tourism).

- v) **Blue energy:** in addition to increase of deep-water hydrocarbon exploration and exploitation, a high potential exists for the development of renewable energy (wind, wave, tidal, biomass, thermal conversion, and salinity gradients).
- vi) **Bio-prospecting:** the sustainable extraction of biological components (bacteria, algae, etc.) has a high potential for health care, food supplies, environmental remediation and energy production.
- vii) **Mining:** new materials (with potential uses in ICTs and renewable energy) are being explored for potential extraction and commercialization; measures are to be developed to ensure the sound management of the seabed natural capital and the procurement of optimal benefits in national EEZs.

The main challenges for the achievement of a true sustainable blue economy include:

- a) Climate change, pollution and loss of biodiversity and critical habitats
- b) Unsustainable fisheries practices and Illegal, Unreported and Unregulated (IUU) fishing;
- c) Low investment in the blue economy space
- d) Difficulty with coordination due to several sectors with mandate over the Blue Economy spaces using different policy and legal frameworks;
- e) Limited knowledge on the potential of the Blue Economy for Food and nutrition security, employment and revenue generation;
- f) Limited Blue Economy sectoral data and research capability
- g) Unsustainable tourism practices,
- h) Fast growing human population, the intensification of agriculture and unplanned urbanization of coastal areas

Therefore, a blue economy master plan is prerequisite as the country invests in the space with the aim to tap on the potential of blue based assets and to spur socioeconomic development and address challenges.

2.0 OBJECTIVES OF THE ASSIGNMENT

The main objective of this consulting services is to develop a comprehensive 10-year Integrated Master Plan in order to guide and facilitate investment in the blue spaces and sustainable exploration and exploitation of blue resources to spur economic growth in Kenya.

Specifically, the consultancy will;

- i. Develop a master plan for the blue economy sector to promote the governments development agenda on:
 - harnessing the full potential of the country's blue economy from the ocean and inland lakes;
 - creating economic opportunities in priority sectors (Chapter 1.3);
 - Creating jobs and inclusive growth;
 - intensifying and attracting investments by the private sector in the blue economy space; and

- maintaining a healthy and functioning blue economy environment.
- ii. Undertake a comprehensive review of relevant policies, legal, institutional and regulatory frameworks,
- iii. Propose cost-effective fiscal and non-fiscal policies, laws and institutional reforms, capacity building or changes necessary to implement the master plan.
- iv. Prepare an investment plan, budget and Monitoring and Evaluation (M&E) framework for the implementation of the master plan.

3.0 THE SCOPE OF THE CONSULTING SERVICES AND SPECIFIC TASKS

3.1. Scope

The scope of the assignment will cover the following:

- i). Major inland lakes: Lake Turkana (6,405 KM²), Lake Victoria-Kenyan side (6% of the whole lake =4,128 KM² , Naivasha (210 KM²), Baringo (129 KM²), Bogoria (34KM²), Lake Jipe (39 KM²) and Lake Nakuru (45 KM²)
- ii) the marine resources covering a surface area of approximately 250,000 square kilometers (almost half of Kenya land area) with a vast coastline of 640 km on the Western Indian Ocean including the maritime zones comprising of the internal water, territorial sea, the contiguous zone and the exclusive economic zone (EEZ). Kenya has also laid claim to the extended continental shelf with the Commission on the Limits for Continental Shelf which is awaiting arbitration.

Figure 1: Map of the Blue Economy space

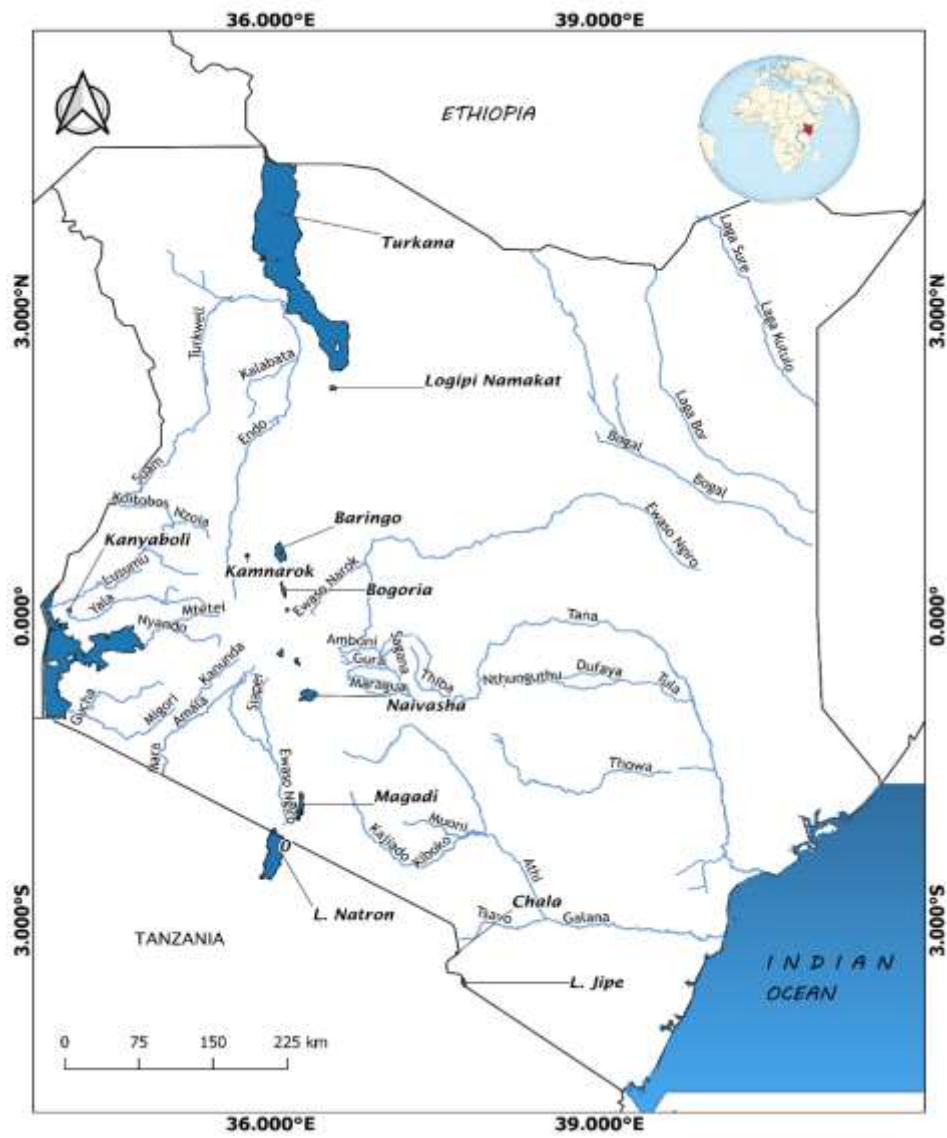
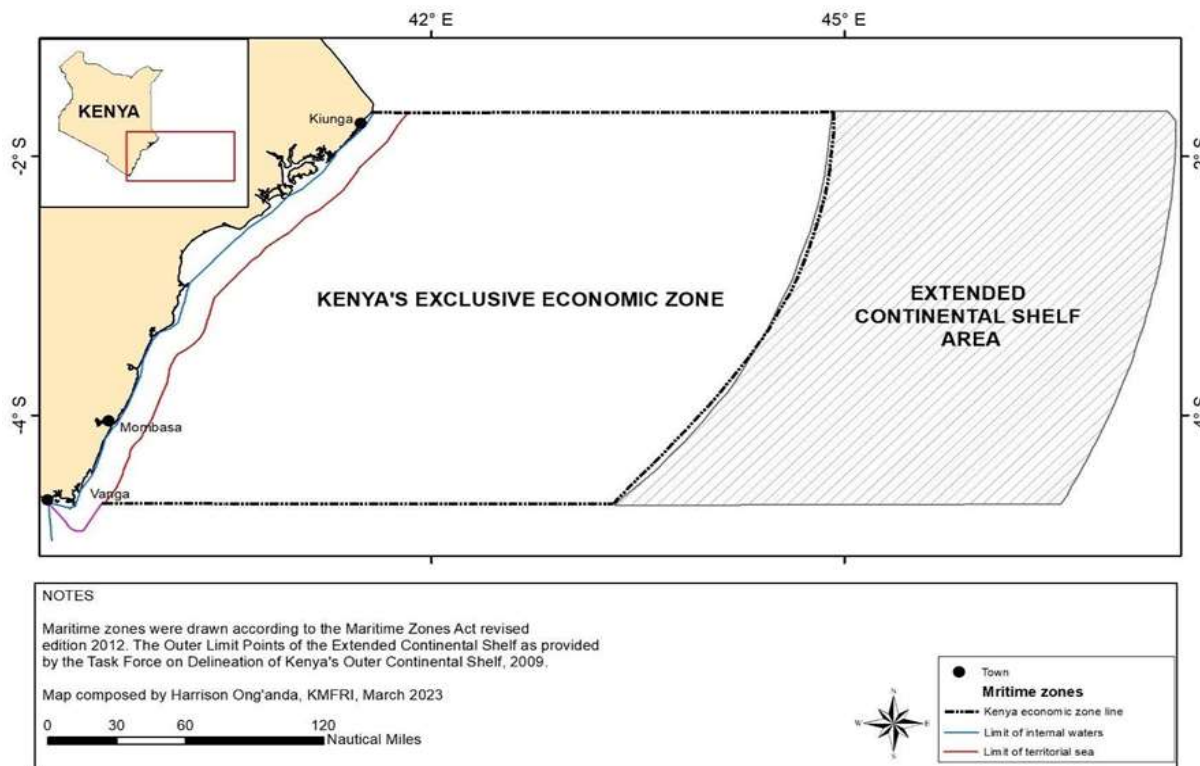


Figure 2: Maritime zones



The development of the master plan will be guided by existing blue economy frameworks, national and regional, and synthesis reports with focus on the above mentioned (chapter 1.3) Blue Economy priority sectors.

3.2. Key tasks of the assignment

The consulting firm is expected to work with the relevant technical experts to achieve the broad and specific objectives of this assignment. The specific tasks for this consultancy will ensure achievement of the broad and specific objectives and will include but not limited to:

- i. Synthesize already collected data and information and any further relevant data and information (baseline assessment reports e.g from draft BE strategy, marine spatial planning, Kenya fisheries policy etc.) with respect to sustainable blue economy and climate risks including strategic and development plans, policy and legal documents at county, national, regional and global level for each priority sector (see above) of the blue economy;
- ii. Identify factors constraining the growth of the priority sectors and design a master operational plan to implement a series of short-, medium- and long-term programs and projects for unlocking growth of the prioritized economic sectors. These measures to also include enabling policy, security, infrastructure and building human resource capacities.
- iii. Identify key national institutions in the blue economy sectors, analyze the existing situation including institutional capacities and legal issues, identify gaps within the related institutions, administration and legal system and propose an appropriate institutional

framework and or coordination mechanism for the effective and efficient implementation of the blue economy masterplan and guide on the implementation;

- iv. Review policies regarding fiscal and non-fiscal policies, such as tax regulations and incentives across the blue economy sectors including national funding envelope available for blue economy development;
- v. Undertake stakeholder analysis and mapping, and prepare stakeholder engagement plan for this activity.
- vi. In consultation with the client facilitate stakeholder consultations and workshops on development of blue economy masterplan;
- vii. Based on the outcomes of the review above and the stakeholder consultative engagements, identify priority issues and investment gaps and provide necessary strategies that will facilitate investments for the development of the Blue Economy with recommendations on key actions and responsibilities to spur blue growth and implementation mechanism;
- viii. Prepare a budget to support the operational plan for the Blue Economy masterplan;
- ix. Submit a final Blue Economy master plan after taking into consideration of stakeholder inputs;
- x. Prepare and submit comprehensive technical reports of the consultancy including stakeholder consultations and meetings reports.
- xi. Undertake a 5-day residential training of fifteen (15) technical officers from the State Department on the development process of the masterplan and investments opportunities in BE proposed in the masterplan as a means of knowledge transfer, ensuring sustainability of the masterplan and proposals made. The Client will meet the cost of accommodation, conference hall, transport and logistics for the participants.

5.0 DURATION AND LOCATION OF THE ASSIGNMENT

The duration of the assignment is nine (9) calendar months from the date of contract commencement.

The assignment will be implemented in counties within the scope of work as outlined in 3.1 above.

6.0 REPORTING REQUIREMENTS AND TIMELINES FOR DELIVERABLES

6.1 Reporting

1. The Consultant will report to the KEMFSED project National Project Coordinator
2. KEMFSED will review the submitted reports and issue official comments and approvals.

6.2. Schedule of deliverables

The consultant will be expected to deliver the following outputs:

Table 1: Reporting requirements

S/No.	Deliverables/Reports	Timelines for submission of deliverables after contract commencement	Format of submission
1.	Inception report outlining the work plan and methodology to deliver on a BE masterplan	1 month	2 hard copies and a soft copy
2.	Synthesis report as detailed in the key tasks of the assignment	3.0 months	2 hard copies and soft copy
3.	Interim progress Report of the master plan development process. Annex. minutes of stakeholder/agencies engagements, highlighting the aspects discussed, key concerns raised, and responses given, and signed lists of participants	5.0 months	2 hard copies and soft copy
4.	First draft BE master plan (with clear actions and interventions, including financial mechanism and priority actions and plan for a sustainable blue economy in Kenya)	5.0 months	Soft copies
5.	Second draft BE masterplan (based on stakeholder input)	6.0 months	Soft copies
6.	Final draft BE Master plan including investment plan, budget and monitoring and evaluation framework	8.0 months	1 hard copy and a soft copy
7.	Training report on BE masterplan development process , implementation	9.0 months	2 hard copies and a Soft Copy
8.	Final technical report including stakeholder consultation reports as guided in the scope of work for each assignment and Final Blue Economy Master Plan		

All draft reports shall be submitted in the subscribed format to the KEMFSED National Project Coordinator.

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10.0 PAYMENT SCHEDULE

The proposed payment schedules based on satisfactory performance of the contract which will be negotiated with the successful consultant will be as presented in Table 2 below. Upon submission of every report, the consultant is expected to make a presentation of the submitted report to the

Client in a scheduled meeting. The acceptance of the report shall be recorded in the minutes of the meeting.

Table 2: Proposed payment schedule

S/No.	Deliverable/Reports	Timelines for submission of deliverables after contract commencement	Percentage of the contract amount
1.	Submission and Acceptance of Inception report outlining the work plan and methodology to deliver on a master plan	1 month	20%
2.	Submission and Acceptance of the synthesis report	3months	20%
3.	Submission and Acceptance of Interim progress report with annexes on stakeholder engagement	5.0 months	30%
4.	Submission and Acceptance of First draft masterplan (with clear actions and interventions, including financial mechanism and priority actions and plan for a sustainable blue economy in Kenya)		
5.	Submission and Acceptance of Second draft master Plan (based on stakeholder input)	6 months	0%
6.	Submission and Acceptance of Final BE master Plan including investment plan, budget and monitoring and evaluation framework	8 months	10%
7.	Submission and Acceptance of Training report on blue economy master plan	9 months	10%
8.	Submission and Acceptance of Technical report and other deliverables as guided in the scope of work for each assignment and Final Blue Economy Master Plan	9 months	10%

7.0 MINIMUM REQUIREMENT FOR THE CONSULTING FIRM, QUALIFICATIONS AND EXPERIENCE

The Consulting firm shall have the following minimum qualifications and experience:

7.1 Core business and years in business: The firm shall be registered/incorporated as a consulting firm with core business in the field natural resource management and with an understanding of Blue Economy priority sectors and especially in developing of government policies, plans, and strategies or related fields for a period of a minimum of 15 years.

7.2 Relevant experience: The firm shall demonstrate as having successfully executed and completed at least 2 No. assignments of similar nature, complexity and in a similar operating environment in the last 10 years. Details of similar assignments-Name and address of the client,

scope, value, and period should be provided in the submitted Expression of Interest including enumeration of these similar past assignments.

7.3 Technical and managerial capability of the firm: The firm shall demonstrate as having the requisite technical capacity and managerial capacity to undertake the assignment in the submitted company profile(s). **Key Experts will not be evaluated at the shortlisting stage.**

8.0 TEAM COMPOSITION, QUALIFICATIONS AND EXPERIENCE FOR KEY EXPERTS

The Consultant shall have well-qualified and experienced professionals as required and appropriate for completion of the exercise. They should possess necessary resources to undertake services of such nature including equipment and software required to execute the assignment. The key professionals/expert shall personally carry out (with assistance of other non-key staff deemed appropriate) the services as described in this TOR. The key experts to be provided by the Consultants for this assignment will include qualified personnel with extensive international and regional experience are as follows: -

A. Blue Economy Development Expert - Team Leader

1. Minimum of Master's degree in natural resources management from a university recognized in Kenya.
2. A minimum of 10 years of general experience in Blue Economy Sectors and in areas of economic, financial evaluation of natural capital projects, public-private financing, blue economy financing models, Environmental and Social safeguards policies
3. A minimum of Six (6) years specific experience working with donor funded projects and/or government agencies implementing similar assignments projects in a leadership position in developing economies with details of successfully implemented at least two projects of similar size and complexity for a public sector institution in role of a Team Leader.
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

B. Stakeholder Engagement Expert;

1. A minimum of Master's degree in Sociology/Community Development/Gender studies, social/political or its equivalent from a university recognized in Kenya
2. A minimum 10 years of general experience in social related studies, community development, especially in the maritime sector in east and sub-Saharan Africa
3. A minimum of Five (5) years of specific experience in socio-economic studies, community mobilization, Organizing and facilitating public participation, gender analysis and mainstreaming studies, social assessments, and social management plans in similar operating environment with at least one similar assignment.
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

C. Finance And Economics Expert;

1. A minimum Master's degree in Finance and Economics, or finance and statistics and/or applied economics, international economics or any other related field.
2. A minimum of 10 years' general experience in economic analysis, cost-benefit, and financial evaluation of BE related projects.
3. A minimum of 5 years specific experience in financial and economic studies, and scenario forecasting, economic research methods and statistical analysis to examine and interpret data related to development issues,
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

D. Institutional, Public Policy And Governance Expert;

1. A minimum of a master's degree in law, public policy, economics, planning or any other related field.
2. A minimum of 10 years of general experience in policy, planning and regulation setting specifically within the blue economy sector with practical analysis of the impact of various legal/regulatory interventions; legal and regulatory environment of the BE sector, and particularly in legal, institutional and policy analysis and formulation;
3. A minimum of 5 years specific experience in similar assignments of carrying out legal and institutional related projects in Blue Economy in east and sub-Saharan Africa.
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

The Team Leader will be in charge of reporting and coordination of all activities, and will be the main contact person in the team vis-à-vis the Client

9.0. Estimated Time Inputs for Key Experts

The number of key experts and the estimated time input for each key expert for the assignment are presented in Table 3.

Table 3: Estimated Time Inputs for Key Experts

S/No	Key and Support Staff	No.	Input staff- months
1	Blue Economy Development expert-Team Leader	1	9
2	Stakeholder engagement expert	1	4
3	Finance and Economics expert	1	4
4	Institutional, public policy and governance expert;	1	4
	TOTAL	4	21

10. MANAGEMENT AND ACCOUNTABILITY OF THE ASSIGNMENT

The State Department for the Blue Economy and Fisheries is the Client for these services. The consultant will report to the National Project Coordinator, KEMFSED National Project Coordination Unit (NPCU) on behalf of the Principal Secretary, the State Department for Blue Economy and Fisheries. The National Project Coordinator working closely with the Component

1 Task Team Leader and the Director, Blue Economy Development Directorate will oversee the day-to-day running of the project in all matters pertaining to the assignment.

11. OBLIGATION OF THE CLIENT

- (i) The client, SDBE&F and National PCU will provide all developed and available policies that can assist in this assignment,
- (ii) Organize meetings with relevant stakeholders as may be required by the consultant.

12. OBLIGATION OF THE CONSULTANT

- (iii) The consulting firm will be answerable to the National PCU Coordinator, Component 1 Lead, Director, Blue Economy Development Directorate, SDBEF and will work closely with project staff in the execution and delivery of this consultancy;
- (iv) The consulting firm will be required to make his own travel and accommodation arrangements during consultations with different stakeholders to ensure the assignment is carried on smoothly and seamlessly within the timeframe provided;
- (v) The consulting firm will consult and include inputs from the stakeholders and is responsible for organizing and achieving the evaluation and delivering the final report.

13. PROPRIETY RIGHTS OF CLIENT IN REPORTS AND RECORDS.

- i. All the reports, data, and information developed, collected, or obtained from the implementing agencies etc., Client, and other Institutions during this exercise shall belong to the Client. No use shall be made of them without prior written authorization from the Client.
- ii. At the end of the Services, the Consultant shall relinquish all data, manuals, reports and information (including the database, codes, and related documentation) to the Client and shall make no use of them in any other assignment without prior written authority from the Client.