



MINISTRY OF MINING, BLUE ECONOMY AND MARITIME AFFAIRS
STATE DEPARTMENT FOR THE BLUE ECONOMY AND FISHERIES
AQUACULTURE BUSINESS DEVELOPMENT PROGRAMME

MINUTES OF THE PREBID CONFERENCE MEETING PROVISION OF CAGE FISH OFF TAKING SERVICE AND SUPPLY OF ASSOCIATED INPUTS IN 5 PROJECT COUNTIES HELD AT ABDP REGIONAL COORDINATION OFFICE KISUMU STARTING AT .11.00 AM

MEMBERS PRESENT

NO	NAME	DESIGNATION/ORGANISATION	ORGANISASATION
1	Samson Kidera	Regional Coordinator, Fisheries	SDBEF, Charing
2	Samuel Muthui	Procurement Specialist	ABDP
3	Veronicah Chege	Procurement Officer	ABDP
4	Grace Njagi	Aquaculture Specialist 1	ABDP
5	Ruth Lewo	Aquaculture Specialist 2	ABDP
6	Dr. Richard Abila (Online)	Lead Technical Advisor	IFAD
7	Dr. Erick (Online)	Consultant	IFAD
8	Dr. Davies Makila	AG. Director SDBEF	SDBEF
9	Dr. Kevin Obiero	CD-KMFRI	KEMFRI
10	Michael Omondi	CPC-H/BAY	Homabay County
11	Dr. Christine Etegni	Deputy Director Fisheries	KeFS
12	David Mboya	CPC-Siaya	Siaya County
13	Maurice Oluoch	CPC-Busia	Busia County
14	Kevin Wamira	CPC-Kisumu	Kisumu County
15	Maurice Oluoch	CPC-Busia	Busia County
16	Simon Karoki (online)	CPC	Migori County
17	Elizabeth Mwende	FO-KeFs	KeFS
18	Robinson Shinachi	Procurement	Labeledcash Marine
19	Mark Mbithi	Manager	Labeledcash Marine
20	Washington Omira	Manager	Yiruo Fish Farm.K. Ltd
21	Li-Hongwei	Director	Yiruo Fish Farm.K. Ltd
22	Caroline Karimi	Director	Dylene Enterprises Ltd
23	Onyango Albert	Representative	Sori Bay Development
24	Olivia Jagongo	Representative	Aquareach Limited
25	Mercy Awuor	Representative	Aquareach Limited
26	Carine Oguta	Representative	Lakebream Fisheries Ltd
27	Loreen Wanjiru	Representative	Camino Ruiz Agencies
28	Amos	Representative	Antoren
29	Michel Marten (Online)	Representative	
30	Sheila (Online)	Representative	



AGENDA

1. Clarification of different sections of the bid document
2. Addressing concerns from potential bidders and other private sector players

Opening Remarks

The meeting commenced with a prayer led by Mercy Awour from Aquarech and a warm welcome to all attendees by the chair of the prebid conference- Samson Kidera.

Aquaculture Specialist **Grace Njagi** provided background information on the program and the rationale for installing **109 fish cages across five riparian counties**, an amendment introduced after the program's **mid-term review**. She explained that the project will follow an **off-taker model**, where a **private anchor firm** will commit to purchasing fish from farmers. The payment structure will be designed to ensure **sustainability**, allowing part of the revenue to be used for **replenishing fingerlings** while ensuring that farmers also receive earnings from their harvest.

The **Procurement Specialist, Mr. Muthui**, presented an update on the **109 fish cages across five riparian counties**, where cage off-taking services are required. He reported that **65 cages have been published**, with various stages of progress, and preparations for their **official launch are underway**. Additionally, **44 cages are in the process of being advertised**. He explained that the bid document had already undergone corrections and was duly updated. However, there was a need to provide more clarification and address potential bidders' concerns concerning the tender.

The issues discussed are addressed in the tables below.



Table 1: Clarification and Revisions to the Tender Document

Agenda Item	Issues Addressed	Way Forward
Tender Process	<ul style="list-style-type: none"> - The tender period was shortened from 45 to 21 days to comply with Kenyan regulations. - The agreed contract price remains fixed throughout the tender period, ensuring cost stability. - Bids must remain valid for 120 days for thorough evaluation and contract awarding. - No tender security is required, but a tender securing declaration is mandatory. - The tender evaluation will be conducted in Kenyan Shillings (KES) to ensure pricing uniformity. - Tender opening will occur in Kisumu, not Nairobi. 	<ul style="list-style-type: none"> - Ensure all amendments and clarifications are documented and accessible to all bidders. - Clarifications must be emailed, and all changes uploaded online for transparency.
Supplier Requirements	<ul style="list-style-type: none"> - Financial capacity: Suppliers must show liquidity of 20M per lot and a turnover of at least 20M in fish-related business over the past three years. This is to ensure only financially capable firms are engaged. - Technical expertise: Bidders must have personnel with expertise in aquaculture, quality control, and marketing to guarantee professional handling of fish farming operations. - Equipment: Suppliers must demonstrate access to refrigerated trucks (20T min) and adequate fish storage facilities to maintain product quality. - The initial tender data sheet required 7-ton refrigerated trucks, but post-qualification documents stated a minimum 20-ton requirement, causing confusion among bidders. 	<ul style="list-style-type: none"> - Verification of suppliers' financial, technical, and logistical capacity will be conducted as per tender requirements. - An amendment to the tender data sheet (ITT 35.3(4)) to require a minimum 20-ton refrigerated truck.
Bid Submission and opening	<p>The bid submission deadline is 12th March 2025 and opening venue is ABDP Nyeri office. It was noted that most of the prospective bidders present in the meeting came from the Western and Nyanza region and would prefer to have the tender submission and opening in ABDP Kisumu office.</p>	<p>The Programme shall amend section stating the opening dates as well as the opening venue of ABDP Kisumu office.</p>
Fish Stocking Plan	<ul style="list-style-type: none"> - Target fish size: The 350g fish size is preferred for local markets, particularly among women fish traders. However, 500g is more profitable for commercial-scale buyers such as supermarkets and hotels. - Stocking density: 33,000 fingerlings per cage, considering a 10% mortality buffer. 	<ul style="list-style-type: none"> - Consider making provisions for the different consumer segments and amend bid document where necessary



	- The stocking capacity and feed allocation were based on an economic and financial analysis presented to IFAD.	
Local Supplier Presence	- Some counties preferred off-takers with local processing and distribution facilities to enhance supply chain reliability and sustainability. - Fear that "briefcase" suppliers (without physical facilities) may pull out once project funding ends, leaving farmers unsupported.	- Verification of suppliers' financial, technical, and logistical capacity will be conducted as per tender requirements.

he following corrections in the tender document were notified to the participants

CORRECTIONS

SECTION II - TENDER DATA SHEET (TDS)

ITT 35.2 (d) 4 Lorry capacity not less than 7 TON, corrected to not less than 20 TON or number of lorries whose capacity total to 20T or More.

SECTION III – EVALUATION AND QUALIFICATION CRITERIA

6.4 b (iii) the words “annual sales turnover of 50 Ton” replaced with “two times the quantity in the lot applied for”

Table 2: Concerns from Private Sector Participants and Responses

Concern	Details	Response
Fish Size and Market Viability	- Several participants, including Michel Merten, questioned the assumption that 350g fish was commercially viable. - They argued that 500g fish is more profitable and aligns better with market demand, especially for large-scale buyers.	- It was noted that some local small-scale traders prefer 350g fish, while larger sizes cater to supermarkets and processing markets.
Feed Conversion Ratio (FCR) and Feeds Availability	- Participants questioned the assumption of an FCR of 1.2, stating that it was too optimistic given the feed quality available in Kenya. - Michel Merten and Dr. Erick noted that 1.5 FCR is more realistic for local production.	- It was clarified that FCR 1.2 was the target indicated in the bid document, but further consultations with suppliers will be conducted to determine realistic feed performance expectations.



Total Feed Allocation in the Tender	<ul style="list-style-type: none"> - Michel Merten argued that the number of feed bags allocated (37,605 bags) was insufficient, considering the stocking density and target weights. - He estimated that 63,000 bags would be needed if fish were grown to 500g. 	<ul style="list-style-type: none"> - The project team explained that the feed calculations were based on economic and financial analysis approved by IFAD. - However, there was room to revise feed allocations based on expert consultations.
Sustainability Beyond the Project	<ul style="list-style-type: none"> - Yiruo Fish Farm raised concerns about how the project would sustain itself after donor funding ends.. 	<ul style="list-style-type: none"> - The program follows an off-taker model, where private firms commit to purchasing fish from farmers. - This ensures a continuous production cycle, with revenue reinvested into restocking.
Market Demand Differences by Region	<ul style="list-style-type: none"> - Aquarech and Lake Bream Fisheries Ltd noted that fish size preferences vary by county. - While some areas favor 350g for local trade, others, particularly hotels, prefer 400-500g fish. 	<ul style="list-style-type: none"> - The project team acknowledged these regional market variations and promised to consider them.

Closing Remarks

The meeting emphasized the importance of addressing key concerns before finalizing contracts, particularly in areas such as fish size viability, feed quantity adequacy, and supplier verification.

Final amendments to the tender documents will be made based on feedback from bidders and industry experts to ensure project sustainability.

Additionally, clear procurement and monitoring mechanisms will be established to safeguard the interests of all stakeholders. The updated tender document will be shared with all parties, and ongoing engagement with suppliers and farmers will be prioritized to support the long-term success of the cage fish farming project.

Secretary

Note:

After Internal consultations, it was agreed that since the issue of contention is the amount of feed, the bidders submit their bids as per the tender quantities. If a decision to increase is reached, the same will be discussed with the awarded off taker.

While in the meeting, It had been agreed that the submission location will be revised to RCO office Kisumu, and now considering that this may require extension of time, it is now agreed and confirmed that the submission venue is in Nyeri as in the tender document.