

TERMS OF REFERENCE
Local Service Providers to assist ABs in Developing Business Plans
Package No. KM/IC-07, BLX/IC-07, VP/IC-07, VC/IC-07, XYL/IC-07

Contracting Authority: Department of Planning and Finance, Ministry of Agriculture and Forestry (MAF)

Location: Based in target provinces (Vientiane Capital, Vientiane Province, Xayabouly, Bolikhamxay and Khammouane Province)

Introduction

The ACP comprises the following four components: (a) Improved Agricultural Efficiency and Sustainability, (b) Enhanced Agricultural Commercialization, (c) Project Management, and (d) Contingent Emergency Response.

Component A - Improved Agricultural Efficiency and Sustainability (est. US\$ 18.2 million, of which International Development Association (IDA) would finance around US\$ 16.3 million). This component will support: (a) the increased adoption of improved varieties and high-quality seeds, (b) the increased application of good agricultural practices, (c) the provision of critical productive infrastructure, and (d) the strengthening of public services delivery.

Subcomponent A1: Promoting Adoption of Good Varieties and Quality Seeds (estimated US\$2.5 million, of which IDA would finance around US\$2.3 million)

This subcomponent will support activities to promote the adoption of good varieties and quality seeds, including the provision of (a) technical assistance (TA) for the establishment of seed multiplication groups (SMGs) and building their capacity to adopt good varieties and quality seeds (including ones resistant to climate variability such as floods and drought) ; (b) Matching Grants to selected SMGs to carry out Sub-projects (i.e., small works, goods, equipment, and so on) for improving the production and postharvest handling, packaging, and storage of quality seeds; (c) technical and material assistance (i.e., small works, goods, equipment, training, and so on) to build the capacity of Provincial Agricultural and Forestry Offices (PAFOs), District Agricultural and Forestry Offices (DAFOs), MAF technical departments, and research institutions to conduct training for SMGs and to carry out seed quality monitoring and certification; and (d) TA to link SMGs with Farmer Production Groups (FPGs) and agribusinesses in marketing certified seeds.

Subcomponent A2: Promoting Good Agricultural Practices (estimated US\$7.4 million, of which IDA would finance around US\$6.2 million)

This subcomponent will support activities to promote Good Agricultural Practices (GAP) , including the provision of (a) TA for the establishment of FPGs and building their capacity to adopt GAP; (b) Matching Grants to selected FPGs to carry out Sub-projects that implement GAP; (c) TA and material assistance (i.e., small works, goods, equipment, training, and so on) to build the capacity of PAFOs, DAFOs, and MAF technical departments to conduct training for FPGs on

GAP and to carry out related extension and certification activities including soil analysis, organic fertilizer production, and organic farming; and (d) TA to link FPGs with agribusinesses in marketing farm produce.

Subcomponent A3: Providing Critical Productive Infrastructure (estimated US\$6.2 million, of which IDA would finance around US\$5.7 million)

This subcomponent will support activities to improve critical irrigation infrastructure and water use practices, including (a) rehabilitation of selected irrigation schemes and (b) provision of TA to establish water user groups and to build their capacity to adopt improved water use models. Through improving water use, management, and productivity of existing irrigation schemes, it is expected to enhance their resilience to impacts of climate change.

Subcomponent A4: Strengthening Public Services Delivery (estimated US\$2.1 million, of which IDA would finance US\$2.1 million)

This subcomponent supports activities to strengthen agricultural and nutrition service delivery, including the provision of technical and material assistance (i.e., small works, goods, equipment, training, and so on) to (a) improve the overall extension service capacity of the PAFOs, DAFOs, and MAF technical departments to deliver better quality services to farmers to promote GAP adoption and enhance resilience to climate change; (b) develop and implement mapping and demarcation pilots for agricultural land in irrigated areas; and (c) conduct studies on integrated farming systems and diversification for nutrition, and carry out social behavioral change communication (SBCC) activities related to dietary diversity, adequate care practices, and processing and cooking for improved nutrition

Component B - Enhanced Agricultural Commercialization (est. US\$ 7.2 million, of which IDA would finance around US\$ 4.8 million). The project will support: (a) establishing an Agriculture Value Chain Facility (AVCF), (b) measures to better link farmers to markets, and (c) studies to improve the enabling environment for agro-enterprise and value chain development.

Subcomponent B1: Establishing an Agricultural Value Chain Facility (estimated US\$5.3 million, of which IDA would finance around US\$2.9 million)

This subcomponent will support the establishment and operation of an AVCF for the purpose of extending technical and financial services to agribusinesses, including the provision of (a) TA to establish and operate the facility and provide advisory and Subproject implementation support to agribusinesses; and (b) Matching Grants to selected agribusinesses to carry out Subprojects for upgrading their processing and postharvest handling facilities and their management capacities to improve product quality, increase operational efficiency (including improved energy efficiency), reduce physical losses, and link with FPGs to improve marketing of the farm produce.

Subcomponent B2: Linking Farmers to Markets (estimated US\$1.4 million, of which IDA would finance US\$1.4 million)

This subcomponent will support activities designed to link farmers to markets, including the provision of TA to (a) strengthen the horizontal links of farmers within FPGs for implementing procurement, marketing, and other collective actions, and the vertical links of FPGs and agribusinesses in productive partnerships to undertake further processing and marketing of the produce; and (b) develop an improved agriculture market information system to provide reliable market information for productive partnerships. Through strengthening the market linkages, it is expected to make farmers more resilient to climate change.

Subcomponent B3: Improving the Enabling Environment (estimated US\$0.5 million, of which IDA would finance US\$0.5 million)

This subcomponent will support activities by MAF technical departments, MOIC and other relevant agencies to improve the enabling legal, policy and institutional environment for supporting agribusiness investment and agricultural trade policies, including the development of improved sanitary and phytosanitary standards, rice standards and rice export policies, and improved import and export legislation focusing on agriculture inputs and farm machinery

Component C - Project Management (est. US\$ 2.9 million, of which IDA would finance US\$ 2.9 million). The component will support (a) project management; and (b) monitoring and evaluation.

Subcomponent C1: Project Management (estimated US\$2.4 million, of which IDA would finance US\$2.4 million)

This subcomponent will support the day-to-day implementation, coordination, and management of project activities including planning and execution, financial management (FM), procurement, internal and external audits, and environmental and social safeguards management.

Subcomponent C2: Monitoring and Evaluation (estimated US\$0.5 million, of which IDA would finance US\$0.5 million)

This subcomponent will support the day-to-day monitoring, reporting, and evaluation of project activities.

Component D: Contingent Emergency Response (US\$0 million)

This component with a provisional allocation of zero dollars is included under the project in accordance with OP10.00, paragraphs 12 and 13, for projects in situations of urgent need of assistance or capacity constraints. This will allow for rapid allocation of project proceeds in the event of the Government declaring that a crisis or emergency has occurred and the World Bank Group agreeing with such determination. This component would finance public and private sector expenditures on a positive list of goods and/or specific works, goods, services, and emergency operation costs required for emergency recovery. An Emergency Response Manual (ERM) will apply to this component, detailing FM, procurement, safeguards, and any other necessary implementation arrangements.

The project's implementing agency is the Ministry of Agriculture and Forestry, with its Department of Planning and Finance (DoPF) as the main implementing agency. Other implementation partners include technical departments in MAF and Ministry of Industry and Commerce. At provincial level, the department of Agriculture and Forestry (PAFO) will implement project activities in the five following provinces: Khammouane, Bolikhamxay, Xayabury, Vientiane province, and Vientiane Capital. PAFO will also coordinate with the provincial department of industry and commerce (PICO) as well as district offices. The project implementation timeframe is tentatively from June 2018 to 2024.

Under the Component B, the project has recruited SNV/The Netherlands Development Organization to implement Subcomponent B1: Establishing an Agricultural Value Chain Facility (ACVF). Some 30 Agribusinesses (AB) operating in rice, maize, and vegetables will be selected and provided with matching grants. Sizes of the matching grants (50% of total cost) range from around US\$25,000 for a vegetable AB to around US\$ 125,000 for a rice AB. The total matching grants for ABs under the project will be around \$2.9 million. The eligible items that will be financed by ACVF include: goods, consulting services and civil works, as defined in the Project Appraisal Document (PAD) and Project Operation Manual (POM).

The project is recruiting 10 individual consultants (2 per project province, including Vientiane Capital, Bolikhamxay, Khoumoune, Xayabury, and Vientiane provinces) to provide technical support to Agribusinesses on business plan development. The consultants will be recruited through the Individual Consultant Selection (ICs) method in accordance with the World Bank Procurement Regulations for IPF Borrowers: Procurement in Investment Project Financing dated July 1, 2016, revised November 2017.

Objectives of the assignment

Under supervision and coordination of National Project Coordinator and Provincial Project Director. The objective of the services is to provide comprehensive technical assistance service to Agribusiness in Business Plan development. These business plans will be implemented with co-funds support from the LACP project in order to achieve the project development objective with the highest efficiency within the allocated resources and project timeline.

Scope of the assignment

The consultants will receive training from the ACVF management team. After that, they will assist the interested ABs in the project provinces in developing their business proposals to apply for the matching grants from the ACVF. Only for the business proposals are accepted, they will assist and work with the ABs to develop them into full business plans (including investment plans) following the required format of the ACVF to be submitted to the ACVF management for evaluation. Below are detailed tasks:

1. Work closely with individual agribusiness to identify the necessary and needed items for investment plan;
2. Based on the training they received from the ACVF management team, assist ABs to prepare brief business proposals and subsequent detailed business plans (including

Investment Plans) following the approach and the required format of the ACVF that aim to increase product quality, operational efficiency, reduce postharvest losses, and foster productive and market partnerships with FPGs and SMGs;

3. Assist ABs in revising the business proposals and business plans to incorporate comments from the ACVF management until they have been accepted and approved by the project; and
4. Coordinate and work with the AVCF management team, the National Project Management Office (NPMO), the provincial project coordinators on topics related to developing the investment plan.

Reporting / Deliverables

The service providers will work under the supervision and report the progress to the Provincial Project Director and Provincial Consultant. The expected deliverables are:

- Summary ABs profile, including present status, development potentials and the need for additional investment to improve production efficiency, product quality, and realize the market potentials.
- Business Proposal selected by the AVCF management team and Business Plans approved by the project (both English and Lao versions).
- Submit brief monthly work plans and progress reports to the Provincial Project Director and Provincial Consultant for providing support for information.

Duration

This assignment will be performance based and the service is intermittent. Lump-sum contract will be used (US\$ 3,000 per approved business plan, including local accommodations and travel costs). One consultant can work on several business plans if she/he wish to. It is expected that some 35 Business Plans in 5 project provinces will be completed by November 2021. The assignment is expected to commence in September 2020. The Consultants should propose their own work plan (including travel plans) to achieve the highest outcome and cost-efficiency.

Experience and qualifications

The selection of this position will be primarily based on the following criteria:

- At least a Bachelors' degree in Economics, Agribusiness or related fields.
- Minimum 5 years working experience in agricultural development, agribusiness and agricultural investment, preferably mainly in the private sector.
- Proven ability to understand, analyze and evaluate the operation of individual businesses, preferably in a wide range of agroindustry, post-harvest facility/infrastructure improvements and service activities including contract farming or production partnership;
- Work independently for extended periods, without close supervision;
- Ability to work one-to-one with business owners and gain their trust;
- Experience in advising individual businesses on how to improve and grow their businesses;

- Excellent communication skills,
- Ability in using MS Word, MS Excel and computer-based accounting including email management.
- Ability to travel and work in provinces and districts.
- Ability to use English language (written, spoken and reading).

Source of information

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