Terms of reference (ToRs) for the procurement of services

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Value Chain development potential and market access and competitiveness for three (3) agroforestry commodities	Project number/ cost centre: 14.9048.1-001.00

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0. List of abbreviations

ASEAN-REPEAT-SUPA	Sustainable Use of Peatland and Haze Mitigation in ASEAN
ASEC	ASEAN Secretariat
APMS	ASEAN Peatland Management Strategy
NAPPs	National Action Plan on Peatlands
PHU	Peatland Hydrological Unit
DPKG	Directorate Peat Degradation Control
TK-PPEG	Team Kerja Perlindungan dan Pengelolaan Ekosistem Gambut i.e. Working Group Protection and Management of Peat Ecosystems
AMS	ASEAN Member States
ToRs	Terms of reference

1. Context

The ASEAN-REPEAT-SUPA (*Sustainable Use of Peatland and Haze Mitigation in ASEAN* is a regional programme implemented by the *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) GmbH to strengthen the ASEAN Secretariat (ASEC) and AMS to implement the ASEAN Peatland Management Strategy (APMS) and National Action Plan on Peatlands (NAPPs). The goal of ASEAN-REPEAT-SUPA is to strengthen the capacity and knowledge of AMS state agencies on peatland governance both at institutional and individual level, informed upon demonstration action on the ground. ASEAN-REPEAT-SUPA is financed by the Federal Ministry for Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV). The programme is implemented using a multi-level approach, from regional, national, and local levels and is structured into three work areas:

(1) Strengthening regional cooperation by strengthening ASEAN,
(2) Specific support to AMS for the implementation of ASEAN Peatland Management Strategy (APMS) and National Action Plan (NAPPs), and
(3) Generating pilot experiences from Indonesia and Malaysia.

At local level, work area 3 “Generating pilot experiences from Indonesia and Malaysia” will demonstrate how a certain area within one landscape or peatland hydrological unit (PHU) can be rehabilitated through the implementation of sustainable peatland management practices.

In 2020, Directorate Peat Degradation Control (DPKG) Ministry of Environment and Forestry Indonesia in coordination with Environment Agency of Aceh Province selected three (3) PHUs, two (2) Districts: Nagan Raya District and Aceh Barat Districts for the implementation of SUPA C1 pilot site. GIZ - SUPA has supported DMPG implementation in 10 priority villages (4 Aceh Barat & 6 Nagan Raya, please refer to table 1) since 2022 and will continue to support the priority villages until June 2024.

Table 1. SUPA pilot site 10 priority villages in Aceh

Aceh Barat	Nagan Raya
1. Keub Village, Arongan Lambalek Sub-District.	1. Blang Luah Village, Darul Makmur Sub-district.
2. Pange Village, Samatiga Sub-district.	2. Sumber Bakti Village, Darul Makmur Sub-district.
3. Kuta Padang Village, Bubon Sub-district.	3. Pulo Kruet Village, Darul Makmur Sub-district.
4. Beurawang Village, Bubon Sub-district.	4. Makarti Jaya Village, Darul Makmur Sub-district.
	5. Kayee Unoe Village, Darul Makmur Sub-district.
	6. Lueng Keube Jagat, Tripa Makmur Sub-district.

The TK-PPEG of the 10 priority villages have established a demoplot area in the peatland and are currently implementing cultivation of selected agricultural and fishery commodities which have the potential to grow well in the peatland environment (waterlogged). Peatland forest species are also being grown in the demoplot areas. A core goal of SUPA C1 is to strengthen the climate-resilience and livelihoods of the peatland farming communities. Economic

prosperity, through diversification of farming systems, need to go hand in hand with the sustainable use of soil and water of the peatland environment. With the different commodities already in cultivation, a key next step is to support the development of viable agricultural value chains for the most prominent commodities, as alternative to cash crops.

Thus, GIZ is seeking a service provider to identify a maximum 3 most promising commodities for sustainable use of peatland while providing a decent livelihood option in the TK-PPEG 10 priority villages in Aceh Barat and Nagan Raya districts. The service provider is asked to analyse, develop and provide recommendations for the mentioned production system and associated value chains, including a mapping of business opportunities and barriers.

2. Tasks to be performed by the contractor

The contractor is responsible for providing the following services/ results:

1) Identify and select the three (3) most promising commodities balancing peatland ecosystem health & livelihood return, and mapping their supply chain from **10 priority villages of SUPA pilot site (4 Aceh Barat & 6 Nagan Raya)** commodities already in cultivation, taking into account the local farmers' preferences and knowledge, success rate of the commodities in peatland environment and potential for sustainable intensification (incl. for productivity increase), production risks in the specific context of cultivation on peatland, commodity market value for value chain development options, including market opportunities and risks. An introduction workshop conducted in Aceh Barat and in Nagan Raya for 2 days (each) with a target audience of between 50-70 local farmers and local Dinas officers in each location should be conducted to discuss the current status of commodities cultivation. The above task should be summarized in an Inception report.

2) Prepare and conduct a 1-day workshop conducted in Melabouh, Aceh Barat for TK-PPEG from the 10 priority villages of SUPA pilot site and local government relevant officers, with a target audience of between 60-80 people, to present the results of the inception report and confirm support for the three (3) prioritized commodities. Documentation by signing of TKPPEG confirmation support to the prioritization of the three (3) selected commodities.

3) Conduct Value Chain Development Analyses for each of the three (3) selected commodities and compile in an overview report. The value chain assessments will entail:
   a. the agronomic production profiles (e.g. currently applied agricultural management practices and opportunities for improvement through the application of GAP, labour profile and assessment of available labour for ideal production of the selected commodity, land ownership and land use practices, …);
   b. value chain mapping on local, regional and, if applicable, international levels, covering, among other aspects that may be suggested by the bidder: key stakeholders and market actors i,e. buyers, aggregators, traders, processors, input suppliers, and other middlemen, flow of products, availability of inputs, availability of funds and information, etc.);
   c. functional analysis of each value chain (profiling of industry structure, adoption of skills, technology and innovation); climate change implications; economic analysis of potential opportunities to add value along the chain; and policy and institutional conditions necessary to create suitable enabling environment for value chain development.

d. Conduct assessment of demand and market conditions for commodity and if applicable associated products of selected value chains including analysis of input and output markets, identification of lead sellers/buyers, size of markets, volumes of sale, market integration/segmentation, their structure and dynamics between actors, procurement processes, related standards, existence of monopolies.
e. Undertake a desk review of relevant activities conducted by government or other development partners on the selected commodities.
f. Identify constraints and barriers (financial, technology, infrastructure, human resources/skills, marketing, regulatory, policy, institutional) that must be addressed to enable the development of the value chain for the three commodities.
g. Identify investments required to support the selected value chains. In the case of public infrastructure (soft and hard), recommend arrangements for financing (i.e. public, private, public-private) and mechanisms for sustainable operation and maintenance; provide analysis of risks and opportunities for investments.
h. Identification of specific opportunities for women and youth to be involved in these value chains, analysis of potentially existing barriers for women and youth and provision of suggestions on how to overcome them.
i. Recommend suitable agribusiness financing models that also address climate related risks, if available locally, nationally or internationally.

4) Capacity Development
   a. Design and deliver capacity development to the local communities on key aspects relevant to improve the three (3) value chain potential, according to identified necessities.
   b. Training to be conducted in Meulaboh, Aceh Barat and in Suka Makmue, Nagan Raya for 4 days (each), to a target audience of between 50-60 TKKPEG local farmers in each location. Training should include a presentation of the main finding described in the Value chain Development Analysis for each commodity, followed by general aspects and/ or relevant to the priority commodities as needed.
   c. Training materials to be designed should be accessible for beneficiaries of all education levels and include graphics and simple language with little text. Training materials to be designed e.g. PPT, training handbook, posters to be proposed by service provider and discussed and approved by SUPA previously.
   d. Discussions and conclusions from training to be summarized in a training report.

5) Direct Engagement
   a. Start bridging/connecting with the market for the value chain priority product(s) by identifying local businesses (buyers, aggregators, processors, manufacturers) relevant for TK-PPEG and taking into consideration what TKPPEG can offer (farmers capacity in terms of volume and quality) to the buyers. for three (3) values chains. Support establishment of dialogue and FDGs between TK-PPEG and local businesses and local government actors with the goal of promoting market access and/ or follow-up support programmes through public funding.
   b. A series of workshops and FDGs to be conducted for each of the three (3) value chains. For each value chain four (4) meetings to be conducted in Aceh Barat **or** Nagan Raya targeting a total audience of 60 participants each.
   c. Recommend the development of appropriate models for public-private partnerships (PPPs) in agribusiness.
   d. Direct Engagement Report summarizing the findings of the above tasks, including priority immediate steps and actions to support engagement with market.

Certain milestones, as laid out in the table below, are to be achieved during the contract term:

Milestones/partial services	Deadline
1.Workplan and methodology	18 March 2024
2.Introduction Workshop preparation	18 March 2024
3. Introduction Workshop with TKPPEG	25 March 2024
4.Inception Report	10 April 2024
5.Presentation of Inception Report to TKPPEG	19 April 2024
6. Value Chain 1 Development Analyses & market assessment	1 May 2024
7. Value Chain 2 Development Analyses & market assessment	1 May 2024
8. Value Chain 3 Development Analyses & market assessment	1 May 2024
9.Preparation of Capacity Development design & Materials	20 May 2024
10. Capacity Development to local farmers	15 June 2024
11. Preparation of series of meetings in Aceh	20 June 2024
12. Series of workshops and FDGs conducted for engagement with market	30 June 2024
13.Direct Engagement Report	10 July 2024

Period of assignment: from 13 March until 15 July 2024.

3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

Technical-methodological concept

Strategy (1.1): The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 0 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to present and explain its approach to **steering** the measures with the project partners (1.3.1).

The tenderer is required to describe the key **processes** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided. In particular, the tenderer is required to describe the necessary work steps and, if applicable, take account of the milestones and **contributions** of other actors (partner contributions) in accordance with Chapter 2 (Tasks to be performed) (1.4.2).

The tenderer is required to describe its contribution to knowledge management for the partner (1.5.1) and GIZ and to promote scaling-up effects (1.5.2) under **learning and innovation**.

Project management of the contractor (1.6):

The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert months) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

Further requirements (1.7)

The tenderer is required to present the proposed concept (workplan and strategy) at interview stage (only selected candidates).

4. Personnel concept

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

The below specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

Team leader

<u>Tasks of the team leader</u>

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the project
- Personnel management, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments and supporting local and international short-term experts
- Regular reporting in accordance with deadlines

<u>Qualifications of the team leader</u>

- Education/training (2.1.1): university degree (German ‘Diplom’) in Economics, Business Management, Forestry, Agriculture, a Masters in: Business Management, Logistics, Value Chain Management and/or Agroforestry Business or an MBA would be an advantage.
- Language (2.1.2): B2-level language proficiency in English
- General professional experience (2.1.3): 8-10 years of professional experience in the business sector, financial management, business stimulation strategies, value chain development.
- Specific professional experience (2.1.4): 6 years in Agri-forestry business sector, private sector engagement, public-private partnerships (PPPs)
- Leadership/management experience (2.1.5): 6 years of management/leadership experience as project team leader or manager in a company

- Regional experience (2.1.6): 6 years of experience in projects in Indonesia
- Development cooperation (DC) experience (2.1.7): 4 years of experience in DC projects
- Other (2.1.8): experience in business of agroforestry markets in ASEAN would be an advantage

Key expert 1 – Agroforestry Business Development & Analyst

Tasks of key expert 1
- Development of workplan and methodology
- Implementation of workplan and methodology
- Data analysis
- Preparation of meetings
- Report writing
- Regular reporting in accordance with deadlines

Qualifications of key expert 1
- Education/training (2.2.1): university degree (German 'Diplom') in Forestry, Agriculture, Natural resources management. A Master's in business management, Agroforestry Business would be an advantage.
- Language (2.2.2): B2 -level language proficiency in English
- General professional experience (2.2.3): 5 years business sector, new business growth and stimulation strategies, value chain development
- Specific professional experience (2.2.4): 3-5 years in Agri-forestry business sector, private sector engagement, market analysis, statistics.
- Regional experience (2.2.6): 5 years business in Indonesia, experience in ASEAN will be an advantage.
- Development Cooperation (DC) experience (2.2.7): 3 years' experience
- Other (2.2.8): proven experience of about peatland derived commodities will be an advantage.

Key expert 2 – Capacity Development

Tasks of key expert 2
- Development of workplan and methodology
- Implementation of workplan and methodology
- Data analysis
- Preparation of meetings
- Report writing
- Regular reporting in accordance with deadlines
- Identification of Capacity Development needs
- Designing CD modules and short pools expert role

Qualifications of key expert 2
- Education/training (2.2.1): university degree (German 'Diplom') in Forestry, Agriculture, Natural resources management. A master's in education, rural development, marketing would be an advantage.
- Language (2.2.2): B2 -level language proficiency in English
- General professional experience (2.2.3): 5 years business sector, new business growth and stimulation strategies, value chain development, marketing
- Specific professional experience (2.2.4): 3-5 years in developing capacity building modules for rural communities to support business development, private sector engagement, marketing

- Leadership/management experience (2.2.5): N/A
- Regional experience (2.2.6): 5 years business in Indonesia, experience in ASEAN will be an advantage.
- Development Cooperation (DC) experience (2.2.7): 3 years' experience
- Other (2.2.8): proven experience of working with inclusive business models for women and youth will be an advantage.

Soft skills of team members
In addition to their specialist qualifications, the following qualifications are required of team members:
- Team skills
- Initiative
- Communication skills
- Socio-cultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

Short-term expert pool with minimum 1, maximum 3 members

For the technical assessment, an average of the qualifications of all specified members of the expert pool is calculated. Please send a CV for each pool member (see below Chapter 7 Requirements on the format of the bid) for the assessment.

Tasks of the short-term expert pool
- Assist the core experts developing marketing strategy.
- Assist the core experts with product development.
- Assist the core experts with Capacity Development
- Data analysis

Qualifications of the short-term expert pool
- Education/training (2.6.1): university degree or equivalent (German 'Diplom') in Forestry, Agriculture, Marketing, Agroforestry Product Development,
- Language (2.6.2): experts with B2-level language proficiency English.
- General professional experience (2.6.3): experts with at least 5 years of professional experience in the marketing and sales and/ or agroforestry sector.
- Specific professional experience (2.6.4): experts with 4 years of professional experience in product development, agroforestry marketing.
- Regional experience (2.6.5): experts with 4 years of experience in Indonesia
- Development cooperation (DC) experience (2.6.6):
- Other (2.6.7): Experience of working with peatland commodities would be an advantage.

  The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications.

5. Costing requirements

The following basic calculations for the contract are a reference value based on the acceptance criteria for each partial work/milestone as specified in Chapter 2 (Tasks to be performed by the Contractor).

Since the contract to be concluded is a contract lump-sum base (based on deliverables), we would ask you to offer your services at **a lump sum price**. Therefore, please divide the lump

sum price into the milestones described below. The estimated expert days serves as a guidance only.

The price per milestone must **contain all associated costs** (expert fee, accommodation, flights, local transport, etc). The logistic costs associated with any workshops/meetings required for each milestone must be **excluded** from the offer. Please refer to next section on *Workshops and Trainings* for further details.

Milestone	Deliverables	Estimated expert days (for orientation& excluding travel days)	Deadline	Payment (%)	Acceptance criteria
1	a) Workplan and methodology	2 days	18 March	20%	Workplan and Methodology, no more than 3 pages
	b) Preparation of Introduction Workshop & Inception Report	3 days			Agenda and as well Inception Report which will consist of analysis and selection of 3 commodities and justification (Chapter 2, Task 1)
2	a) Introduction Workshop	6 days	1st May	30%	List of attendance Signed, Workshop Materials
	b) Introduction Workshop Report	8 expert days			Workshop Report summarizes the discussions during the introduction workshop including the three (3) prioritized commodities status of cultivation (Chapter 2, Task 2)
	c) Documentation by signing of TKPPEG confirmation support to the prioritization of the three (3) selected commodities.	3 expert days			Document signed by TK-PPEG. (Chapter 2, Task 2)
	d) Value chain 1 development analysis & market assessment	10 expert days			Detailed analysis, document no longer than 17 pages (section 2, task 3)
	e) Value chain 2 development analysis & market assessment	10 expert days			Detailed analysis no longer than 17 pages (section 2, task 3)
	f) Value chain 3 development analysis & market assessment	10 expert days			Detailed analysis, no longer than 17 pages (section 2, task 3)
	g) Capacity Development to pilot site TKPPEG engaged with priority commodities on their	24 expert days			List of attendance Signed, Agenda

	value chain and market prospects and key aspects to strengthen the commodities attractiveness. This might include marketing, private sector engagement, building value chain network, opportunities for women and youth engagement, etc		15th June	20%	
	h) Training Material is available	8 expert days			Format to be agreed but must be accessible for beneficiaries of all education levels and include graphics and simple language with little text.
	i) Training Report is available	8 expert days			No longer than 20 pages and including key aspects relevant to improve the three value chains potential, according to identified necessities.
3	a) Series of Workshops & FDGs conducted	31 expert days	10th July	30%	List of attendances, contact, summary of main agreements for each meeting.
	b) Direct Engagement Report	10 expert days			Detailed and clear summary of all the above task, including recommendation for priority immediate steps and actions to support engagement with market.

Workshops and training

The logistics for the workshops and meetings must be excluded in the offer as GIZ will be responsible for the organization of any events. The Contractor must inform and coordinate with GIZ for the logistics of any meetings/workshops required for the assignment.

GIZ SUPA will arrange *all logistics and organization aspects* of Workshops and Meetings with partners in Aceh at provincial and district level. Hence, the must bidder must liaise closely and coordinate the logistical and organizational details of any workshops/meetings/training, activities, etc with SUPA Aceh team. All logistic and organizational aspects*:* venue, material requested, daily allowance, transport, catering expenses for the planned events and the participants will be in accordance with GIZ regulation.

The contractor is responsible for the **preparation and delivering the technical content**.
A total of 15 events in different formats are expected. Please refer to Chapter 2 (Tasks to be performed by the contractor) for more details.

6. Inputs of GIZ or other actors

GIZ to make the following available:

- Logistics for workshops: venue, material requested, daily allowance, transport, catering expenses for the planned events and the participants, according to GIZ regulation.

7. Requirements on the format of the bid

The structure of the bid must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The complete concept must not exceed 10 pages (excluding CV). The bid must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 3 of the ToRs must be submitted using the format standard for application. The CVs shall not exceed 4 pages. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs must be submitted in English.

As the contract to be concluded is a contract lump sum base, please offer a lump sum price that covers all relevant costs for the service (expert fee, accommodation, flights, local transport, etc). The price bid will be evaluated on the basis of the specified lump sum price which must be realistic for the services to be rendered. The specifications for pricing are defined in the Price Schedule.