



RFP for FPO Assessment of OSED project

Title: Farmer Producer Organization Assessment of Odisha Socio-Economic Livelihood Development Project (OSED)

Location: Odisha

Last Date: 10-July-2021

1. Background of Heifer International

Heifer International is a global non-profit working to end hunger and poverty and care for the Earth by using sustainable practices and engaging smallholder farmers in agricultural development. Heifer was founded on the simple belief that ending hunger begins with giving people the means to feed themselves, generate income and achieve sustainable livelihoods.

Since 1944, Heifer has helped over 35 million households in over 125 countries, through community-based training, appropriate technologies and agricultural resources, enabling communities to lift themselves out of poverty and hunger on to a path of self-reliance and economic prosperity. In Asia alone, up to 600,000 families benefited from Heifer, focusing on building rural value chains through programs that integrate income and asset generation, food security and nutrition, environmental protection, women's empowerment, and the creation of social capital. More Info on Heifer:

www.heifer.org

Heifer India's Program History

Heifer's India program started in 1955, when 20 Jersey cows were sent to India through the Ministry of Agriculture, Government of India. Since then, Heifer has been working in disaster rehabilitation, technical training for the government on improved animal management practices, and to support local NGOs in Socio-Economic Development Projects.

In 2008, Heifer India was registered as a representative office and began partnering with local NGOs in Odisha, Bihar, Rajasthan and started recently in Andhra Pradesh, to empower marginalized communities socially and economically. Currently, Heifer's programs are spread across 1,500 villages in these states and reaching over 86,00 families. We partner with institutions and stakeholders at every level to build an ecosystem that fosters scaling of community-based enterprises and generate sustainable and equitable return to the producers and small holder farmers.

Project background:

The OSED project aims to complement production increase and inclusive group formation by building inclusive market systems along the goat value chain. It capitalizes on SHGs joining together to create and strengthen Farmer Producer Organizations (FPOs) OR Farmer Owned Agribusinesses (FOABs), which provide key products and services to farmers and households in their vicinity and provide access to larger markets because of aggregated bulk products created by the FPOs/ FOABs. FPOs will also be able to access financial services for affordable loans to invest in their farms and businesses. Heifer will seek to fill market system gaps by partnering with a multitude of actors along the commodity value chains or assisting farmers in creating micro, small, and medium enterprises (MSME). Heifer intends to build the capacity of market actors, including the vulnerable farmers as actors, to ensure that as the project progresses Heifer's direct role decreases, and private sector partners take on the support services required for smallholders to succeed as Heifer gradually reduces its support from the project



communities. As per the project plan, Heifer International India is looking to form/strengthen the FPO / FOAB on agri-business related value chains.

FPO / FOAB:

Heifer has identified Nine (9) FPOs working in 2 districts (Mayurbhanj, Keonjhar) of Odisha on different value chains. The proposed FPO assessment will gauge the current situation of the FPOs to strengthen on input supply production related activities, sale at farm gate as well as in marketplace. The selected Consultant / organization will assess critically each of these FPOs through interviews of board members, employees, shareholders and FGDs with the different stakeholders, market actors and identify the enablers and weak linkages where the project can play a role to strengthen the FPOs.

Terms of Reference:

FPO assessment Study in OSED is proposed in two project districts that have potential of generating income by FPO with project farmers. For better synergy and for tapping nearby markets, study would cover two districts of Odisha. Besides, relevant local, district level and terminal markets in the state and/or outside of state for sale of products of value chains of FPO, would be covered in the study to take advantage when the business scales up in due course of time.

The study would involve considering different stages of FPO systems, cost and benefits analysis, break-even point of business, profit margin in the existing Value Chains at different level, demand, and supply trend (from exiting scenario to next 5 years) and the existing market channels to the nearby markets and the larger markets. It will generate necessary primary data, collate, and analyse available secondary data to meet the study objectives of identifying options (along with their pros and cons) for strengthening competitiveness. The study will identify key areas of interventions in the selected value chains of FPOs to enable smallholders to become one of the important actors capable of receiving benefit/proportionate share of the trade margins across the value chain through FPO in the state.

Main Objectives:

The study is a diagnostic study will look at:

- a) Feasibility of Odisha and Terminal market Level information on different value chains of proposed ten FPOs working to understand input, outflow and the demand, supply of the market systems prevalent in the country. This will also cover the various prime actors in the Value Chains of FPO.
- b) It will look specifically at 2 districts (Mayurbhanj, Keonjhar) of Odisha state for the detailed Value Chain analysis that will add value to the FPO.
- c) The proposed FPO assessment will identify Strengths, Weakness, Opportunities and Threats (SWOT) analysis, in the given project area which will be rated as prospective areas for the expansion of the value chain in the next 5 years.
- d) The status of Mobilization of Farmers, Organizing and Formalizing of members of FPO.
- e) The FPO assessment prepare a road map on resource mobilization, System development, Business Operations, Assessment & Audit.

The **scope of work** of the study include:

1. Analyse the proposed Nine (9) FPO as per the Business Transformation Model (BTM) of Heifer International. The BTM of Heifer International model focus on five capacities of FPO which includes, Strong and sustainable relationships, Administration, and Internal Management systems of FPO, Financial Management, Effective Business Operations and Environmental stewardship & Management.
2. The BTM proposed five capacities have approximately 16 indicators. The FPO strengthening during Heifer project will be measured by 7 mandatory indicators among the 16 indicators. The definitions of the indicators available in Heifer's Performance Indicator Reference Sheet (PIRS) must be used as reference guide. These will be shared during the inception meeting.
3. Suggest potential market linkages with FPO that can be established in Public-Private partnership, Private-Private partnership, Public-Public partnerships (wherever applicable) in different segments of value chain. (Example; Production, Processing, manufacturing, marketing, distribution, wholesale, marketing, retail, multiple commodities, any other)
4. Examine the FPO business plans for executive summary, detailed company description, products and services description, market analysis, strategy and implementation plan, management team, and financial plan with projections
5. Recommend whether fee-based services profitable, and factors affecting consistent quality and quantity of products or services to members by FPO.
6. Examine and recommend the Governance (Membership, governance, operational staff, terms of engagement, performance measurement, remuneration and other important details) and equity of leadership / managerial positions occupied by women.
7. Explore the FPO (as Organization) Finance Management focusing on Net Returns, Liquidity, Financial compliance.
8. Examine FPO Contribution to Climate Smart Agriculture (CSA)
9. Analyze current supply and demand system of the respective value chains, including sales volumes, markets, and seasonality trends. Based on this information, develop options for year-round marketing strategies to be implemented by FPO.
10. Analyze the various existing value chains by small hold producers and geographical regions. Calculate cost of production, associated costs, and value additions across the entire value chain tiers from production functions to end market dynamics. Conduct a viable economic model for smallholder farmers of FPO.
11. Analyse the strengths, weaknesses, opportunities, and threats (SWOT) of the FPO. Suggest efficient options to address the weaknesses and threats for FPO.
12. Compare prices and margins with different stakeholders, that can benefit FPO, in the value chain focussing on competitiveness in the said areas considering both production quantity and quality.
13. Assess the concerns and quality of relationships among actors along the vertical and horizontal linkages of the FPO including dynamics among the various interest groups (e.g., Panchayat, block and district, market operators, traders, importers, entrepreneurs, processors, etc.). Contributing factors such as ethnic, caste, tribal and socio-economic dynamics should also be

considered. Suggest key project interventions/ areas for building trust, capacity, reciprocity, and business relationships among these value chain actors in favour of smallholders.

14. Identify potential enterprises of respective value chains (services/trade) in the vertical and horizontal linkages where FPO of smallholders can have a decisive role and stake across linkages thereby eliminating or minimizing opportunities for exploitation by other stakeholders. Also assess employment positions that can be created by FPO.
15. Suggest actionable strategies the FPO can implement to attract private sector to make larger investment in FPO value chain enterprises in target geography
16. Review and analyze policies governing trade and marketing practices in livestock and agri-business value chain including market regulatory frameworks, powers of the PRIs that auction the marketplaces, infrastructure development by the government, that can influence FPO.
17. Undertake an institutional and non-institution review for the procedures (technical, financial, ownership, management practices, policy implementation) to get the best practices.

Deliverables:

1. Inception report with detailed methodology, sites to be visited, sampling methodology, time-schedule, research tools, and contact details of key investigators in the field
2. Mid-term progress sharing of field and desktop studies – and presentation (this would provide an opportunity for discussion on how/where the study is progressing, and fine-tune the direction)
3. A draft final report
4. Presentation and sharing on draft report
5. Final report, with actionable recommendations to be incorporated into FPO implementation. (max. 30 pages), with additional appendixes per value chain as needed.
6. Complete set and Tabulated data set used in the analysis
7. Raw data and interview transcripts, along with audiovisual attachments and/or photographs as necessary.

Competencies:

1. Prior Experience of doing FPO /Value Chain assessment studies.
2. Subject matter experts for agriculture, livestock value chain along with ago-economic expertise are preferred
3. A good understanding of the Market and market research.
4. Presence of local team in Odisha for field management and data collection, and able to commit time and travelling for data collection.
5. Understanding of specified states in value chain's perspective.

Timeline

No.	Deliverables/Tasks	Estimated Timeframe
1	Short list decided, notified and revisions requested as needed	15-July-2021



INDIA		
2	Selection and notification	20-July-2021
3	Contract signed	30-July-2021
4	Planning and Instrument development	10-Aug-2021
5	Field work	11 -20 August 2021
7	Present draft report and online presentation to Heifer team	30-August- 2021
8	Final report due	10-September-2021

Selection Criteria

Submitted proposals must clearly demonstrate alignment with the SOW outlined above with appropriate level of detail. Proposals will be evaluated according to the following criteria:

Accuracy and relevance of the proposed technical approach and methodology	20%
Completeness of the proposal (activity plan, budget, relevant expertise, etc.)	15%
Proposed Consultant / team: expertise and competencies to address project components	20%
Relevance of the baseline survey skill base to implement/manage the assignment	20%
Budget justification and costs reasonableness	25%

Applicable Process & Regulations

a. Technical Approach (not to exceed 8 pages):

- A detailed methodology on how the assignment will be conducted, including qualitative and quantitative data collection approaches, sampling strategy, data collection methods and systems/technology to use, field procedures, quality control practices and data analysis.
- List and briefly describe the team and its proposed personnel, indicating what role each proposed individual will have; CVs of team members to be provided in an attachment.
- A clear and comprehensive work plan (draft), outlining the major activities, people responsible and time schedule.
- Organizational capacity statement, including past experiences and activities related to the theme of the study. Reference information must include the location, award numbers, and brief description of work performed.
- At least three references of other clients for which similar evaluation assignments were undertaken with contact information for each.

b. Financial Proposal (in INR)

- Itemized budget
- Narrative explanations of line items

Agencies must be legally registered to operate within India and comply with local applicable legislation, including but not limited to labor law, financial requirements, taxes, etc.

Proposals should be submitted in the aforementioned format only.

Send to: procurement-in@heifer.org

Deadline of Submission: 10-July-2021 18:00 PM IST

Send your proposal as per the format prescribed. The subject of email shall be the RFP Number i.e. RFP/HPI/OSED/1 followed by the "*Bidder's Name*".

Note - Telephonic and Face to Face enquiries will not be solicited without prior appointment and may lead to disqualification.