

**Bid No. GNTZ/HO/IGD/002/2022**

**Consultancy**

**Terms of Reference (TOR)**

**Value Chain study: Focusing on Coffee Value Chain  
Analysis in Songwe Region -Tanzania**

**October 2022**

## Good Neighbors Tanzania

### 1. Project Profile

<b>Project name</b>	Value Chain study: Focusing on Coffee Value Chain Analysis in Songwe Region -Tanzania
<b>Project Number</b>	GNTZ/HO/IGD/003/2022.
<b>Project overall objective</b>	To help the understanding of how agricultural development fits within market dynamics and impact on coffee smallholder's farmers and businesses by identifying knowledge gaps and priorities for every value chain actor in Coffee and recommendations for improvement of the coffee value chain.
<b>Project Goal</b>	To build the resilience capacity of people/coffee value chain actors to recurrent shocks by improving agricultural productivity and providing market link services among the coffee farmers.
<b>Project location</b>	Songwe Region – Tanzania 128 AMCOS in Songwe
<b>Project period</b>	November 2022 to February 2023
<b>Beneficiaries</b>	128 AMCOS Approximately 30,000 Farmers
<b>Implementing partners/stakeholders</b>	Tanzania Coffee Board, Tanzania coffee Research Institute, Songwe Region, District Councils in Songwe Region, Curing Companies, Private coffee buyers, Financial institutions, AMCOS and Farmers and Community leaders

### 2. Introduction

Good Neighbors Tanzania (GNTZ) is a Non-Profit organization established in 2005 with a mission of making the world a place without hunger, where people live together in harmony, respecting human rights of our neighbors suffering from poverty, disasters and oppression, and helps them to achieve self-reliance and enable them to rebuild hope in Tanzania;

Good Neighbors Tanzania (GNTZ) opened its office in 2005 with NGO approval from Tanzania central government to carry out community development projects including education, water and sanitation, health, income generation, advocacy and humanitarian assistance for children and local residents.

Since 2005, GNTZ has implemented socio-economic development projects in Dar es Salaam, Bagamoyo, Mwanza, Shinyanga, Dodoma, Mbeya, and Kigoma providing comprehensive

support through an inclusive and participative process denominated Community Development Programs (CDPs).

Through Income generation and social economic development program, GNTZ is providing networks for promoting, advocating, conducting and facilitating sustainable agriculture through research, dissemination and application of findings. GNTZ's goals are to provide appropriate information and guidance to farmers on technologies, innovations and practices that improve sustainable Income in a socially, economically and environmentally friendly manner

The program also will provide skills related to income generation and livelihoods for youth and women including financial literacy, access to financial services (e.g. negotiated interest loans), career pathway development (work readiness), entrepreneurship development, job search support, start-up support, Technical and Vocational Education and Training (TVET) for certified professional accreditation, facilitation of apprenticeships for income generation and on-the-job learning, support to savings groups, and support to women-led business hubs. Knowing that Climate Change impacts the poor more than others and that the shifting weather patterns continue to threaten the survival of the very community we are targeting, with reduction in household income and food production, mutually agreed initiatives have been designed and implemented based on availability of funds. Climate Change has been considered a cross-cutting issue and will thus be integrated as much as possible in all other interventions.

### **Smallholder Coffee farmers' in Songwe Region**

Good neighbors Tanzania (GNTZ) has been working with coffee farmers in Songwe Region in collaboration with farmers' cooperative society in project implementation to support farmers to increase their household income. During the Implementation of the project the significant challenges identified that require interventions through smallholder coffee development projects includes low productivity and production of quality coffee, inadequate extension services, high prices, and insufficient access to reliable agro-inputs. Other factors include poor agronomic practices, Deforestation, the instability of market coffee prices, lack of financial institutions investing in the coffee value chain, the presence of old trees (decreased coffee production), and poor/no benefits of coffee return to women. GNTZ wants to increase resilience and build adaptive capacity by agroforestry/agroforest approach.

### **3. Purpose and Objectives of the Value Chain study**

The aim of the study is to assemble validate and make available of the newly generated and/or existing information and knowledge drawn from science and practice (including farmers' rich knowledge) in appropriate sources, for dissemination and extension of coffee farming project.

**A. The purpose of this value chain analysis is therefore to**

- Identify knowledge gaps and priorities for every value chain actor in Coffee
- Identify the information and practices about the coffee value chain which needed by value chain actors for improvement of the value chain
- Draw the attention to the best practices on involvement of all groups in the value chain (youth, gender considerations and marginalized groups)
- Findings and recommendations of the value chain analysis will be presented and deliberated on the research stakeholders' workshop and call for other areas of research needs.

**B. Objectives of the value chain analysis**

- To identify value chain actors and analyze the strength, weakness, opportunities and strength of the value chain on coffee perspective.
- To document the available practices and Best practices on coffee value chain in every stage of value chain development.
- To assess areas and practices that need further research, validation and improved dissemination.

**4. Specific task on the Coffee Value Chain Analysis**

S/No	Specific Task	Area of Focus
1	The proportion of coffee farming on the economy	<ul style="list-style-type: none"> <li>■ GDP contribution rate</li> <li>■ The ration of employment to the total population</li> <li>■ Foreign currency income contribution rate</li> <li>■ The average annual production per HH/cooperative/area, type of coffee.</li> <li>■ Total number of farmers</li> </ul>
2	Effect of climate change	<ul style="list-style-type: none"> <li>■ 2021/2022 precipitation rate</li> <li>■ The rate of decline in agricultural output (the number of people suffering from food shortages)</li> <li>■ The rate of decline in agricultural growth</li> <li>■ Coffee production comparison: 1988 vs 1989 and 2021 vs 2022, annual production over the past 25 years</li> <li>■ Russian war impact – price growth rate (raw materials import price)</li> </ul>
3	Status of coffee farmers	<ul style="list-style-type: none"> <li>■ The total number of coffee farming areas per ward/districts</li> <li>■ Percentage of smallholder coffee farmers from the total</li> </ul>

		coffee farmers (: <b>“small-scale agriculture”, “family farm”, “subsistence farm”, “resource-poor farm”,</b> )
4	Aftermath of COVID -19	<ul style="list-style-type: none"> <li>■ Increase in the poverty rate</li> <li>■ Increase food security ratio</li> <li>■ Decrease ratio of coffee farmers/production</li> </ul>
5	Response of climate change and strategies	<ul style="list-style-type: none"> <li>■ Shade cultivation (Example:.) main tree varieties to shade coffee trees, the current proportion of shade cultivation, impact of shade cultivation)</li> <li>■ Response to pests (coffee berry disease, rust disease): resistant variety</li> </ul>
6	Mbeya/Songwe regional status of AMCOS	<ul style="list-style-type: none"> <li>■ Regional status: altitude, climate/temperature, cultivation population, amount of production (at least 5 years comparing)</li> <li>■ Economic status: poverty line, number of population (portion of poverty line)</li> <li>■ AMCOS: total number of AMCOS on coffee farming, governance (list)</li> <li>■ Vulnerability in operation/management</li> <li>■ Harvest season: early crop/main crop</li> <li>■ Total amount of green been sales/curing quantity/net-income rate for each member</li> <li>■ The number of trained farmers (Natural farming or others)</li> <li>■ Number of AMCOS with CPU facilities</li> <li>■ Number of AMCOS with contract of curing company</li> <li>■ Number of AMCOS trading directly</li> <li>■ Pre-harvest loss (reasons: disease, nutrition, soil erosion)</li> </ul>
7	CPU facility status	<ul style="list-style-type: none"> <li>■ Method of drying</li> <li>■ Type of pulper (eco-pulper, disc-pulper)</li> <li>■ drying bed</li> <li>■ Fermentation tank</li> <li>■ Cherry parchment loss rate per 100kg of coffee cherries</li> </ul>
8	Curing facility status	<ul style="list-style-type: none"> <li>■ Product loss rate in each processing and managing step.</li> <li>■ Loan status to AMCOS and repayment method</li> <li>■ Default rate</li> </ul>

		<ul style="list-style-type: none"> <li>■ Interest rate</li> </ul>
9	Problem analysis	<ul style="list-style-type: none"> <li>■ Decrease in production: high exit rates (of member farmers), low loyalty, insufficient farming management training</li> <li>■ Increase loss of quantity/quality in the processing phase: poor processing equipment</li> <li>■ Low market competitiveness: irrational VC structure of coffee for farmers, poor market accessibility (dependent on middlemen)</li> </ul>
10	Quality management and grading system	<ul style="list-style-type: none"> <li>■ Q-grader or other experts</li> <li>■ Lab</li> <li>■ Nursery</li> </ul>
11	Margin for each step in the Value chain	<ul style="list-style-type: none"> <li>■ 1) the respective margin ratio of middlemen/Agent/Trader out of sold green bean</li> <li>■ Their practical roles in coffee value chain</li> <li>■ E.g. Production - CPU – Curing – warehousing – auction (roast &amp; process -&gt; national/local market) – export – whole sale/retail</li> <li>■ Cost incurred at each stage: cherry processing costs, CPU and sales costs/commission, distribution of members' profits, operation cost of AMCOS</li> <li>■ total AMCOS's annual average sales</li> <li>■ total AMCOS's annual expenditure</li> </ul>
12	Marketing analysis	<ul style="list-style-type: none"> <li>■ Coffee price (national/local market, coffee futures market)</li> <li>■ after CPU, after curing, auction, direct sales</li> </ul>
13	Key stakeholder analysis	<ul style="list-style-type: none"> <li>■ TCB, TACRI, Curing Companies, Roles &amp; Responsibilities</li> </ul>
14	Payment method	<ul style="list-style-type: none"> <li>■ Period of payment</li> </ul>
15	Provisional country/company to sale	<ul style="list-style-type: none"> <li>■ Online platform (including direct trade)</li> <li>■ Auction</li> </ul>

## 5. The Value Chain Study Deliverables

- (a) The value chain analysis draft and final reports: The report should be logically structured including the executive summary, value chain description in Tanzania, survey purpose, methodology, findings, conclusions, recommendations, and annexes (key officials

interviewed, documents consulted, and data collection instruments). The report should respond in detail to the key focus areas described above. It should include a set of recommendations for the value chain development and inform on further research focus.

- (b) Summary of the value chain analysis report on PowerPoint Slides for presentations.

## 6. The Study Methodology/Approach

The Consultant is expected to develop an appropriate survey approach/methodology to address the coffee value chain analysis objectives. The survey strategy should demonstrate a close link between the data collected from value chain actors and the methodology that will be employed to ensure the further recommended research areas is unbiased. The Consultant, in consultation with the project team will develop a detailed and appropriate study methodology. The survey methodology and tools developed by the consultant will be reviewed and approved by GNTZ before the rollout of data collection. The survey methodology will include and not be limited to;

- (a) Review of relevant documents on coffee including value chain analysis report – Desk review.
- (b) Data collection approaches and tools, focusing on structured interviews with value chain actors.
- (c) Data analysis techniques, capturing the gaps, priorities and information needed by value chain actors with reference to gender, youths and marginalized groups.

## 7. Responsibilities

S/No	Roles and Responsibilities for Consultant	Roles and Responsibilities for GNTZ
1	Provide Inception report with a detailed plan for how the Baseline Survey will be carried out in a methodologically sound manner; that should be approved by GNTZ before the field work	Elaborate Baseline Survey contract
2	The consultant will conform to the suggested data collection methodology	Avail all relevant project documents to consultant
3	Source, hire and pay enumerators immediately after the fieldwork	Avail the list of HHs in Lowest income level 1 & 2 in each CDP
4	The consultant will train enumerators	Avail the list of key informers
5	Arrange and fund all transportation to the project sites/ logistics, etc.	Review all plans and tools before use
6	Arrange and fund for anthropometric measurement tools – digital weighing machine and height machine	Review all reports and provide feedback

7	Work with project field staff to coordinate Baseline Survey schedule	Liaise with local implementing partners on behalf of the consultant to plan data collection
8	Supervise enumerators during data collection in the field	Pay the consultant as per Value Chain study signed contract
9	Data verification during data collection	
10	Data uploading, cleaning and analysis	
11	Design questionnaires for data collection encompassing measurements for assessing all highlighted outcome indicators	
12	Clean and organize primary data set to be handed over to GNTZ at the completion of the analysis	
13	Baseline Survey report outlining impact for all outcomes and outputs	
14	An end of consultancy presentation of all findings drafted at a level of understanding acceptable for a wide range of audiences	
15	Arrange Key Informant Interviews and focus-group discussion as per the Baseline Survey	

## 8. Criteria for selection of Consultant(s)

The consultant(s) shall be selected on the basis of their proven experience, qualifications, and ability to deliver a quality product in a timely and efficient manner. Institutional applications presenting a team with specializations in relevant research areas will be preferred

## 9. Consultants & Minimum Qualifications

- A Ph.D. in Agricultural Sciences, Social Sciences, Statistics, Economics, or related field and at least 5 years of relevant experience (Team leader); and at least a master's degree in similar disciplines and years of experience for other team members.
- Experience of at least 4 years in conducting research/Project evaluations, particularly in the area of social sciences.
- At least a 4-year experience in planning and conducting both qualitative and quantitative research (conducting survey fieldwork, data collection, validation, entry, and analysis)
- Experience in leading teams in field (training, field logistics, human relations, teamwork)
- Demonstrated ability and experience in working with communities and the capacity to undertake the study in rural and urban areas



- (f) Demonstrated ability to assess complex situations to analyze critical issues concisely and clearly and draw conclusions and recommendations.
- (g) Excellent writing skills, with publication record
- (h) Demonstrated analytical skills.

The exercise will require literature review and field data collection to the coffee value chain actors (production, processing, transportation, brokers, marketers, policy makers and consumers). The selected consultant will be expected to adhere to a code of conduct (Statement on Ethics), and conduct self/ themselves according to the expected ethical standards.

## 10. Period of performance and estimated level of effort

All services required under this solicitation will be delivered for a period of 2.5 months. The estimated level of effort shall be approximately sixty (75) working Days.

## 11. Value Chain Study Plan

S/No	Task	Responsible	Due	Remarks
1	Tender advertisement	Procurement Unit	24 <sup>th</sup> October 2022	
2	Tender Opening	Tender Committee	14 <sup>th</sup> November 2022	All Bidders Location: GNTZ – Boko Chama, P.O. Box 33104 Time: 10:00 am
3	Tender Evaluation	Tender Committee	18 <sup>th</sup> November 2022	
4	Tender Evaluation Report Approval	Management	25 <sup>th</sup> November 2022	
5	Contract Drafting, Negotiations & Signing of Contact	Procurement Unit Consultancy	30 <sup>th</sup> November 2022	Drafted contract will be submitted to CD for review and also Selected candidate will be called for negotiations. (Based on Budget)

## 12. How to apply

### Tender Application, Evaluation and Marking Criteria

Send Technical and Financial offers addressed to GNTZ not later than 14<sup>th</sup> November 2022 at 10:00am. The offer should contain:

A letter of interest addressed to GNTZ

- 1) The application should include ‘Expression of Interest to Conduct Baseline Survey’ in the subject.
- 2) A Technical offer showing the understanding and interpretation of the ToR and indicating a detailed proposed methodology for the work demanded.
- 3) A detailed financial offer (expressed in Tanzania shillings indicating the cost required for the undertaking of the work required).
- 4) CV of the consultant or consultancy firm personnel showing previous relevant experience.

### 13. Eligibility of Consultant firm.

- 1) Correct number of copies, i.e. **1 Original and 2 copies** of both the technical and financial proposals.
- 2) Copy of Registration Certificate
- 3) TIN Certificate
- 4) VRN Certificate (If Applicable)
- 5) Valid copy of Tax Clearance Certificate or exemption
- 6) Valid copy of Appropriate License
- 7) Company profiles/Portfolio
- 8) Completed Form of Declaration by Directors (*this can be substituted by Power of Attorney*)
- 9) Bank Statement
- 10) Recently Audited Report

### Technical and Financial Proposal

The maximum scores allocated to Technical and Financial	
Technical Score	70%
Financial Score	30%
<b>Total</b>	<b>100%</b>

NB. Non-compliance to the separation of the technical and financial bids and any appearance of the financial figures in the technical bid shall be subject to outright disqualification. The same treatment will be given to the bidder’s responses that do not have the required number of envelopes for the technical and financial bids.

- Pass for Technical score shall be **56 Marks**

## 14. Evaluation of Bids

The following table shows the criteria which will be used to evaluate the proposal. The criteria will be rated on a weighted scale as shown in the table below.

### A. Technical Proposal Evaluation Criteria

Marks for the evaluation shall be awarded according to the following criteria scale:

<b>1. CAPABILITY OF CONSULTANT FIRM</b>	<b>SCORE=20</b>
Educational Qualification for key staff (including CV and copies of academic certificates)	6
Minimum 5 years of experience in evaluating and monitoring educational programs	10
Number of projects conducted and references of the same (at least 5 projects )	
Number of staffs needed and their role	3
Program knowledge and experience in Tanzania Country wide specifically t intended project areas	1
<b>TOTAL</b>	<b>20</b>
<b>2. LITERATURE REVIEW</b>	<b>SCORE=10</b>
Literature review is extensively covered	2
The literature review is relevant to the study.	5
The literature clearly outlines the conceptual or theoretical framework.	3
<b>TOTAL</b>	<b>10</b>
<b>3. METHODOLOGY</b>	<b>SCORE=30</b>
The research study design has been identified.	2
The design/approach has been explained and is relevant.	5
The sampling method has been determined.	2
The sampling method is appropriate.	1
The right sample size has been determined	3
Data collection strategies are fully described and relevant.	5
Collection instruments are appropriate	5
Ethical consideration issues	3
Data analysis procedures are fully described	4

<b>TOTAL</b>	<b>30</b>
<b>4. PROJECT PLAN</b>	<b>SCORE=10</b>
A detailed time plan has been included showing how and when the activities will be achieved	10
<b>TOTAL</b>	<b>10</b>
<b>GRAND TOTAL</b>	<b>70</b>

### C. Financial Proposal Evaluation Criteria

Marks for the evaluation shall be awarded according to the following criteria scale:

<b>FINANCIAL SCORE</b>	<b>SCORE=30</b>
Bank statement for recent 6 months	2
Audited Financial Statements for recent two years with evidence of submission to TRA	3
Price score (= Lowest bidder/Bidder price) x 25%	25
<b>TOTAL</b>	<b>30</b>

If you believe you are the right candidate for the above consultancy and can clearly demonstrate your ability to meet the qualifications required, then submit the above-mentioned documents to;

#### **GN-Tanzania Country Office. (HO)**

Plot 2047, Block K, Tegeta Wazo –Bagamoyo Road

P.O. Box 33104, Dar es Salaam, Tanzania

Tel: 0735-991-530

E-mail: [gntzHO@goodneighbors.or.tz](mailto:gntzHO@goodneighbors.or.tz)

The heading: **Consultancy for Coffee value chain study in Songwe Region- Tanzania.**

The deadline for applications is 14<sup>th</sup> November 2022 at 10:00am, Thereafter Tender opening will be proceeding with the presence of bidders

**/END/**