

# **Terms of Reference for Firms for Technical Assistance in Agro-Business Planning, Technology and Marketing Advice and Implementation Support Livestock and Dairy Development Project (LDDP)**

## **1. Background**

Bangladesh lies within the Ganges-Brahmaputra-Meghna Delta—the world's largest, most densely populated delta and one of the richest in aquatic resources. In 2014, Bangladesh crossed the threshold to become a low middle-income country (LMIC), and per-capita income reached US\$ 1,602 in 2017. Bangladesh's remarkable development achievements notwithstanding, high levels of poverty and population density remain pressing development challenges.

Given increasing population pressure on land, the Government of Bangladesh (GOB) has recognized that the expansion of dairy and meat production, processing, value addition, marketing and consumption can offer an important pathway to sustainable economic development and future poverty reduction opportunities for Bangladesh. The livestock and poultry (dairy and meat) sector is taking an increasingly major role in this performance, accounting for approximately 16% the agricultural GDP and emerging as a major growth driver in the last two decades showing an incremental GDP growth rate as compared to the fisheries or crops sectors. The livestock and poultry sector also play an important role in the food supply, food security, and livelihood security of the country's millions of smallholder livestock farmers and other stakeholders. Milk, meat and egg provide 50% of all animal protein consumed in Bangladesh. Livestock and poultry also play a major role in employment: about 50% indirectly and 20% directly (of the total population) are associated with the livestock sector. Bangladesh is being popular for milk, meat and egg-based solutions to address malnutrition and hidden hunger, particularly among poor women and children in rural areas.

The GOB recognizes the potential for the country to increase the value of its dairy and meat productions and processing through more sustainable management and in doing so, improve the lives of poor, subsistence farmers. Several key sector-wide challenges necessitate government intervention and investments to enable responsible private-sector-driven growth. These include (i) the absence of an effective regulatory framework for managing post-harvest dairy and meat sector; (ii) limitations in the basic public infrastructure necessary to enable private sector investment; and (iii) limitations in both public and private sector capacity for improved livestock management and optimal productivity.

To overcome these challenges and enable private sector investment, Bangladesh can learn from both regional and global experience and good practices for investing in post-harvest dairy and meat governance reforms. Global experience highlights the need to first establish a core public sector governance framework, including an agreed sector vision, coherent policy, and enabling legal framework, to enable the design, piloting, and implementation of post-harvest dairy and meat activities supported by adequate institutional capacity building. The latter entails first and foremost building the DLS capacity to implement an effective management system to address the *de facto* uncontrolled, open access system for private entrepreneurs.

## **2. Project Description**

The LDDP project seeks to promote climate resilient productivity growth, enhance market access, and improve risk management among smallholder farmers and Agro-entrepreneurs, by providing support for climate smart production systems, farmer empowerment and commercialization.

The project will foster a market-led transformation of livestock production, while ensuring that the supply response to growing demand is sustainable, inclusive, safe, and environmentally conscious. To this end, the project will improve the ecosystem for value chain development by financing key infrastructures including markets, and access to market, insurance and financial products and services, capacity building and knowledge.



Climate resilient livestock production systems will be developed through the promotion of appropriate climate smart agriculture (CSA) practices addressing feeding strategies, animal health and welfare, animal husbandry and breeding, as well as manure and waste management (including production of energy), improved storage and processing. The project will build on existing experience to foster the generation of renewable energy from solar and livestock manure sources.

The project is designed and will be implemented taking into consideration the different gender roles. The project will actively pursue the participation of women across all project components

### **2.1 Project objectives:**

The project development objective is to improve productivity, market access, and resilience of small-holder farmers and agro-entrepreneurs operating in selected livestock systems and value chains in target areas.

### **2.2 Key expected results of the program**

- Farmers adopting improved agricultural technologies (following CSA principles) (50% female).
- Increased productivity of targeted species by direct beneficiaries (aggregated over cattle, buffalo, goat, sheep and poultry).
- Increase in market access reflected in increased sales (milk and/or processed milk products, live animals and meat, and egg) among the livestock producers and value chain actors in project areas (40% female).
- Farmers, value chain actors have adopted either food safety standards and/or traceability system, and/or livestock insurance (including climate induced risks) (50% female benefit)

### **2.3 Program Components:**

- Productivity Improvement
- Market Linkages and Value Chain Development
- Improving Risk Management and Resilience of Livestock Production Systems
- Project Management

## **3.0 Duties and Responsibilities**

### **3.1 DLS's Responsibilities**

The expert consulting agency/firm will work according to the rules of indirect management in close cooperation with the Project Director, **Livestock and Dairy Development Project (LDDP)**, DLS, Dhaka. The DLS will assist the team as required. Field work and field data collection and implementation will be done by the consultants of the expert consulting agency/firm in coordination with the field officers of DLS.

The Project Director, DLS, Dhaka in cooperation with the assigned expert consultation agency/firm will ensure that the objectives of the assignment, as detailed in this ToR, would be achieved within the agreed time schedule, and that the contents of the reports and recommendations are acceptable to the GoB and World Bank; he will direct the planning process and work program, supervise the study and monitor progress according to the objectives set in the ToR.

The Project Director, DLS, Dhaka will arrange regular meetings between the expert consulting agency/firm and DLS professional staffs and farmers. Any unresolved issues, either technical or otherwise, will be taken up with DLS's senior technical personnel or other GoB agencies as required.

Project Director, DLS, Dhaka will provide or make available the following data, services and facilities to the consultant as per existing rule of DLS:



- All available district wise livestock data and records on dairy, beef, **Sheep, Goat**, poultry;
- Available reports and study related documents;
- Any other services, available with DLS for help the experts of the agency/firm to carry out the data collection program as per ToR.

#### **4.0 Scope of the services**

The overall objective of this request for service is to provide technical assistance for a comprehensive development of livestock industry in Bangladesh and take advantage of the existing and emerging business opportunities within livestock sectors in the country, as per the ToR. The development objective of LDDP is to improve productivity and market access for micro and small-scale livestock producers for income generation, promote economic growth and reduce poverty. The program provides co-investment grant funds to rural producer groups for the development of new businesses or expansion of existing businesses in the sector. The expert consulting agency/firm will have to establish agri-business plans, technology, marketing advice and implementation support keeping in view the relevance of the investment, its effectiveness and the key factors driving long-term sustainability (i.e. economic and financial feasibility, market, technology, environmental sustainability, organizational capacity and management). The expert consulting agency/firm will act as technical assistance provider to help the producer groups prepare detailed business plans to strengthen their linkages to financial services, assist in value-added processes and linkage to market, thus contributing to the development of the sector and adjusting of the LDDP project's implementation strategy. The requested services have following outputs: Output 1: Capacity building of small holders and producer groups in livestock sector value chains (mainly the dairy, poultry, goat), Output 2: Business planning, technology transfer and marketing advice, Output 3: Establishing dairy hubs and milk and meat processing, Output 4: Establishing framework and providing implementation support for Market linkage through productive partnership

#### **5.0 Description of duties**

With the above scope of actions, the purpose of this assignment is to support the livestock sector in agribusiness development strategy and business plans. Following is the list of some indicative actions:

##### **5.1 Indicative activities:**

The assignment will cover an in-depth analysis of the livestock industry and support developing dairy hubs and other livestock businesses with the view to identifying the need and justifying potential investment opportunities in the sector. The agency/firm is expected to do the following:

- Undertake an in-depth technical assessment of the structure, current and future status of the livestock production and productivity, consumption patterns, input suppliers, and processors (at various stages of the value chain), markets as well as the current import patterns in the sub-sectors
- Undertake market analysis to establish marketing arrangements, major processors, major consumers and the level of competition in the market;
- Undertake an analysis of standards and quality aspects to meet market demand and requirements.
- Undertake an in-depth analysis that will reveal potential business opportunities in livestock sector based on existing and potential comparative and competitive advantages in the sector development process;
- Conduct an in-depth assessment that would highlight factors that will contribute to the successful establishment of farmer groups, dairy hubs and processing plant and enhancing competitiveness;
- Develop framework and strategies for setting up and linking smallholder groups with the dairy hubs and processing plant.




- Technical assistance for the establishment of Village Milk Collection Centers (VMCCs,) owned either by preferably, participating processors or by Producer Organizations/MSMEs linked to the Dairy Hubs
- To support setting up training institutes attached to dairy hubs for providing training facilities to farmers, extension workers, NGOs, service providers including relevant University teachers and students
- To provide Technical assistance for Introduction of food Safety and control mechanisms including traceability system back to the individual farmer.
- Undertake a detailed value chain analysis to identify investment opportunities and challenges taking into account the regulatory environment and propose interventions for exploiting the business opportunities;
- Prepare business plans, upgrading/modernization plans and marketing strategy for producer group networks to facilitate business linkage development thus improve the competitiveness and sustainability for the industry;
- Provide technical assistance to small holder and producer groups on new technologies to increase production outputs, best husbandry practices and opportunities for value added operations
- Upgrading and integrating smallholders and producer groups into value chains through productive networks and partnerships
- Technical assistance for developing institutional modalities for managing and financing the dairy hubs and processing plants
- Capacity building of national institutions and Institutionalizing value chain upgrading through developing entrepreneurship and managerial skills among stakeholders (DLS and relevant NGOs, banks, academics, etc
- Analyse the potential internal and external risks envisaged of such dairy hub development and the mitigation strategies.
- Support LDDP in communication and visibility of the project outcomes

Note: The exact scope and quantification of the tasks ( as pointed above at many areas) will be determined jointly by the Agency/firm based on the discussion with DLS and WB prior to signing the agreement

## **6.0 Duties and Responsibilities**

### **6.1 Expert consulting agency/firm's Responsibilities**

The expert consulting agency/firm will carry out the services as detailed in "Scope of Services and Description of Duties" in the best interest of the LDDP with reasonable care, skill, expertise and diligence with sound professional, administrative and best global practices. The expert consulting agency/firm will be responsible to the client for discharge of responsibilities. Field work and field data collection will be done by the experts in close consultation with the District/Upazila Livestock Officer concerned of DLS. The expert consulting agency/firm will support for the effective delivery of the services as stipulated in the scope of works in this ToR.

### **6.2 Duration of the Assignment**

- The assignment/study period shall be of in the framework of the LDDP program. A five years duration from the date of commencement of the LDDP program is envisaged.
- **Outputs:**
- concept notes, inception report, technical assistance strategies and work plans after due field assessments, consultation with LDDP project team and relevant stakeholders are developed
- Reports and recommendations such as technical assessment report, market analysis, business opportunities analysis, strategies for network of smallholder groups, reports of value chain analysis, business plans, upgrading/modernization plans and marketing strategy are prepared and submitted as necessary




- Technical assistance provided to assist developing dairy hubs and other livestock businesses (goat and poultry) for sustainable development of the industry
- Capacity of national institutions on agribusiness development and management (DLS and relevant NGOs, banks, academics, etc) improved
- Submit reports in English (and Bangla) both in hard and soft copy quarterly and annual basis

**6.3 Outputs/Reports:** During the implementation of the actions as per this ToR, the expert consulting agency/firm shall be **required to prepare reports on regular basis as demanded by LDDP management and agreed upon at the beginning of the assignment.**

#### 6.4 Expert Team Composition

The assignment shall be carried out by multi-disciplinary experts, supported by national experts at least but not limited to the following positions:

SL No	Position	Input (Person/Month)	Intended Experience/Qualification
1	Chief Technical Advisor- CTA (Team Leader) /	60	<ul style="list-style-type: none"> <li>• Advanced degree in business administration, agricultural economics or related agricultural subjects with minimum 10 years of extensive experience related to rural business development, in the agribusiness sector including micro finance and marketing, as well as competitiveness and value chain analysis in developing countries and developed countries.</li> <li>• Developing businesses in agro/livestock sector, sector evaluations, feasibility studies, and/or assessments; leading multi-disciplinary teams,</li> <li>• Should at least have held a senior leadership/management position on related projects</li> <li>• In-depth knowledge and experience in the agribusiness development practices</li> <li>• Demonstration of strong knowledge in setting up dairy hubs, VMCC and other businesses in livestock sector</li> <li>• Track record in conducting similar assignments in developing countries</li> <li>• At least three (3) similar assignments related to the preparation, formulation and development of agribusinesses within the last five (5) years.</li> <li>• Experience in working with rural micro-to-small scale businesses providing either business development services, training and/or technical assistance.</li> </ul>
2	International agribusiness development Experts (short-term)(2)	60	<ul style="list-style-type: none"> <li>• Advanced degree livestock sciences with minimum 7 years of progressive experience in agribusiness development with preferably four (4) years of experience in developing countries in design and management of agribusinesses and agribusiness development practices.</li> <li>• Proven record of working similar type of project in similar environment.</li> <li>• Proven experience in technical assessments on livestock/agriculture businesses in the national/international scenario.</li> <li>• Demonstrated knowledge and understanding of agriculture/dairy/livestock related sectors in Bangladesh or</li> </ul>

SL No	Position	Input (Person/Month)	Intended Experience/Qualification
			<p>in the countries of the region</p> <ul style="list-style-type: none"> <li>• Good understanding in setting up dairy hubs and VMCC is an advantage</li> </ul>
3	Agro-Economists and Financial experts	36	<ul style="list-style-type: none"> <li>• Advanced university degree in Business Administration (MBA) and Management or Economics or related discipline.</li> <li>• At least 7 years' demonstrable experience in economic research, assessments of agribusinesses, policy development and business analysis especially focused on the low-income population segment including women.</li> <li>• Work experience in a development institution, economic policy think-tank/research organization, or economic policy development and analysis consultancy firm will have an added advantage.</li> <li>• Knowledge of business plan preparation and ability to prepare financial statements</li> <li>• Knowledge of business plan preparation for MSME and large enterprise using business tool such as COMFAR, is an advantage</li> </ul>
4	National Experts (8)	36 Each	<ul style="list-style-type: none"> <li>• National experts will work closely with the Team Leader, International experts, and should have advanced degree in agricultural sciences with 7 years of progressive experience preferably in livestock or agribusiness development design and management, preferably livestock related</li> <li>• Proven record of working in similar type of development project in agribusinesses in similar environment and experience in the agribusiness development practices, including working experiences with the rural women.</li> <li>• Demonstrated knowledge and understanding of agriculture/dairy/livestock related sectors in Bangladesh</li> <li>• Proven track record in training, preparation of training module and experiences in working with farmers groups.</li> </ul>

### 7.0 Working arrangement and Reporting

The assignment of the expert consulting agency/firm will be regulated in a separate project document based on this TOR and jointly developed between the expert consulting agency/firm and the DLS. The expert consulting agency/firm will work in close collaboration and regular coordination with DLS, the World Bank and other relevant project stakeholders. The expert consulting agency/firm is required to prepare reports on regular basis as demanded by LDDP management and agreed upon at the beginning of the assignment.

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