

PUBLIC: CONTRACT AWARD NOTICE

1. Name and Address of the Borrower's Project Implementation Unit:

Client: Integrated Development Project (IDP), Solan, Himachal Pradesh

Contract title: Selection of a Consultant [Firm] for Agriculture Value Chain Scoping study under the project.

Country: INDIA

Loan No. /Credit No. /Grant No.: IN 9041

2. Name and reference number of the contract being awarded and the selection method used:

RFP No: IN-HPFD-150712-CS-QCBS

3. Name of Bidder/Proposers/Consultants that Submitted Bids/Proposals:

In response to the RFPs issued Five (5 nos.) firms had submitted their proposals within the scheduled deadline. The firms were:

1. AFC INDIA Ltd. Kirti Nagar- New Delhi
2. Institute of Livelihood Research & Training & BASIX Ltd. Koti, Hyderabad-Telangana
3. CTRAN, Consulting Ltd. BJB Nagar-Bhubaneshwar, Orissa.
4. SESTA Development Services, Jalukbari-Guwahati-Assam.
5. Price Water House Coopers Pvt. Ltd. Gurgaon, Haryana

4. Names of all Bidders/Proposers/Consultants whose Bids/Proposals were rejected either as non-responsive or as not meeting qualification criteria, or were not evaluated:

1. AFC INDIA Ltd. Kirti Nagar- New Delhi
2. CTRAN, Consulting Ltd. BJB Nagar-Bhubaneswar, Orissa.
3. SESTA Development Services, Jalukbari-Guwahati-Assam.

Based on the scoring criteria, all the above listed firms were found non-eligible for further financial evaluation (above 75 marks).

5. The successful Consultant

Name:	Price Water house Coopers Pvt. Ltd. Gurgaon, Haryana
Address:	17 th Floor, Building 10C, DLF Cyber city, Phase-II, Gurgaon-122002 Telephone/Fax numbers: [+91-124-3306029] Email Address: <i>ajay.kakra@pwc.com</i>
Contract price:	Rs. 31,86,000/-

Contract Duration: 105 (One Hundred Five) days

6. Summary and scope of assignment:

The consultant will undertake the following key tasks and activities:

Task 1: Value chain identification

The consultant (Firm) will facilitate the selection of the 2-3 value chains per region to be strengthened by the project by:

- Identifying the value chains that offer prospects for growth and development based on the data collected for agro climatic & socio-economic profile, land use & cropping pattern. Other factors including market attractiveness, inclusivity, environmental sustainability, potential income generation impact, and financial sustainability must be taken into account. The analysis should include

development of a table (matrix) that succinctly compares the identified value chains against the agreed prioritisation criteria and can draw on local and global best practices.

- Undertaking a market assessment to identify local, regional and national trends, market size, supply and demand gaps, imports and exports, distribution networks (including taking into account future highway and railway projects), etc.
- Reviewing the legal and regulatory environment in which the value chain operates. This review will focus on policies, incentives, available export promotion tools, financing of tangible and intangible capital outlays, training, employment, quality promotion, certification, standardization, competition, research and development, and partnerships.
- Holding consultations with the HPFD officials and other key stakeholders to present initial findings and determine specific value chains (commodities) appropriate for further analysis. Selected commodities to be limited to no more than 10 to remain focused. Each VC selected for further analysis must be justified based on the selected prioritization criteria approved by the PMU during the proposal phase, including market attractiveness; inclusivity, in particular for women and scheduled castes and tribes; environmental sustainability including climate resilience; income generation potential; and financial sustainability should be given. A ranking score table may be used to facilitate the selection process.

Task 2: Mapping of selected value chains

In consultation with IDP, the team will carry out the value chain selection & mapping exercise, which includes:

- Qualitative description and diagram (see indicative sample in Figure 2 – other models may be used) of the structure and flow of the chain: –the location and identity of various actors of the selected value chains, the backward and forward linkages among them, the whole range of process stages and chain operations from pre-production (supply of inputs) to processing and marketing, including any logistics gaps in each stage. This activity will also identify the institutions and organizations that can contribute to marginal farmer/vulnerable group-related value chain development of the selected value chains from the local to the national level, including public sector, NGO and private sector organizations.

Figure 2: Sample diagram modelling a fruit and vegetable value chain

- Assessment of the presence, status and level of activity of FPOs in the project area, including which commodities they are active in, number of beneficiaries, volumes handled and other basic information.
- Quantifying the value chains, which involves adding detail to the basic maps drawn initially (structure and flow) and should be supported by heat maps that demonstrate the region-specific distribution of crops. This exercise would focus on the size and scale of the

main actors; current and potential (with project support) production volumes and price/value; key areas of value addition, current and future market trends; sales and export destinations and concentration; the policy and regulatory framework; and the governance and power structures, including information and knowledge flows.

- Holding consultative meetings with key stakeholders, including various public sector line departments, private sector, non-government organization, and community actors from the entire value chain, and presenting findings of the mapping exercise for discussion and agreement prior to moving on to analyze the performance of the selected value chains.

Task 3: Analysis of selected value chain activities and performance

This task is to analyze the performance and competitiveness capabilities of the selected value chains in the context of local, national, and global trends in the targeted sector. Thus, the experts will:

- Identify and measure key quantitative and qualitative indicators (time, cost, value added and productivity, value captured by different actors, tracking and tracing, shipments, list of storage/cold chain facilities along the supply chains/near markets) currently (without the project) and in the future (potential with project support) for the selected value chains.
- Analyze the value chain external sources of competitiveness, including its economic and social environment, national and regional market environment, and its industrial and technological environment.
- Analyze the value chain technological capacities, including utilization of inputs, the production system, flow of market information and knowledge, and the products manufactured.
- Analyze issues related to gender and social inclusion in all steps of the value chain mapping and enquire the relative proportions of women & men and caste/ethnic communities at each node and between nodes.
- Carry out an economic performance analysis and benchmarking against potential competitors.

Task 4: Identify value chain performance constraints and development opportunities

This task is to define lacking competitiveness drivers (chain constraints), analyze opportunities for value chain development in the selected commodities. It entails:

- Facilitating the definition of the value chain vision and objectives by taking into consideration the findings of the mapping exercise and of the overall techno-economic assessment.

the value chain. Include farmer organizations developed under the Mid-Himalayan Watershed Development Project if any is in the HP IDP project area.

- Identifying constraints (gaps), including specific policy, institutional, operational, regulatory (standards) and infrastructure issues, etc., that affect the competitiveness of each stage of the selected value chains in the targeted areas, and ranking them by assessing their impact on backward and forward linkages. This activity includes identification of any missing related services needed to support efficient value chain functioning. The activity will include a review of the existing value chain; an assessment of the impacts (positive/negative, direct/indirect/cumulative, short/long-term) of this system on all stakeholders and on the production, collection, post-harvest, transport, processing, and marketing, including product differentiation, sorting, grading, packing, logistics and chilling requirements for various market segments.
- Identifying and developing a matrix ranking potential development opportunities and policy/institutional reforms to address the constraints identified and promote inclusive & sustainable economic growth and competitiveness in the selected value chains. This activity may be complemented by a strengths, weaknesses, opportunities, and threats (SWOT) analysis.
- Identifying and consulting key stakeholders at the institutional (line departments) and community levels on the identified constraints, potential development opportunities and policy/institutional reforms to gather inputs to inform the analysis and initial feedback. The types of stakeholder agencies that should be consulted include the following: government agencies; NGOs; experts; natural resource management institutions at the Gram Panchayat/village level, Village Development Committees, Self-Help Groups; and value chain actors, including local agents, traders, processors, and retailers.

Task 5: Define the proposed development interventions and reforms

This task establishes the value chain development upgrading strategy to be incorporated in the HP IDP Project Implementation Plan and entails:

- The formulation of the upgrading strategy for each prioritized value chain, including required interventions, related investments and support services (e.g., technology, financing, transportation/storage/aggregation/processing infrastructure, improved systems for standardization/packaging/certification, investment and export promotion etc.), and planning of actions with projected costs and implementation timelines and a profitability study for the planned investments.

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- Definition of the strategic options for mobilizing the farmers: recommend the types of suitable organization that fit the local context and legal framework for their downstream integration in the value chains, together with identification of areas of needed capacity building and recommendations for training approaches/tools. Use of appropriate information & communication technology, as per local context (in training and especially for market information and knowledge flow) should be explored.
 - Identify the potential profitable markets and market actors (a list should be provided) for the identified commodities, along with a suggested VC strategy to integrate the producers from the project areas to those markets.
 - For the better connectivity during monsoon, which is the main season of cultivation of high value crops and cereals, provide location recommendations for the construction of ropeways and foot bridges for easy transportation of inputs and produce in the VC. The detailed design and construction of the proposed infrastructure investments are not part of this TOR.
 - The formulation of recommendations for policy and institutional reforms to be undertaken to enhance the competitive performance of the selected value chains. The team will specify realistic, effective, and practical recommendations as per the PDO and will undertake an economic analysis to demonstrate the costs and benefits of implementing the recommended reforms.
 - The clarification of roles, responsibilities, and a timeline for the implementation and monitoring of the investments and reforms specifying where the involvement of public, NGOs, and/or other private sector actors is most appropriate. This should include a list of potential organizations (NGOs, private sector) as identified in the stakeholder workshops).
 - A validation workshop with stakeholders to present proposed interventions for agreement, including a monitoring and evaluation system.

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25/06/2021.

**Executive Director
Integrated Development Project,
Solani (H.P.)**