



## Terms of Reference

### Fresh & Ingredients

#### Implementation: Export Value Chain Development under HortInvest, Rwanda

March 10, 2020

#### 1. Introduction

IDH Sustainable Trade Initiative (“IDH”) accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running companies, civil society, governments, knowledge institutions and other stakeholders in several commodity sectors. We convene the interests, strengths and knowledge of public and private partners in sustainability commodity programs that aim to mainstream international and domestic commodity markets. We jointly formulate strategic intervention plans with public and private partners and we co-invest with partners in activities that generate public goods.

On the basis of these Terms of Reference IDH aims to select a party that can lead the **technical implementation of the Export Value Chain Development component under the HortInvest Program in Rwanda**. HortInvest, is a four-year project designed to support the development of the Rwandan horticultural sector and includes four components: (1) Domestic and Regional Market Development, (2) Nutrition and food security improvement, (3) Export value chain development, and (4) Strengthening the enabling environment. Under HortInvest, IDH is the lead on Component 3: Export value chain development.

Under Component 3, IDH is working closely with a group of Rwandan SMEs to improve production volumes and quality, build technical and management capacity, further professionalize operations, and to support these SMEs in meeting export market requirements for horticultural products as well as support link SME’s to African, EU and Middle East markets. Selected through call for proposal processes, IDH has projects with each of these SMEs in which capacity building, and capex investments can be co-financed through an Investment and Innovation Fund (IIF). The objective is to work strategically across the supply chains of each of these selected SMEs, to establish and build the horticultural export sector in Rwanda.

In addition, IDH is working across joint horticultural export supply chains to address critical constraints in storage and logistics (incl. air freight) capacity and management.

IDH is looking for a Consultant that can implement activities under Component 3 of HortInvest: Export value chain development, in working closely and strategically through projects with selected Rwandan SMEs, supporting capacity building activities for potential and existing exporting SMEs, and in addressing supply chain constraints and improving the enabling environment for exporting SMEs. The Consultant will lead the design and implementation of activities under Component 3 for the period of 1 May 2020 to 30 November 2021. This assignment is based in Rwanda.

IDH reserves the right to update, change, extend, postpone, withdraw or suspend the Terms of Reference, this tender, or any decision with regard to the selection or contract award. IDH is not



obliged in this tender procedure to make a contract award decision or to conclude a contract with a participant. IDH reserves the right to suspend or annul the Tender Procedure at any moment in time.

Participants cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.

By handing in a proposal, participants accept all terms and reservations made in these Terms of Reference, and subsequent information and documentation in this tender procedure.

## **2. Objectives**

The overall objective of this project is to lead the design and implementation of export value chain development activities under HortInvest: working with the national export development board (NAEB) and supporting selected Rwandan SMEs through co-financed projects to improve production and management capacity and meet export market requirements, and also to provide broader support to the horticultural export sector through addressing critical supply chain constraints. Through the activities under HortInvest, the objective is to establish these SMEs as commercially viable, independent SMEs that have the knowledge and capacity to continue to scale beyond the HortInvest project interventions.

The specific objectives of this project include:

- Provide close support to selected Rwandan SMEs across production (agronomy), logistics, business management, and in meeting export market requirements. Under Component 3, IDH is currently working with seven exporting SMEs.
- Provide advice to the selected SMEs on relevant capital investments from farm-level to storage and distribution.
- Support selected SMEs in facilitating export market linkages with European-based traders in IDH and the Consultant's networks.
- Provide support to the broader Rwandan horticultural export sector (beyond the group of selected SMEs) through workshops and training on relevant certifications, crop protection, business management, and through coordinating annual 'exposure' visits to European traders and inputs providers.
- Support the effective addressing of crucial supply chain constraints across storage, logistics and distribution to export markets.
- Support steps to improve the availability of quality inputs to the Rwandan SMEs that are crucial for supplying into premium export markets.
- Work in close alignment with the IDH team in Rwanda and in the Netherlands to support the successful implementation of program activities.
- Support the administrative aspects of component 3 under HortInvest: reviewing project proposals and providing guidance; account management with Rwandan SMEs; program monitoring and evaluation processes; and internal and external communication relating to IDH's activities.
- Work strategically and collaboratively with the other consortium partners to achieve the program's impact targets.



- Establish and manage relationships with the relevant Rwandan governmental agencies that are crucial for the successful implementation of project activities.

### 3. Deliverables

The deliverables of this project will include:

Deliverables of project	Deadline
Establish the selected Rwandan SMEs as commercially viable export businesses with the in-house technical and management capacity to continue to scale supply into export markets.	31 October 2021
Establish commercially viable and sustainable export market linkages with at least four of the selected SMEs.	31 October 2021
Ensure sufficient cold store and airfreight capacity and management is established for Rwandan fresh produce exporters to supply into premium export markets.	31 October 2021
Coordinate four workshops per year (total of 8) to support improvements for businesses across the horticultural export sector, relating to business management, crop protection, training against relevant certification standards, and export market dynamics.	31 October 2021
Brief update reports on project progress, including, but not limited to: <ul style="list-style-type: none"> <li>- Engagements with the selected SMEs and their respective progress against project targets.</li> <li>- Updates on European and international fresh market dynamics</li> <li>- Progress on activities to address storage and logistics supply chain constraints.</li> <li>- Engagements with the other HortInvest consortium partners</li> <li>- Engagements with the relevant Rwandan governmental agencies.</li> <li>- Reports from trips to Rwanda to support HortInvest activities.</li> </ul>	Monthly, over project duration

### 4. Consultant profile

The Consultant needs to have the following experience knowledge, and expertise:

- At least 15 years' experience in developing commercially viable fresh value chains in Africa that supply into premium export markets in Europe and the United States.
- At least 15 years' experience of setting up commercial horticulture companies incorporating small holder farmers and SME's in Africa
- An innovative and solutions-oriented approach to addressing challenges in fresh produce supply chains.
- Extensive and up-to-date knowledge of European market dynamics for fresh produce.



- An extensive network of service providers that operate across Africa, and international traders with sourcing interests in Rwanda.
- Extensive knowledge of the agronomy and supply chain aspects of export-oriented fresh produce value chains.
- Proven track-record of development and implementation of successful farming operations in Africa.
- Knowledge of the relevant certification standards required to supply into premium export markets.
- Have extensive knowledge on logistics especially airfreight and cold chain management

The Consultant needs to have the following skills:

- Forecasting agricultural production.
- Effective stakeholder management.
- Ability to effectively coordinate and run workshops and training sessions.
- Ability to collaborate and communicate with team members effectively.
- Agri-business management and efficient operational skills especially supporting SME's

The Consultant needs to have the following characteristics:

- Business and operationally-minded: this project needs to lead to the selected SMEs becoming sustainable and commercially viable export-oriented businesses
- Network with relevant experts, across Africa and internationally: inputs and services suppliers; suppliers of farm-level equipment suitable for farming in Rwanda.
- Widely connected in the agri-business space especially connection to European retailers, traders and other buyers

## 5. Proposal guidelines

In the proposal, please provide the following:

- a. A succinct, well-documented approach that demonstrates the Consultant's understanding of each of the following components (**maximum of 5 pages**):
  - i. Agronomy – aspects that are crucial to building SME and farmer production of high-quality produce for processing and packaging
  - ii. Farm model – establishing an efficient greenfield farm for production of horticultural products that can be used as a demo farm for farmers and SMEs
  - iii. Local, regional (Rwanda, East Africa, West Africa), and international export market opportunities for fresh and processed vegetables
  - iv. Positioning an agribusiness for raising commercial financing to scale, particularly within a Rwandan context.
  - v. The required technical and management capacity at the farm, pack house and processing levels for the SME's to successfully supply produce to multiple off-takers in African, EU, ME and US
- b. A budget with a break-down of man days/rate per consultant. This should include consulting time spent working directly with the supplier on a regular basis, and if applicable, an estimate of associated travel and accommodation expenses.



- c. Statement of the Consultant's relevant experience, particularly regarding the knock-out criteria detailed below (**maximum of 1 page**)
- d. A proposal outlining how the Consultant will communicate on project progress with IDH on a regular basis throughout the duration of the project (**maximum 1 page**).
- e. Clear description of the project team and relevant experience of team members, CVs of team members, and time allocation per team member (**maximum of 4 pages**)
- f. Description of contractors (**maximum of 1 page**)
- g. Statement Grounds for exclusion (see section 6 below)

## **6. Grounds for exclusion**

1. Consultants shall be excluded from participation in a procurement procedure if:
  - a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
  - b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
  - c) they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
  - d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, or with those of the Netherlands or those of the country where the contract is to be performed;
  - e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity, where such illegal activity is detrimental to the MFA's financial interests.

**Consultants must confirm in writing that they are not in one of the situations as listed above.**

2. Consultants shall not make use of child labor or forced labor and/or practice discrimination and they shall respect the right to freedom of association and the right to organize and engage in collective bargaining, in accordance with the core conventions of the International Labor Organization (ILO).

## **7. Procedure**

The procedure will be as follows:

- Inviting Consultants for presenting a full proposal based on these Terms of Reference
- Evaluation of the proposals by an evaluation committee. The evaluation committee will evaluate the proposals on the basis of the knock-out criteria and the selection criteria as published in these Terms of Reference.
- IDH might request the preferred consultant to pitch their proposal to the evaluation committee. This is optional and will not be a requirement for all Consultants handing in a proposal.



- Decision on selection of Consultant.
- Inception meeting with the selected Consultant.

Tender process	Timeline
Terms of Reference published	10 March 2020
Deadline for submission of proposals*	1 April 2020
Pitching of proposal by preferred Consultant	6 <sup>th</sup> April 2020
Selection of Consultant	8 <sup>th</sup> April 2020
Awarding of contract to successful Consultant	10 <sup>th</sup> April 2020

\* Proposals submitted after the deadline will not be considered in the tender procedure.

IDH will reject offers if any illegal or corrupt practices have taken place in connection with the award or the tender procedure.

### 8. Selection criteria

Proposals will first be short-listed based on the following knock-out criteria:

- Demonstrated experience developing successful SME and large-scale commercial agricultural value chains in Africa.
- Demonstrated experience in developing commercial supply of horticultural products to premium European export markets.

Proposals that meet these criteria will then be evaluated through the following selection criteria:

Topic	Selection criteria	Maximum points	Weight
<b>Approach</b>	The extent to which the approach adequately addresses the objectives and expected deliverables of the assignment according to the following components: <ul style="list-style-type: none"> <li>- Agronomy</li> <li>- Commercialization of SME's, farmers</li> <li>- Agri-business development</li> <li>- Local, regional and export markets for fresh fruits and vegetables</li> <li>- Raising commercial financing</li> <li>- Knowledge of the required technical and management capacity at farm pack house and processing levels</li> </ul>	10	3
<b>Experience</b>	The extent to which the Consultant demonstrates the required experience detailed in the Consultant profile	10	4



<b>Communication</b>	The extent to which the Consultant's communication proposal will keep IDH sufficiently informed on project progress	10	1
<b>Budget</b>	The proposal with the lowest budget including VAT and applicable taxes will receive 10 points, followed by 8, 5 and 3 points for the following higher budgets.	10	2
<b>Total maximum points</b>			<b>100</b>

### 9. Confidentiality

The Consultant will ensure that all its contacts with IDH, with regards to the Tender, during the tender procedure take place exclusively in writing by e-mail to David Black via [black@idhtrade.org](mailto:black@idhtrade.org). The Consultant is thus explicitly prohibited, to prevent discrimination of the other Consultants and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of IDH than the person stated in the first sentence of this paragraph.

The documents provided by or on behalf of IDH will be handled with confidentiality. The Consultant will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the Consultant or its engaged third parties will give IDH grounds for exclusion of the Consultant, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the Consultant will be handled with due care and confidentiality by IDH. The provided information will after evaluation by IDH be filed as confidential. The provided information will not be returned to the Consultant.

### 10. Contact information

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