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## **TERMS OF REFERENCE**

### **FOR INDIVIDUAL CONTRACT**

**Position:** Proposal Development Specialist (National),  
Sustainable Coffee Consumption and Production  
**Project/Programme:** UNDP Thailand  
**Work Station:** Home-based with travel to provinces relevant to assignment

#### **1. GENERAL BACKGROUND**

Thailand has the potential to become the one of the best coffee growing regions in Southeast Asia. It is currently the third largest coffee producer in the region after Vietnam and Indonesia, with 1.58% of the world's coffee market share compared with around 7% for Vietnam and Indonesia.<sup>1</sup>

According to Euromonitor International<sup>2</sup>, Thailand is seeing an increase in coffee consumption due to the country's growing coffee culture and hectic lifestyles in the last decade. Domestically, the number of occasions that coffee is consumed is increasing along with expanding number of outlets in the country that serve coffee. In urban areas such as Bangkok, number of coffee shops are increasing, as well as cafes being set up alongside clothing stores and mobile phone companies. The northern city of Chiang Mai is being branded as coffee capital of the country<sup>3</sup> due to its proximity to popular coffee producing regions such as Chiang Rai, Doi Chang and Doi Tung.<sup>4</sup> Only five years ago, the Department of Industrial Promotion started to encourage Thai farmers to grow more coffee to prepare for the ASEAN Economic Community in 2015 integration and the increasing regional demand for Thai coffee.

There are two types of coffee grown in Thailand. Robusta is grown widely in lowland areas in the South as cash crop for instance or blended coffee. Arabica is the higher quality coffee crop used to make freshly roasted coffee. It is grown in the cooler temperature in the highlands in the northern regions, which is home to Thailand's poor indigenous hill tribe communities. The land is also categorized as watersheds or conservation areas where agricultural activities and chemical use are prohibited. Since the 1970s, the Government, the Royal Project Foundation and the UN have been respectively supporting the northern region to grow coffee as an alternative to narcotic crops. Over the years, this has proved to be profitable for indigenous population, local businesses and to the environment.<sup>5</sup> The quality of coffee produced is high and unique, such that two Thai coffee brands from the North have recently received EU geographic trademarks for their unique flavours.<sup>6</sup>

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<sup>1</sup> [http://www.aulibrary.au.edu/multim1/ABAC\\_Pub/Au-Journal-of-Technology/v5-n3-3.pdf](http://www.aulibrary.au.edu/multim1/ABAC_Pub/Au-Journal-of-Technology/v5-n3-3.pdf)

<sup>2</sup> <http://www.euromonitor.com/coffee-in-thailand/report>

<sup>3</sup> <http://bk.asia-city.com/travel/news/chiang-mai-coffee-capital>

<sup>4</sup> <http://www.beanscenemag.com.au/travel/article/unravelling-thailands-coffee-culture>

<sup>5</sup> [http://www.aulibrary.au.edu/multim1/ABAC\\_Pub/Au-Journal-of-Technology/v5-n3-3.pdf](http://www.aulibrary.au.edu/multim1/ABAC_Pub/Au-Journal-of-Technology/v5-n3-3.pdf)

<sup>6</sup> <http://www.bangkokpost.com/archive/2-thai-coffee-brands-win-eu-geographic-trademarks/623400>

In spite of the progress made, the northern regions of Thailand still consists of high levels of poverty and environmental degradation. Even though Arabica coffee production has improved the income of farmers as they get a better return, they are mainly involved in the first farming and harvesting stages of the production cycle, and rarely in the processing and other post-harvest handling work further down the value chain. With limited knowledge and involvement in the production process, farmers often do not know the true value of the product. Moreover, lack of standard and limited regulation/enforcement means that sustainable practice of Arabica coffee production is not consistently applied across the region/country and along the entire production cycle. Arabica coffee, while grown more sustainably than their Robusta counterpart, it still makes up a small share of the coffee market in Thailand. Their potential for growth has yet to be realized. Domestic demand for Arabica coffee is growing, but both domestic and international demand is still significantly higher for Robusta, which is mass produced, less sustainably grown and processed, more affordable and widely available.

Arabica coffee production that benefits low-income and marginalized communities and minimizes environmental degradation requires a holistic approach to sustainable consumption and production (SCP). Government of Thailand has over the years started to adopt SCP practices and drive towards a more inclusive and greener development path. At the policy level, the 20<sup>th</sup> Year Country Strategies (2016-2036) and the draft 12<sup>th</sup> National Economic and Social Development Plan (2017-2021) both strongly highlight the need to make sustainable consumption and production a reality in Thailand's future development pattern, with the particular focus on industrial, agricultural, and tourism sectors. The country has also adopted the "sufficiency economy" philosophy as their guiding principle in their national development planning that emphasize community empowerment, balanced way of life and respect for the environment. The Government is also supported by development partners such as UNEP, FAO and EU to strengthen the policy framework for SCP and develop pilot projects on SCP with relevant industries.

In spite of these efforts, there are still significant gaps in Thailand's adoption of SCP practices in most industries, many of which are evident in the production and consumption of Arabica coffee. This includes:

- Social dimensions of sustainability, such as poverty and inequality, are rarely addressed as part of current sustainable consumption and production policies and initiatives. Low income and marginalized community groups, such as hill tribe indigenous communities, are rarely able to benefit from or access SCP practices.
- The economic dimensions of sustainability, such as the business/economic case for adopting more sustainable Arabica coffee production approaches, and a viable financial market for sustainably produced coffee that makes it more affordable and accessible to a wider audience is not yet developed, which may prevent scale up.
- Current SCP practices does not focus on the entire life-cycle of a product, usually focusing on either production or consumption.
- There is inadequate and/or mismatched policy incentives to stimulate the private sector to invest in sustainable Arabica coffee production.
- Potentials and opportunities remain largely untapped from the flourishing social enterprises or start-ups which focus on promoting social and environmental sustainability to create 'active and responsible consumers' as a lifestyle trend, especially among the young, and the urban professionals with purchasing power.

For this reason, UNDP Thailand is interested in working with the Government and private sector to develop improve and expand Arabica coffee production as a way to help improve standards of living for low-income and marginalized communities and minimize natural resource depletion by addressing some of the gaps outlined above.

## **2) OBJECTIVES OF THE ASSIGNMENT**

A Consultant will be hired to develop a programme proposal on sustainable Arabica coffee production and consumption that will help Thailand position itself as one of the most sustainable Arabica coffee producer and consumer in the region, thereby meeting SDG 12. The work will consist of a situation analysis, stakeholder engagement in the project design and project proposal development.

## **3) SCOPE OF WORK**

The consultant will be responsible for developing of a programme proposal. Key duties and responsibilities included:

### **Output 1: Situation analysis of sustainable coffee production and consumption in Thailand**

Analysis should include the following:

- Stakeholder analysis of coffee production and consumption
- Market analysis of Arabica coffee production and consumption in Thailand (for consumption of Thai Arabica coffee, market analysis will also include regional/international demand)
- Life cycle analysis of Arabica coffee production and consumption and sustainability gaps/opportunities
- Analysis of policy and regulatory framework governing Arabica coffee production and sustainability gaps/opportunities
- Analysis of financial incentives for Arabica coffee production/consumption and sustainability gaps/opportunities
- Identification of potential growth of Arabica coffee, including production capacity of Thailand
- Impact of Arabica coffee production to date on farmers and local communities and the local economy in the northern regions, in particular impacts on low-income hill tribe communities, and *potential* impact based on production growth potential
- Impact of Arabica coffee production to date on natural environment and potential impact based on production growth potential
- Potential entry points for programme implementation

Deliverables:

- Inception report with methodology for analysis
- Situation analysis findings presented in powerpoint presentation and report

### **Output 2: Stakeholder engagement with relevant coffee production and consumption stakeholders**

Related activities:

- Organize bilateral interviews, focus groups, roundtable discussions/brainstorming/planning sessions to verify key gaps, agree on entry points for UNDP support, introduce potential project ideas and gather input for project design

Deliverables:

- Discussion summary report

### **Output 3: Project proposal and relevant dissemination materials for engaging with Government and private sector partners**

Project proposal should include:

- See attached template for proposal sections
- Identify and present UNDP Thailand's value added is in addressing the economic, environmental and social challenges of coffee production and consumption in a holistic manner throughout the entire lifecycle of the product. This includes:
  - improving the accessibility of low income and marginalized communities to a wider range of skills to manage coffee production in a sustainable way
  - strengthening the policy and regulatory framework to govern sustainable coffee production that is trustworthy and credible
  - developing financial incentives for social enterprises and startups to enter the coffee industry and its fringe services
  - organizing high level campaigns to promote the consumption of sustainably produced coffee, building on the popular coffee culture that has emerged in the last few years in urban centers for the domestic market and the growing demand for high quality and specialty coffee for the international market
  - acting as neutral convener between stakeholders and linking upstream visioning and policy support to project implementation
  - identifying synergy with UNDP Thailand GEF and GCF projects and project proposals to maximize the environmental impacts of the SCP project
  - identifying other potential areas/ issues which UNDP Thailand can further pursue under the sustainable consumption and production programme umbrella, including tourism and food waste management, for example.
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Deliverables:

- Draft project proposal
- Final project proposal
- Brochures, powerpoint presentations and other dissemination materials on the project proposal

#### **4) DURATION OF ASSIGNMENT, DUTY STATION AND EXPECTED PLACES OF TRAVEL**

The assignment is expected to last 30 days from 24 October 2016 to 31 March 2017. The Consultant will be home-based with regular meetings at UNDP Thailand Country Office, and UNDP Bangkok Regional Hub, for progress updates and strategic discussions. 2 Trips to Chiang Mai, Mae Hong Son, and Nan will be required for the period of 5 days/ trip.

#### **5) EXPECTED OUTPUTS AND DELIVERABLES**

- a) Inception report with methodology for situation analysis
- b) Situation analysis findings presented in powerpoint presentation and report
- c) Stakeholder discussion summary report
- d) Draft project proposal
- e) Final project proposal
- f) Brochures, power point presentations and other dissemination materials on the project proposal

#### 6) PROVISION OF MONITORING AND PROGRESS CONTROLS

The Consultant will report to the Programme Specialist of the Inclusive Green Growth and Sustainable Development (IGSD) Unit, at UNDP Thailand, and the Policy Specialist of the Inclusive Growth and Sustainable Development, UNDP Bangkok Regional Hub.

#### 7) DEGREE OF EXPERTISE AND QUALIFICATIONS

- Advanced university degree in resource economics, natural resources management, environmental sciences, engineering, political science or other fields relevant to sustainable development.
- At least 7 years of work experience in a SCP relevant field.
- At least 3 years of work experience in the private sector, preferably in SCP related field.
- Fluency in written and spoken English is essential.
- Willingness to contribute and work as part of a team.
- Flexible and open to learning and new experiences.
- Respect for diversity and adaptability to other cultures, environments and living conditions
- Fully proficient computer skills in standard software applications.

#### 8) REVIEW TIME REQUIRED

Two weeks after the receipt an approved of the outputs

#### 9) CONSULTANT PRESENCE REQUIRED ON DUTY STATION/UNDP PREMISES

☒ None ☐ Partial ☐ Intermittent ☐ Full-time

#### 10) PAYMENT TERMS

The consultancy fees will be paid on satisfactory accomplishment of the below deliverables:

Deliverable No.	Description	Timeline	Payment
1	Inception report with methodology for analysis	28 October 2016	10%
2	Situation analysis findings presented in powerpoint presentation and report	21 November 2016	20%
3	Stakeholders' consultation summary report and initial programme strategy	15 December 2016	20%
4	Draft project proposal	30 January 2017	30%
5	Final project proposal and Brochures, power point presentations and other dissemination materials on the project proposal	25 February 2017	20%

## 11) Evaluation Method and Criteria

Individual consultants will be evaluated based on the cumulative analysis. The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (70%). and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.

### Technical Criteria for Evaluation

Criteria	Weight	Max. Point
<b>Technical</b>	<b>70%</b>	<b>500</b>
Education	20%	100
Experience in researching on and/or developing Sustainable Coffee Consumption and Production or relevant fields	30%	150
Experience in working with private sector, preferably in SCP related field	20%	100
Experience in project/programme design and result-based management	30%	150
Financial	30%	100

Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

### Documentation required

Interested individual consultants must submit the following documents/information to demonstrate their qualifications. Please group them into one (1) single PDF document as the application only allows to upload maximum one document:

- Letter of Confirmation of Interest and Availability using the template provided by UNDP.
- Personal CV or P11, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate.
- A brief proposal on the concept and approach to the assignment
- Financial proposal, based on Lump Sum amount as per template provided in Annex II. Note: National consultants must quote prices in Thai Baht.