Terms of reference

GENERAL INFORMATION	

Title: Consultant for Value Chain Analyses and Market Assessments

Project Name: Strengthening Forest Area Planning and Management in Kalimantan (KALFOR Project)
Reports to: NPM of KALFOR Project
Duty Station: Ministry of Environment and Foresty (KALFOR Project Office), Jakarta
Travel Plan: Ketapang and Kota Waringin Barat (Kobar)
Duration of Assignment: 60 working days within November 2020 – January 2021

REQUIRED DOCUMENT FROM HIRING UNIT

	TERMS OF REFERENCE
	CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT, please select:
	(1) Junior Consultant
	(2) Support Consultant
	(3) Support Specialist
	(4) Senior Specialist
	(5) Expert/ Advisor
	CATEGORY OF INTERNATIONAL CONSULTANT, please select:
	(6) Junior Specialist
7	**(7) Specialist**
	(8) Senior Specialist
	APPROVED e-requisition

REQUIRED DOCUMENTATION FROM CONSULTANT

×	CV/P11 with three referees
×	Copy of education certificate
×	Completed financial proposal
X	Completed technical proposal

Need for presence of IC consultant in office:
☐ partial (explain)
✓ intermittent (regular coordination with KALFOR Project)
▱ full time/office based (needs justification from the Requesting Unit)

Provision of Support Services:

Office space: ✓ Yes ☐ No
Equipment (laptop etc):   ☐Yes ✓ No
Secretarial Services   ☐ Yes ✓ No

If yes has been checked, indicate here who will be responsible for providing the support services:
KALFOR Project

I.   BACKGROUND

UNDP Indonesia's mission is to be an agent for change in the human and social development of Indonesia. We aim to be a bridge between Indonesia and all donors as well as a trusted partner to all stakeholders. We work in four key areas of development: Governance Reforms, Pro-Poor Policy Reforms, Conflict Prevention and Recovery, and Environment Management, with the overarching aim of reducing poverty in Indonesia. Besides the four priority areas, UNDP Indonesia is also engaged in a variety of crosscutting initiatives focused on HIV/AIDS, gender equality, and information and technology for development."

The UNDP Indonesia and the Government of Indonesia collaborate to run a project entitled "Strengthening Forest Area Planning and Management in Kalimantan (Kalfor)". The project is focused on the Kalimantan island. The island has to suffer from habitat loss, habitat degradation, overexploitation of biological resources and pollution. This is due to high demand on land or area for agricultural activities. Forest land conversion for palm oil production is blamed to be the highest portion in the process of forest land conversion. It is estimated that the conversion may exceed 9 million hectares, accounting for 26% of deforestation between 2005 and 2010. In the last 10 years, the average deforestation rate associated with palm oil production has been 300,000 ha/year. Expansion potential of oil palm plantation is estimated to be 24.5 million hectares of which 10.3 million hectares will be in Kalimantan up from the current planted area of 3.164 million hectares.

Researchers calculated that 47% of oil palm plantation development from 1990 to 2010 in Kalimantan was at the expense of intact forests, 22% at secondary or logged forests, and 21% at agro-forests, a mix of agricultural land and forests. Only 10% of expansion occurred in non-forested areas. It is estimated that by 2020, under current development scenarion, it would convert 9,384,400 hectare of Kalimantan's forest of which approximately 90% is forested lands with 41% intact forests, leading to massive carbon emissions.

Palm oil land areas have very low biodiversity values and their expansion causes near total loss of habitat value and habitat fragmentation and degradation, heavily impacting on biodiversity and ecosystem services on the island. Furthermore, oil palm monoculture contains lower biodiversity value due to the absence of the major components of forest vegetation, including forest trees, lianas and epiphytic orchids. Palm oil plantations were also reported to have caused water supply problems at downstream as a result of water use and fertilizer and pesticide application. These threats pose not only a negative impact on biodiversity and ecosystem services, but also have a significant economic cost to the provinces and the nation, from loss of natural capital. These are considered underlying causes include population growth, poverty, unclear land titles and tenure rights and weak natural resource governance.

In order to safeguard Kalimantan's globally significant biodiversity, it is critical for Indonesia to pursue a green economic growth path. Indonesia needs to define, plan for and create a better balance between the development and management of major estate crops such as rubber, coffee, and oil palm, and the need for improved forest protection. Improvement in palm oil siting and forest landscape planning and management in Kalimantan is one of the most important components for achieving the green development vision. To implement this issue, UNDP is working closely with the Ministry of Environment and Forestry - KLHK to run the Kalfor project.

The Kalfor project is designed to develop and implement various approaches to enhance protection of forested areas in non-national state forest land (APL), as well as lands within the convertible forest (HPK) category, both of which are subject to potential conversion (administratively and/or physically) to estate crops and other land uses. The project thus focuses on creating more effective land allocations and management of forest areas with high biodiversity and ecosystem services in the context of potential estate crop development in Kalimantan and particularly in the Heart of Borneo (HoB) area. Competing priorities between the country's targeted increase in palm oil

production and associated growth and employment targets for the sector need to be reconciled with commitments at both national and international levels to reducing rates of deforestation, forest fires and associated GHG emissions and biodiversity loss.

The project intervention will be focused on three pilot provinces: West Kalimantan, Central Kalimantan and East Kalimantan. The project aims to strengthen the capacity of the Ministry of Environment and Forestry (MoEF) and other key government institutions such as the National Planning Authority (Bappenas), the National Land Board (BPN) and Province/district governments as well as relevant sub-national government institutions to protect areas with retained forest cover from conversion to other landuses including estate crops. The project is structured into four components, with each component comprising a complementary suite of two to three outputs:

i)   Component 1: Mainstreaming of forest ecosystem service and biodiversity considerations into national, provincial, and district policies and decision-making processes for forest area planning and management;

ii) Component 2: Strengthened and expanded implementation of best practises in the estate crops sector in maintaining biodiversity and ecosystem services in four target landscapes in Kalimantan;

iii) Component 3: Creation of incentives system to safeguard forests, including biodiversity and ecosystem services, from estate crop sector;

iv) Component 4: Knowledge management and M&E.

Concrete practices designed to consider and take account of biodiversity and ecosystem services will be mainstreamed into policies and practices for forest area planning and management and into land allocation decision-making for strategic plantations/commodities siting. In relation to this, UNDP is looking for a highly qualified individual to be advising on Value Chain Analysis and d Market Assessments of non-timber forest products commodities.

General Objectives

The main objective of this assignment is to provide sufficient understanding on the current status and future potential of different NTFPs commodities in the project area and do a value chain analysis of at least six prominent NTFPs commodities in Kalfor's pilot districts by identifying specific bottlenecks and opportunities in their respective value chains that can be addressed and leveraged through the project intervention thereby increasing production, income and employment for the rural poor.

II. SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES

Scope of Work

The Consultant's assignment will be under the coordination of Programme Manager (UNDP), the Implementing Partner (Ditjen PKTL, Ministry of Environment and Forestry), National Project Manager (NPM) and Project Technical Advisor, to contribute through providing guidance and advice related to technical support in Sintang and Kota Waringin Barat (Kobar)on the following:

- Assessment and Prioritize value chains in the geographical areas within Kalfor Project district sites which have the potential to be developed as commodity specific clusters and shortlist at least six value chains of NTFPs commodities that can create a high impact on the income of producers.

- Within the project area, identify major production pockets, growth potential, market trends & competitiveness of selected value chains (supply and demand) including its future prospects within the country and abroad.

- Value chain mapping that depicts the chain actors and their functions & inter relationship including respond to the current pandemic situation (food security, medicinal plants, etc.)

- Identify and examine constraints and opportunities within the selected value chains and recommend interventions to overcome constraints and make use of opportunities to promote inclusive & sustainable pro poor economic growth and competitiveness.

- Analyse dynamics of processing and value creation, reward distribution, value chain governance and power relation structures and knowledge transfer.

- Identify the underlying policy, institutional, and infrastructural issues that affect the competitiveness of the selected value chains with reference to the role of government and private sector in the regions of focus. Also develop a matrix indicating areas of priorities for which public sector can intervene and areas for the private sector support.

- Identify institutions and organizations working for selected value chains from national to local levels (local, regional, national organizations from government institutions, NGOs and private sector) that can contribute to pro poor value chain development

Expected output of the assignments

- The consultant will furnish a comprehensive value chain analysis report having disaggregated data including following, but not necessarily limited to:
- Detailed **analysis** of selected value chains with quantitative & qualitative description and the incremental values at each level of the chain.

- Value chain **mapping of actors**, process stages, monetary flows, governance and power structures, information and knowledge flows from input, production, processing to consumption level.

- Economic analysis, production and market costs and revenues, value additions and profit margin along the chain including income and employment.

- Production pockets area and major market centres identification, growth potential, market trends (supply and demand) including cross-border trade (export and import) and competitiveness of selected value chain.

- Power Analysis: Power analysis with the value chains to understand forms and causes of exclusion at different levels of the value chains. Power analysis should be carried at least at following levels: Traders and farmers; Landowners and tenant farmers and Farmers and seasonal labours

- Identify constraints and opportunities at each stages of value chain and leverage points.

- Recommend areas of interventions to improve the value of products including capacity

building requirements for pro poor value chain development.

- Recommend for potential next step of activities including needed action plan.

- Enabling environment (policy/incentives and its implication) with suitable policy advice for project implementation.

- List of potential agribusinesses interested to collaborate with the project through contractual arrangements and their contact details including useful policy advice for their involvement at any level of the value chain.

- List of stakeholders consulted and list of References (studies and other literature used)

Deliverables

The service provider is expected to deliver the following listed deliverables:

- Inception report (digital copy), hard copies (3) of the assignment, and presentation. The inception report should cover the methodologies, work plan, and milestones. The hiring of person and their capacity building should be completed during the period.

- Interim report and presentation: Raw Data double entered, Digital and hard copy of the data collected and analysed, models, diagrams including photographs & contact list of interviewees and workshop participants and key traders.

- Draft report and Presentation: Commodity Cluster Report covering 6 NTFPs Commodities value chain report detailing out backward and forward linkages with margins of all the actors in the value chain with recommendations mentioning the bottlenecks, opportunities and key leverage points were the project can intervene for maximizing the returns to producers.

- Final report incorporating the comments of each value chains, and presentation.

Deliverables/ Outputs	Estimated number of working days	Review and Approvals Required
1. Develop Plan of Action and inception report	10 working days	
2. Develop the interim report	15 working days	
3. Submit the draft final report and presentation	15 working days	Payment will be made upon approval of each deliverable by NPM of KALFOR Project
4. Submit the final report	20 working days	

III.	WORKING ARRANGEMENTS

Institutional Arrangement
The consultant will work closely with KALFOR Project NPM and PMU.
The Consultant is expected to liaise/interact/collaborate/meet with other UNDP operation unit.

Duration of the Work
60 working days

Duty Station
Ministry of Environment and Foresty (KALFOR Project Office), Jakarta

Travel

Cost Component	Unit of Measure	Quantity
Travel (lump sum)		
Jakarta - Ketapang	Roundtrip	2
Living Allowance	Days	10
Travel Allowance CGK	Times	4
Travel Allowance PTK	Times	4
Jakarta – Kobar	Roundtrip	2
Living Allowance	Days	10
Travel Allowance CGK	Times	4
Travel Allowance PKY	Times	4

IV.	REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Academic Qualifications:
master's degree in forestry, agroforestry, agribusiness, commodity value chain, environmental studies, social development, public policy, and/ or other related fields.

List of Experiences:
- 7- 10 years experiences of international consultant specializing in Market Analysis and Value Chain Analysis, forestry, fisheries and agriculture policies framework development in developing countries.
- Experience working with International Agencies / NGO / CSO preferably in Indonesia but not mandatory.
- Experience in publishing at least 3 documents on Value Chain Analyses and Market Assessments of non-timber forest products

Competencies and special skills requirement:
- Fluently speak English and Bahasa Indonesia is preferable.
- Strong analytical, research and presentation skills
- Determination and focus on goals and results
- Sound management and effective facilitation skills
- Ability to work under pressure in challenging environments
- Familiar with forestry, fisheries and agriculture, palm oil estate management in Indonesia and

government work characteristics at all levels (national, province and district)

- Ability to communicate with decision maker and stakeholders in National, Provincial, and District level

V.	EVALUATION METHOD AND CRITERIA

Individual consultants will be evaluated based on the following methodology: *Cumulative analysis*

When using this weighted scoring method, the award of the contract should 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 a pre-determined set of weighted technical and financial criteria specific to the solicitation.
   * Technical Criteria weight; [70%]
   * Financial Criteria weight; [30%]

Only candidates obtaining a minimum of 70 point would be considered for the Financial Evaluation.

Criteria	Weight	Maximum Point
Technical	70%	
Criteria A: qualification requirements as per TOR: • At least a master's degree in forestry, agroforestry, agribusiness, commodity value chain, environmental studies, social development, public policy, and/ or other related fields. • 7-10 years experiences of international consultant specializing in Market Analysis and Value Chain Analysis, forestry, fisheries and agriculture policies framework development in developing countries. • Experience in publishing at least 3 documents on Value Chain Analyses and Market Assessments of non-timber forest products • Experience working with International Agencies / NGO / CSO preferably in Indonesia but not mandatory.	70	20 **20** **15** **15**
Criteria B: Brief Description of Approach to Assignment • Understanding to the TOR • Proposed approach and methodology	30	**15** **15**