

Term of Reference for consulting services

Assignment Title:

Consulting services for management and facilitation of exposure visits to various agriculture warehouses and markets in India.

1. Introduction:

1.1 Sahaj-NAMDP Phase-2

The Nepal Agricultural Market Development Programme (NAMDP), also known as *Sahaj* (Nepali for 'facilitate' or 'make easier'), is designed with three successive phases spanning across a 12-year horizon. Sahaj's objectives are based on a vision of a thriving and inclusive agriculture sector, aiming to grow employment and income for Nepal's rural population.

Sahaj operates under a bilateral agreement between the Government of Nepal and the Government of Switzerland. Sahaj is a Swiss Agency for Development and Cooperation (SDC) project, implemented by a consortium of Swisscontact (as the lead agency) and the Center for Environmental and Agricultural Policy Research, Extension and Development (CEAPRED). The programme focuses on Province Number 1.

Sahaj-NAMDP Phase-2's objective is to support market system transformation to achieve the goal: *"women and men, including from disadvantaged groups, find employment and increase income."* Three interlinked outcomes contribute to this goal:

Outcome 1: Agribusinesses, particularly SMEs increase the trade value of agricultural produce in key value chains.

Outcome 2: Agriculture and Non-Agriculture Service Providers offer innovative services/products.

Outcome 3: Federal, Provincial and Local governments create a more enabling environment for businesses and SME growth in agriculture.

NAMDP has a mandate to contribute to a favourable regulatory environment that encourages coordination in investment, trade and business growth planned under outcome 3 as the following:

Outcome

Outcome 3: Federal, Provincial and Local Governments provide a more enabling environment for business growth (especially for SMEs), in agriculture

Outputs

Output 3.1: Province 1 and Federal Government are able to address policy bottlenecks, to support Agriculture Commercialisation

Output 3.2: Province 1 and Local Governments have the capacity to collaborate more effectively with the Private Sector & other actors

Under output 3.2, NAMDP supports Province 1 and Local Governments to collaborate more effectively with private sectors (public private partnership-PPP) in agriculture sector by providing technical support such as expertise and facilitation services for designing and developing policy documents, incentive mechanism and co-investment in agri-market infrastructures.

1.2 Context of assignment:

Province 1 currently holds the highest amount of agricultural output in the nation and contributes 35% of the agriculture output. After an increased interest in the agriculture sector, the government of Nepal formulated the Agriculture Development Strategy (ADS) which envisions a self-reliant, sustainable, competitive, and inclusive agricultural sector. Based on this strategy, many programs like PM agriculture modernisation have enabled farmers in the Terai region to have access to machinery mainly from Custom Hiring Centres, which have led to increase in production and the demand for storage of the produce.

However, most warehouses provided by private players or cooperatives few and with minimum standards causing high post-harvest losses. This has prompted both the public and private sectors to invest in agriculture warehousing. Province 1 government has also invested in cold storage and warehouse facilities with many more in the pipeline. However, the question looms around their operation as most of those infrastructures are currently not being operated to their full capacity.

Post-harvest services can increase grain quality, whereas poor and haphazard post-harvest handling causes deterioration and eventual loss. The lack of safe storage services led to the establishment of warehouses in Province 1 (though the services have not started due to technical and financial issues, and others are still under construction). These warehouses (both public and private) aim to provide a safe storage facility to maize farmers and traders, and are interested to train staff on operations, repair & maintenance, warehouse management, safety, and security. They are also interested to develop software which will help them to systematise their record keeping. Farmers and traders are willing to pay for the storage services owing to the prospect of selling at a higher price in the off-season.

India shares an open border and has a largely agrarian economy like Nepal. India promulgated Warehouse Development and Regulation Act in 2007 based on which it instituted a Warehouse Development and Regulation Authority (WDRA) which maintains a repository of warehouses and Silos in the country. In recent years WDRA, State Warehouse Corporation, Food Corporation India (FCI) and various logistics and financing agencies have been able to develop various Warehouse Receipt financing models across India. Madhya Pradesh, Haryana, Punjab, Delhi and Himachal Pradesh have varying agricultural produce and have some of the largest and best-managed warehousing systems and start-up in northern India.

2. Objectives of the Assignment:

The objectives of the exposure visit are as following:

- To explore the model of ownership and depositor-operator-collateral management companies-regulators-logistics relationship.
- To understand the operational modality and incentive model of the Warehouse Receipt Financing system and the role of community, government, and private sectors.
- To identify the additional support service and relevant policies required for proper functioning of the Warehouse receipt financing system.
- To observe agri-markets (Mandi) and Dairy Industries.

3. Activities:

The consultant/service provider shall arrange and execute the following activities under this assignment:

- Visit Warehouse Development and Regulatory Association (WDRA) certified warehouses located in the States of Madhya Pradesh (Indore and Ujjain), and private/cooperative operated cold storages, multi commodity stores and Controlled Atmosphere (CA) Stores in Delhi (NCR), Haryana (Kundli) and Punjab (Ludhiana) to observe the available infrastructures & facilities and various processes established in the warehouses like financing system, digitisation of records, arrivals of commodities, auction process, weighing, packaging, grading etc. The locations identified will be of different sizes and scales to have an in-depth understanding of the various dynamics of warehouse receipt functioning in India.
- Meeting with Cold Chain expert in New Delhi.

- Visit the Mandi System of Indore and Ujjain to further understand the mandi-system auctioning and how warehouse receipt financing complements the mandi-auction.
- Visit 2 Cold storage operators in Delhi NCR region to observe the operational procedure, and how they complement the food processing industry in urban centres.
- Interactions will be organised with multiple stakeholders such as warehouse operators, Market management committee, Mandi officials, Traders, banking and finance agents, Government officials and other service providers like transporters, packaging material suppliers, etc.
- Visit the Dairy projects and Custom Hiring Centres (CHC) in Ludhiana (Punjab).
- Interaction with cooperative owners, private sector, and the facilitator to understand the overall operations.

4. Participants

The total number of participants will be 15 (could increase or decrease by 2) including officials from Ministry of Agriculture, Province 1, and Local Governments, Private sectors, Federation of Nepalese Chamber of Commerce and Industries (FNCCI), Nepal Dairy Association (NDA) and NAMDP Phase II project team.

5. Proposed location and Itinerary of the exposure visit

The proposed warehouses in the 4 states along with Mandi markets are as follows. They will be finalized after further discussion with the MoA officials and sectoral experts.

1. Madhya Pradesh Warehouse and Logistics Corporation (Indore, Madhya Pradesh)

MPWLC is running warehouses for the scientific storage of agriculture and minors forest produce, seeds, manures, fertilizers, agricultural implements, and notified commodities offered by individuals, co-operative societies and other institutions. The corporation has Silos and warehouse across the state.

2. Hoshangabad Mandi (Ujjain, Madhya Pradesh)

Ujjain is a principal wheat, paddy and maize area in central India. It has extensive networks of farmers converging in the local auction system called as “Mandi”.

3. Dairy projects and Multi Commodity Store in Ludhiana (Punjab)

Ludhiana has many dairy projects related to dairy industries. The city also has a multicommodity stores that are run by private, cooperative and government-run dairy projects in the area.

4. Cold Storages in Delhi (Mr. Sanjeev Chauhan)

The cold storages in National Capital Region of New Delhi are known for their processed foods that maintain a robust value chain. Wide range of processed fresh agri-products are available in the region. Mr. Sanjeev K Chauhan, cold storage and supply chain management expert will be hosting the delegates around the city.

Two dates have been proposed for the exposure visit i.e. **02 November 2022 to 08 November 2022**, or **07 December to 12 December 2022**. Therefore, the consultant/service provider will have to provide a

detailed itinerary and mention the difference in the price of the two itineraries (if any). One of the two dates will be selected as per the participant's and NAMDP's convenience.

The itinerary for the exposure visit is as following:

Nov 02/Dec 07, Day 1	
	Travel from Biratnagar to Bagdogra Airport (IXB), Arrive in Delhi, Dinner and overnight stay at hotel.
Nov 03/Dec 08, Day 2	
08:00 AM - 09:00 AM	Get ready at Hotel & Have Breakfast
10:00 AM - 12:00 PM	<ul style="list-style-type: none"> • Travel to Kundli, Haryana
12:00 PM - 1:00 PM	Lunch
01:00 PM - 06:00 PM	<ul style="list-style-type: none"> • Meeting with Cold Storage and Logistics Corporation officials. • Observing the physical activities and infrastructure of Frozen facility, Controlled Atmosphere Store and Multicommodity Stores • Interaction with relevant stakeholders <ul style="list-style-type: none"> ▪ Government representatives ▪ Transporters ▪ Support service providers ▪ Cold store owners
06:00 PM - 10:00 PM	Proceed to Ludhiana (Punjab), Dinner and Check-in to Hotel.
Nov 04/Dec 09, Day 3	
07:00 AM – 10:00 AM	Breakfast and Rest
10:00 AM - 01:00 PM	<ul style="list-style-type: none"> • Visit the dairy projects in Ludhiana which is under the Dairy Project. • Meet support service providers. • Visit Custom hiring centre facilities
01:00 – 04:00	Lunch and visit to local warehouse based on time availability
04:00 – 08:00 PM	Travel back to Delhi, Dinner and retire for the day
Nov 05/Dec 10, Day 4	
Time	Activity
08:00 AM - 09:00 AM	Breakfast at the Hotel
09:00 AM - 12:30 PM	<ul style="list-style-type: none"> • Visit to carrier and carrier presentation and details • Observing the physical activities and infrastructure • Interaction with relevant stakeholders <ul style="list-style-type: none"> ▪ Commission agents ▪ Understand the auction process ▪ Government representatives ▪ Transporters ▪ Support service providers
12:30 PM - 01:30 PM	Lunch
01:30 PM - 03:00 PM	<ul style="list-style-type: none"> • Meeting with Cold Chain expert for subsidy discussions • Factory visit and senior management discussions

05:30 PM - 08:30 PM	Travel to Indore, Dinner and over-night stay at hotel
Nov 06/Dec 11, Day 5	
08:00 AM - 09:00 AM	Breakfast
09:00 AM - 12:00 PM	<ul style="list-style-type: none"> • Meeting with private finance officials • Observing the physical activities and infrastructure • Interaction with relevant stakeholders <ul style="list-style-type: none"> ▪ Commission agents ▪ Understand the auction process ▪ Government representatives ▪ Transporters Support service providers
12:00 PM - 01:00 PM	Lunch
01:00 PM - 07:00 PM	Travel to Ujjain (Hoshangabad mandi) and observation of the Mandi system there (approx. 55 km)
08:00 PM	Hotel Check-in, Dinner & overnight stay
Nov 07/Dec 12, Day 6	
07:00 AM - 08:00 AM	Breakfast
10:00 AM - 05:00 PM	Departure back to Nepal via Bagdogra airport (depending on the flight schedule) Lunch in between
05:00 PM – 08:00 PM	Travel back to Nepal from Siliguri
08:30 pm	Night stay at Biratnagar (No need to Book hotel)

6. Deliverables:

The deliverables under this assignment will be:

- Detail Travel Itinerary of exposure visit as required in various visiting places in India, tickets, and accommodation bookings (1 week prior to departure). **The consultant/service provider will have to provide a detailed itinerary and mention the difference in the price of the two itineraries (if any).**
- Smooth arrangement of the logistics relating to the exposure visit
- Invoice for the service provided.
- Any other inputs mutually agreed upon by the Consultant and Sahaj

7. Time Duration of Services:

The total assignment is planned as starting 19 October 2022 to 30 December 2022. However, the proposed date for the exposure visit will be starting from either one of the two proposed itineraries i.e. **02 November 2022 to 08 November 2022**, or **07 December to 12 December 2022**. The dates may slightly differ in case of unavoidable valid cause.

8. Qualifications for consulting organisation:

The consulting organisation should have the following qualifications and experience:

- Have experience in managing exposure visits in India.

- Registered in VAT.
- Good facilitation and communication skills

9. Fee for consulting services:

The fees for the services will be agreed through mutual negotiation which will be separately indicated through the contract agreement between NAMDP Phase II and consulting service provider.

10. Payment Modality:

NAMDP Phase II will release payment in three instalments. *First instalment* i.e. 30 percent of the total cost will be released after the submission of a detailed itinerary to NAMDP Phase II. *Second instalment* i.e. 40 percent of the total quoted cost will be released after purchase of flight tickets (copies shall be attached while requesting fund) and prior to departing for the tour and the remaining 30 percent will be released after satisfactory completion of the assignment i.e. acceptance of final report as mentioned in deliverables (section 4) by NAMDP Phase II.

11. Reporting and communication:

The consultant shall prepare and submit a report as mentioned in section 6 (deliverables) after completion of the assignment. The project team will review and provide feedback and comments if any to incorporate in the report.

The main point of communication for this assignment will be as provided below.

Sarwagya Raj Pandey

Consultant- Business Enabling Environment and Federal State Building (BEE & FSB)

Sahaj-Nepal Agricultural Market Development Programme (NAMDP) Phase-2.

Biratnagar-10, Shahi Marga, Tintoliya, Morang, Province 1, Nepal

email: sarwagya.pandey@swisscontact.org

Mobile number: +977 9841038652

12. Required documents:

- i. Copy of registration certificate (to be submitted by the consultant)
- ii. Copy of PAN/VAT certificate (to be submitted by the consultant)
- iii. Latest copy of tax clearance (to be submitted by the consultant)
- iv. Copy of consultant/organisation's profile showing experience (to be submitted by the consultant)
- v. Official submission letter