1. ABOUT SWISSCONTACT

Swisscontact is a leading partner organisation for the implementation of international development projects. The organisation promotes inclusive economic, social, and ecological development to make an effective contribution towards sustainable and widespread prosperity in developing and emerging economies. With this objective in mind, Swisscontact offers the chance to economically and socially disadvantaged people to improve their lives on their own initiative. The independent, non-profit, and private foundation was established in 1959 in Switzerland. The organization strengthens the competencies of people, improving their employability, increases the competitiveness of enterprises, growing their business, and fosters social and economic systems, promoting inclusive development.

In Nepal, Swisscontact is registered as an International Non-Governmental Organisation that started its operations in 1991 with the initiation of the Training Institute for Technical Instruction programme. Currently, Swisscontact Nepal has five development programmes across all seven provinces, with a well-functioning country office that employs over 50 national and international staff members.

2. CASA PROJECT OVERVIEW

The UK Government's Foreign, Commonwealth Development Office’s (FCDO) Commercial Agriculture for Smallholders and Agribusiness (CASA) programme seeks to change how investors, donors, and governments view and invest in agribusinesses that work with smallholder supply chains. In doing so, CASA will increase economic opportunities for smallholders by:

a) Demonstrating the commercial viability of small and medium-sized (SME) agribusinesses with significant smallholder supply chains and attracting more investment into these businesses.

b) Deepening the smallholder impact of existing investments made by Development Finance Institutions (DFIs, notably colonial development corporation [CDC]), and impact investors.

c) Enabling poor smallholder farmers to engage with and trade in commercial markets; and,

d) Researching and communicating the case for successful engagement with smallholder-linked agribusiness.

CASA has three components, two of which (Components A and C) are managed by NIRAS-LTS in partnership with Swisscontact and centre for international and bioscience international (CABI). CASA’s component B is separately implemented by Technoserve and focuses on technical assistance and investment promotion for larger Agri-enterprises on the global development stage. In addition to its three components, CASA has four strategic cross-cutting components which are incorporated into all CASA activities:
Component A demonstrates high impact projects in the target countries; Malawi, and Nepal, and previously Uganda, to (a) mobilise investments for partner agri-businesses (which can include commercially minded farmer associations and cooperatives) for expanded outreach to smallholders; and (b) improve access to markets for smallholders. The ultimate target group for CASA is the ‘missing middle’ of ‘stepping-up’ smallholders¹ – i.e., those that wish to engage in commercial agriculture but are largely not engaged to date (including 40% living on less than US$2/day and 50% women).

Component C is a learning and knowledge-sharing component that will aim to leverage knowledge gains from Component A projects and other research to inform donors and investors about the merits of investing in agribusiness SMEs with significant outreach to smallholders.

3. ASSIGNMENT BACKGROUND

Despite Nepal’s heavy dependence on agriculture, the country is a net importer of vegetables. According to the Department of Customs, 234,259 metric tons (MT) of vegetables worth NPR 8.17 billion was imported in the first three months of the 2019/20 fiscal year. Also, as per data of the Department of Customs (DoC), vegetables worth Rs 15.18 billion were imported during the fiscal year 2018/19 as compared to imports worth Rs 13.11 billion during the fiscal year 2017-18. As per the latest data from Department of Customs, Nepal imported vegetables worth Rs 8.59 billion in the past five months (mid-July till mid-December), which is Rs 60 million a day². Nepali market is flooded with cheaper imported vegetables in high volumes resulting in displacement of domestic produce. Thus, many Nepali farmers are facing difficulties to compete with imported vegetables in terms of price. All this has disincentivized local farmers to further participate in commercial production.

Previously, the government had taken initiatives to stop vegetable imports because of high pesticide residues. Recently during lockdown³, vegetable imports were temporarily stopped to promote local vegetables and prevent the possible spread of the coronavirus. Farmers had welcomed both moves. However, Nepal cannot impose trade barriers on imported vegetables because of provisions of various international trade agreements including WTO. Given this context, Nepal can only formulate and implement domestic enabling policies that can promote efficient production of vegetables that can reduce imports. But this requires government to identify the list of most imported vegetables, conduct comparative analysis, develop enabling policies and support farmers with efficient extension services to promote production. The interventions carried out by the government has so far been inadequate to address these issues.

In this regard, CASA Nepal team, in collaboration with Madhesh Pradesh’s Ministry of Land Management and Agriculture Cooperatives (MOLMAC), is seeking for a research firm to conduct a study on identification of vegetable crops that can reduce import in Madesh Pradesh. As Madhesh Pradesh borders India from where most of imports happen, the study would help identify the vegetables crops that can be produced locally to reduce imports and help Madhesh Pradesh’s Ministry of Land Management and Agriculture Cooperatives (MoLMAC) for developing policy interventions to promote those vegetables commodities. The Pradesh is very agro-based and is regarded as grain basket of the country as an overwhelming

¹ Stepping-up smallholder farmers are described as those that sell or wish to sell at least 50% of their produce.
² Nepal imports vegetables worth NPR 60 million every day, onlinekhabar, English, December 23, 2021.
³ Vegetable imports banned to promote local products and keep virus at bay, The Kathmandu Post, April 26, 2020.
majority of the population is engaged in agricultural activities. Madhesh Pradesh also produces many of the niche vegetable commodities such as potato, tomato, pointed gourds etc. that Nepal imports.

Through this project, CASA is specifically interested to support MoLMAC of Madhesh Pradesh to carry out a comprehensive research plan to come up with enabling policy interventions that promote the efficient production of local vegetables that can reduce imports. The research firm is expected to work with CASA and MoLMAC, to conduct comprehensive research to identify vegetable crops that can reduce imports and recommend CASA and MoLMAC for the appropriate policy interventions on the production and promotion of the identified vegetable commodities.

4. OBJECTIVE

The overall objective of the assignment is to first identify the list of high imported vegetables and deliver a study report on the possibility of promoting these vegetable commodities domestically including policy recommendations and estimates on gains to local farmers, agribusinesses, traders, and cooperatives, likely import reduction and overall foreign currency savings once the recommended appropriate policies are implemented.

Specific objectives of the study are:

- To study import trends of vegetables during the last 5 years, identify vegetable commodities with highest import volumes by considering the data from trade statistics, Central Bureau of Statistics and major custom (quarantine) points in Madhesh Pradesh.
- To identify general behaviour patterns of various vegetable market actors in terms of volumes traded, frequency of trade and price.
- To collect statistics on specific vegetable commodities production and production trends.
- To conduct a market survey of the identified vegetable commodities focusing on cost of production, production areas, distribution structure and channels and margins at each distribution point (farmer, middlemen, trader, wholesalers, retailers, etc.), both on Nepal side and Indian side of the border.
- To conduct comparative analysis of the identified Indian and Nepalese vegetable commodities highlighting similarities and differences in policies between the two countries.
- To provide sufficient evidence on potential impact including estimates on gains to local farmers, agribusinesses, traders, cooperatives, likely import reduction and overall foreign currency savings, and suggest appropriate policy interventions for the same.

5. SCOPE OF WORK AND METHODOLOGY

The service provider is expected to provide a detailed methodology to carry out the study/research. However, the following points are expected to be taken into consideration while designing the methodology.

1. Desk Review: The service provider will review all relevant literatures and published reports and data to understand import trend of vegetable crops in Nepal in the last 5 years. This will include gathering data on production, import and export of vegetables in Madhesh Pradesh. The desk review should also identify major vegetable commodities imported.

2. Stakeholder Consultation: The service provider will meet with relevant stakeholders from the private and public sector (i.e., Quarantine points in Madhesh Pradesh, Market Centers, Traders, Wholesale markets, Retailers, Farmers, Cooperatives, District level Chamber of Commerce and Industry etc.) to understand trade flow of vegetables, distribution channels, cost of production and price variation. The consultation should incorporate information from
Indian territory near border such as production scale and cost in order to understand similarities and differences between two countries.

3. Research Design:
   a. Defining the respondents and sample for the assessment: The focus of this work is on understanding the import of vegetable crops. The researcher will define a proposed sample and sampling methodology for this research.
   b. Preparation of a research plan: The researcher will develop a clear and timed research plan indicating the date of key deliverables and benchmarks.
   c. Finalizing the research questionnaire: The research firm will develop a draft questionnaire and share with the CASA vegetable expert as a starting point for this research. The research firm will restructure and improve this questionnaire in coordination with CASA and MoLMAC of Madhesh Pradesh.
   d. Testing the questionnaire: The resulting re-designed questionnaire will be tested with a small number of respondents and adapted where required.

4. Field Data Collection: The research firm will train and mobilize a team of enumerators to collect relevant data for the study.

5. Data Collation: Data will be collated into a statistical analysis program that can be accessed and used by CASA (e.g., statistical package for the social sciences [SPSS]).

6. Focus Group Discussions (FGDs): At least 3 FGDs will be organized (Birgunj, Lalbandi/Malangwa and Dhalkewar), each with vegetable importers (big traders) and cooperatives executive members to collect qualitative data on trade flow of vegetable commodities. The areas of exploration and key questions for the FGDs will be compiled and agreed with CASA and MoLMAC from Madhesh Pradesh before commencement. Six FGDs will also be organized at six clusters with farmers (Bara, Rautahat, Sarlahi, Mahottari, Dhanusha and Siraha) to understand cultivation practices, cost of production and issues related to vegetable farming. These FGDs will be recorded and transcribed for analytical purposes.

7. Key Informant Surveys: Key informant surveys (KIS) at three sites in Indian territory (near Birgunj, Malangwa and Bhithamod) will be conducted in participation with traders and vegetable growers separately to collect data on production scale, practices and facilities for growing vegetables. Similarly, KIS will be held at three sites of Prime Minister Agriculture Modernization (PMAMP) Vegetable zones (Siraha, Mahottari and Rautahat) with vegetable growers and at 7 market centers (Saptari, Siraha, Dhanusha, Mahottari, Sarlahi, Rautahat and Bara) with wholesalers and retailers to collect data on transaction, price, market channels and issues in vegetables marketing in Nepal.

8. Reporting: The researcher will prepare a summary report on the main research findings. The research firm is not expected to draw conclusions from this research, but to summarize, and where appropriate, tabulate and put key findings into a graph form.

9. Workshop: The research team will assist the CASA vegetable expert to organize provincial workshop in coordination with MoLMAC in order to disseminate findings among the stakeholders. The company will incorporate feedback and improve the report in consultation with the expert and Madhesh Pradesh MoLMAC.

6. DELIVERABLES

The key deliverables of the study should include the followings:

- Submission of inception report outlining the detailed methodology on how the service provider intends to deliver the key aspects of the assignment. This will also include a detailed work plan, necessary data collection tools, initial list of stakeholders to be consulted, list of documents to be reviewed, samples to be collected etc. The inception report is expected to be presented to CASA team within 6 days from the contract start date.
• A final checklist/questionnaire that will be used to conduct the market survey, and traders, farmers, and cooperatives KIS and FGDs.
• A draft report and final report summarizing the findings of this research. This report should be provided in both paper and electronic formats.
• PowerPoint presentation slides on the key findings and recommendations to be presented by the service provider to share the findings for feedback.
• A printed and electronic set of full data tables.
• A data set of all collated research findings in SPSS or other agreed formats.
• Full transcripts of the FGDs in electronic format.

7. DURATION AND TIMELINE
The assignment is expected to take a maximum of 65 input-days spread from July to September 2022. However, Covid related restrictions and limitations may delay the assignment. CASA reserves the right to temporarily postpone the study in such cases and new deliverable dates will be mutually decided with the service provider. Tentative timeline for the study is given below. Applicants may propose their own timeline and study plan not exceeding the total workdays given in the ToR.

Table 1: Tentative timeline for the study

<table>
<thead>
<tr>
<th>SN</th>
<th>Particulars</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Inception Report</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>Desk Review</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>Study tools design</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Data Collection</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Data Analysis</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Draft Report and Presentation</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>Provincial Workshop</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>Final Report incorporating feedback</td>
<td>4</td>
</tr>
<tr>
<td>9</td>
<td>Total</td>
<td>65</td>
</tr>
</tbody>
</table>

8. QUALITY ASSURANCE
The service provider will be responsible for assuring the quality of the data to ensure that the figures stated are reliable, estimates and projections are credible, and that any potential limitations of data or calculations used are clearly highlighted. The CASA Country team will discuss and agree the expected criteria for quality with the selected service provider and will oversee the quality of each deliverable.

9. ELIGIBILITY CRITERIA
• Interested bidder should be a legally registered company in Nepal. The service provider must be PAN/VAT registered and should provide copy of legal and corporate documents including company registration certificate, PAN/VAT registration certificate, latest tax clearance certificate, company profile. Firms must also include a list of previous works, corresponding references, and samples of similar past works.
• Service provider should have at least 5 years of experience in similar kinds of research activities specifically relating to Nepali vegetable sector research and vegetable trade and production related studies.
• Key persons of the service provider should have at least 5 years of experience on market research and have in depth knowledge and experience of Nepali trade flow of vegetables, vegetable farming, vegetable market, market players, their position, motivations, trade practice and culture etc., and be knowledgeable of market research methods. It is suggested
that the service provider include the following key persons; team leader (agriculture expert), agri-economist, etc.

- Research companies having previous experience on trade flow of vegetable commodities and vegetable farming in Nepal are highly preferred.
- Demonstrated strong oral and written communication skills in English, including excellent report drafting and presentation skills.

10. PROPOSAL EVALUATION CRITERIA

The potential and interested organizations are requested to submit the proposal along with required documents showing their interest in conducting the study. The proposal should consist of i) Covering Letter, ii) Technical Proposal (75% of weightage), and iii) Financial Proposal (25% of weightage).

Table 2.: Technical Evaluation Criteria

<table>
<thead>
<tr>
<th>SN</th>
<th>Heading</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overall Response</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>The understanding of the assignment by the proposer and the alignment of the proposal submitted with the ToR</td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Completeness of response</td>
<td></td>
</tr>
<tr>
<td>1.2</td>
<td>Overall concord between ToR requirements and proposal</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Organization, key personnel, and relevant skills and past work experience</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Range of depth of the organizational experience with similar assignment.</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>List of previous work (experience in market research and experience in preparing vegetable sector study reports). Applicants to attach at least one sample of similar study conducted in the past.</td>
<td></td>
</tr>
<tr>
<td>2.3</td>
<td>Relevant experience and qualifications of the proposed team for the assignment</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Proposed Methodology and Approach</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Work plan showing detail deliverables, implementation plan in line with the project</td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Proposed work plan and approach of delivery of the tasks as per the ToR</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Score</td>
<td>75</td>
</tr>
</tbody>
</table>

Financial evaluation Criteria

The financial proposal will be evaluated following the completion of the technical evaluation. The bidder with the lowest evaluated cost will be awarded 25 points. Financial proposal from the other bidder will receive pro-rated points on the relationship of the bidder’s prices to that of the lowest evaluated cost.

Both the proposals must be in two separate pdf files. The financial proposal will be opened only after the technical proposal is rated. Technical proposals with scores less than 50% will not be further evaluated.
11. APPLICATION GUIDELINES
Detailed Technical and Financial proposals should be submitted to np.info@swisscontact.org not later than 5 PM, July 1, 2022, with subject line: CASA Vegetable Market Study.

Technical proposal should consist of understanding of the Terms of Reference, objectives, scope of work and responsibilities, methodology to be used (study design, potential study areas, sample design, study tools), tentative work plan and budget. All applicants should enclose list of similar assignments undertaken with sample reports and references.