DEEN DAYAL ANTYODAYA YOJANA - NRLM

Terms of Reference for hiring the services of Technical Support Agency (TSA) for Developing Commodity Value Chain and Market Linkages for NRLPS

Introduction

1. The Ministry of Rural Development (MORD), Government of India (GOI) has been implementing Deen Dayal Antyodaya Yojana- National Rural Livelihoods Mission (NRLM) since June 2011. The central objective of the DAY-NRLM is to eliminate rural poverty through innovative implementation strategies involving mobilization and organization of the rural poor and promotion of their financial and economic inclusion as well as promotion of convergence with other livelihood programmes.

2. The central objective of the Mission is to bring about increase in the household incomes of the rural poor through sustained livelihood enhancements and improved access to financial and non-financial services. The Mission aims at creating efficient and effective institutional platforms of the poor as mediating institutions. The four key inter-related components of the Mission are: (i) social inclusion; (ii) financial inclusion; (iii) livelihood promotion; and (iv) convergence. The four components posited on the Community Based Organizations (CBOs) of the poor are expected to promote and sustain livelihoods of the rural poor. Thus, the DAY-NRLM aims at mobilizing all the rural poor households into SHGs and their federations viz., Village Organizations, Cluster/ Block Level Federations and use these institutional platforms to promote the livelihoods of the poor. The Mission seeks to promote access of the CBOs of the poor to financial and technical services as well as economic support services and enable them to diversify and improve their livelihoods. Towards this end, the Mission intends to promote organic financial and non-financial relations between the SHGs and their federations. The Mission provides Revolving Fund (RF) and Community Investment Fund (CIF) support to the eligible SHGs and VOs which are expected to enable them to leverage funds from the formal banking institutions for undertaking sustainable livelihoods. The Mission also provides technical and convergent support for the member households to diversify their livelihood assets.

Implementation Architecture

3. The Mission is implemented through specially created structures. At the national level, the Mission is implemented by a specially created National Mission Management Unit (NMMU) comprising several thematic groups and professional experts, under the Rural Livelihoods (RL) Division of the MORD. As part of transiting to DAY-NRLM, the state governments are required to establish special purpose vehicles in the form of autonomous and empowered State Rural Livelihoods Mission (SRLM) Societies at the state level. The SRLMs are in turn required to:

(i) establish dedicated Mission implementation units at the State (SMMU), District (DMMU), Block (BMMU) and Sub-Block Units (Cluster Level);
(ii) recruit, induct, train and position multidisciplinary professionals at all levels; and
(iii) establish adequate management, finance, procurement, MIS and M&E systems.

Phased Implementation
4. As development of sustainable community institutions is a process intensive activity requiring the support of trained Community Resource Persons (social capital), a phased intensive implementation approach has been adopted by the Mission under the approach a certain number of blocks are selected in each year for intensive application of Mission resources. The blocks selected in the first few years, apart from creating sustainable institutions of the poor for livelihoods promotion, are expected to generate social capital in the form of CRPs and other activists to replicate and support the implementation of Mission strategies in other blocks of the state. However, each SRLM is required to prepare the non-intensive blocks also for intensive approach by seeding and implementing Mission activities in a less intensive fashion. The states are also advised to use the services of experienced CRPs from other states which have been implemented models similar to DAY-NRLM in the initial stages.

Status of DAY-NRLM

5. As of March 2016, all the 29 States transited to DAY-NRLM and a state level autonomous society has been established and designated as SRLMs in these states. The state governments have approved establishment of Mission architecture at SMMU, DMMU and BMMU levels. The governments have also permitted recruitment of professional staff at all levels. Management, finance, procurement and other systems have been established as per the guidelines of DAY-NRLM. The State Missions have been implementing DAY-NRLM Annual Action Plans (AAPs) approved by MoRD.

National Rural Livelihoods Project

6. For ensuring that technical assistance and required implementation support is available under NRLM, the Government of India has availed a Credit from the World Bank for the National Rural Livelihoods Project (NRLP) which aims to provide support the Deen Dayal Antyodaya Yojana -National Rural Livelihoods Mission (DAY-NRLM). The World Bank is providing a credit of USD 500 million to NRLP project. The Bank funding to NRLP project will be till Dec 2017 and this may be extended for a further period.

National Rural Livelihoods Promotion Society

7. National Rural Livelihoods Promotion Society is an autonomous institution under the Ministry of Rural Development, Government of India providing technical and professional support to State Missions in implementation of NRLM activities. NRLPS is registered under the SOCIETIES REGISTRATION ACT, 1860 and is funded during the project period from the World Bank Credit. NRLPS receives grants from the Ministry under the provisions made for NRLP.

Promotion of Livelihoods under DAY-NRLM

8. Based on the recommendations made post the mid-term review of NRLP by World bank, it has been decided that a dedicated funding window of USD 45 million aimed at supporting value addition interventions to spearhead the livelihoods be created as part of NRLP. The dedicated funds coupled with more purposive planning by states is expected to Value added livelihoods strategies, foster new ideas and innovate channels for value addition under Livelihoods. A few proposals submitted by some states under the same fund have already been approved by empowered committee.
9. **Mahila Kisan Sashkitikaran Pariyojna (MKSP)** - The primary objective of the MKSP is to empower women in Agriculture and allied activities by strengthening community institutions of poor women farmers and leverage their strength to promote sustainable Agriculture and allied activities. MKSP focuses on Agriculture and allied, non-timber forest products, livestock and fisheries. A new livelihoods vertical on non-farm to strengthen the livelihoods of artisan and weavers is being planned.

10. **Start-up Village Entrepreneurship Programme (SVEP):** The SVEP is a sub-programme under NRLM. The long term vision of the SVEP is to provide support for start-up to 1 crore village enterprises and provide direct employment to 2 crore people. The SVEP shall help the rural poor come out of poverty by helping them set up enterprises and provide support till the enterprises stabilize.

11. **Rural Self Employment Training Institutes (RSETIs).** Under NRLM RSETIs are being established in collaboration with Public Sector Banks, in each district of the country to provide training to the rural youth from the poor households for setting up micro enterprises. RSETIs provide short term residential training with long handholding support to the youth.

**Objectives of the Assignment**

12. The main objective of this assignment is to help establish a technical cell within NRLPS which can provide timely and higher order technical assistance and capacity building support to participating State Rural Livelihoods Missions (SRLMs) and Community Based Organizations (CBOs) in the development of Commodity value chain and market linkages in the Agriculture and allied activities, livestock and Non-Timber Forest Produce (NTFP) products so that these become profitable, bankable, and self-sustaining in the long run. Some of the main components of this objective would be:

- Providing advisory and hand holding support to the SRLMs in the implementation of value chain development approaches/models; business plan development; market analysis; cost benefit analysis and facilitating preparation of detailed implementation report (DIR) etc.
- Facilitating access to technology to address critical gaps in production, post-harvest and processing, marketing etc.
- facilitating partnerships development/linkages with key knowledge/technology institutions, private firms, marketing institutions;
- capacity building and skills of key SRLM functionaries in Value Chain development;
- Development of manuals; guidelines; good practice notes; knowledge materials etc.
- Review existing Value Chain Analyses and Market Assessments of agricultural and non-agricultural products and labour markets
- Assist and advise NRLPS project core team on Development of Commodity Value Chain and market linkage for various products/commodities in the Agriculture and allied activities, livestock and NTFP including scale-up, capacity-building, production techniques and value chain development (both forward & backward linkages)
• Identify key products covering Agriculture and allied activities, livestock and NTFP segments that have potential for development of value chain and market linkages.
• Work on the products that will provide additional income to the poor rural women by developing value chain and market linkages
• Work on development of value chains and market linkages for 5-10 identified commodities/ products and roll out the plan in identified states.
• Provide handholding support to the SRLMs/CBOs in the roll out of value chain and market linkage.
• Capacity building and training of both NRLPS/SRLM and CBO staff in VC development
• Facilitation of appropriate linkages for the CBOs and knowledge/technology institutions, private firms, marketing institutions;
• Provide handholding support in execution of business plans, market analysis; cost benefit analysis and facilitating preparation of detailed implementation report (DIR) etc.
• Enhance knowledge sharing through exposure visits, sharing experiences of similar projects undertaken, approach paper etc.
• Development of manuals; guidelines; good practice notes; knowledge materials etc.

Scope of Work

13. As part of the assignment, the consultant is required to explore each of existing and potential end market to determine which offers the greatest benefits (profit margins, embedded services, competitive advantages, etc.) and risks (competition, sizeable investment, fleeting business relationships, etc.) for each actor in the value chain of identified products in the Agriculture and allied activities, livestock and NTFP. Some of the key activities, but not limited to, that are expected to be undertaken by the consultant are listed below.

(1) Submission of Action Plan:

   Based on this TOR the consultant will draw up a Plan of Action for roll out of the key tasks and submit the same to CEO, DAY-NRLM. The Plan of Action will include the proposed approach of Commodity Value Chain Development, methodology, a broad time frame and budget. It will also explain how the involvement of Mission Staff and stakeholders will be ensured. The Plan of Action will include a clear description of the different product groups (Agriculture and allied activities, Livestock and NTFP) to be analysed.

(2) Identify Potential Commodities for Development

   Based on the desk review of secondary data and consultation with various stakeholders viz., MORD, SRLMS, MKSP Partners, representatives of select Cluster Level Federations/ Community Organisations etc., the consultant is required to come up with a list of state wise potential commodities that can be taken for development of value chain and market linkage.
(3) Plan and conduct a Market Assessment and Value Chain Analysis:

In consultation with MORD and SRLMs, the list of products/sectors and geographical area that will be taken up for development needs to be prepared. After identification of products/sectors that needs to be focused, the consultant is required to undertake Market assessment for select products and sectors. The consultant is also required to identify the gaps in the value chain and market linkage and come up with suitable recommendations to address the gaps in the value chain/market linkages.

The consultant is requested to consider following aspects while undertaking market assessment.

- identification of major local, regional and, if applicable, distant markets
- assessment of size of markets, volume of sales, market integration/segmentation
- local market structure and enabling environment (e.g. security issues or policies affecting market access)
- market actors (consumers, sellers, traders, middle-men, employers) behavior
- procurement mechanisms, market requirements (standards, conditions for delivery) and prices, wage rates and employment conditions
- Other areas as identified by the methodology and data collection

Some of the key elements of value chain analysis that needs to be looked into are listed below.

- Identification of various chain actors and their relationship
- Selecting and prioritizing value chains for promotion
- Mapping of value chains
- Analyzing value chain technical capacities
- Analyzing value chain competitiveness
- Formulating upgrading strategy the identified value chains
- Implementing the upgrading strategy, monitoring and impact assessment
- Developing business services including collecting and disseminating market information
- Assistance in such areas as technology upgrading, quality management and training
- Establishing necessary infrastructure for compliance with accreditation systems-quality, hygiene, safety standards etc

(4) Supporting SRLMs in Development of Commodity Value Chains

The consultant is required to support SRLMS in developing commodity value chain for at least 10-15 commodities focus on those areas which lead to improvements in value chain performance in farm sector in terms of: (i) Increasing the quantity and improving the regularity and continuity of production; (ii) Improving the quality and safety of products; (iii) reducing the time needed to reach the customer; (iv) minimizing transactional costs; and (v) improving the capacity of chain actors to follow and assimilate technology and market developments. The consultant is required to come up with a detailed tools, techniques and guidelines for value chain development.
While developing the value chains the consultant is required to look into the Structural Factors viz., (i) End Markets; (ii) Business Enabling Environment; (iii) Vertical linkages; (iv) Horizontal linkages; and (v) Supporting market and Dynamic Factors viz (i) Value chain finance; (ii) ICT requirements; (iii) value chain governance; (iv) Inter firm relationship; and (v) Upgrading aspects of commodity value chains etc., appropriate instructional structure for taking up value chain intervention.

(5) Conduct of feasibility Studies:

The TSA is expected to conduct feasibility study for effective implementation of business plans emerging out of market analysis.

- Feasibility and viability study
- Estimation of potential returns and risks
- Investment plans
- Access to Finance

(6) Market linkage creating Guide for Community Monitors

The agency would prepare a user-friendly guide on process/template/formulae/algorithms for access and usage of data in the creation of market linkage. The guide should *inter alia* incorporate the following:

a. concept of market linkage;
b. importance of market linkage;
c. identification of potential areas and indicators;
d. methods of market linkage;
e. tools/instruments for collection of market information;
f. potential sources and levels of information;
g. methods of analysis;
h. methods of reporting/mainstreaming market linkages created;
i. Incorporation of feedback into implementation strategies and formats for taking corrective measures etc.; and
j. Training and skill requirements for undertaking market linkage.
k. Sector wise, value slab wise margins and terms of trade for buying of raw material, manufacturing equipment, services and also for sales of goods and services produced.

(7) Technical Assistance and Handholding support to State Missions

Consultant is required to provide higher order Technical Assistance to National and State Missions in the roll out of Value chain and creation of market linkages to the select products. The Consultant is required to support identified State Missions in the roll out of commodity value chain development and promotion of market linkages for the select products. MORD will suggest the list of priority states.
(8) Training and Capacity Building

i. Curriculum for training of CRPs including a trainer’s manual, accompanying audio-visual material, and process documentation - as well as support to the SRLMs for undertaking the training of CRPs in the Value Chain Development and Market Linkage areas.

ii. Design and deliver training to the SRLM staff in the Value Chain Development and Market Linkage areas

iii. Design and deliver training for state/district/sub-district level staff of NRLM for Value Chain Development and Market Linkage and create a pool of Trainers of Trainee out of the trained cadres.

iv. Design training for a cadre of 600 CRPs Value Chain Development and Market Linkage and provide the list of trained CRPs and support State Missions in the roll out of training programme.

(9) Development of MIS System

The consultant is required to design MIS systems to capture relevant information and support NMMU in the development and roll out of MIS. Further the consulting is required to provide handholding support to state missions in the roll out of MIS, reporting and use of MIS reports for monitoring of project progress.

(10) Document approach and lessons:

Will create comprehensive reports on the status of roll out of value chain development and market linkage. Collect MIS from states and report to NRML.

Proposed Team

14. The consultant is required to deploy following key professionals for undertaking the assignment. The team should have following key skills and competencies

   i. Good Communication (written & spoken), Problem solver, Analytical skills

   ii. Result Orientation, Task Orientation, self-starter, thought clarity

   iii. Experience with participatory extension approaches and farming system.

   iv. Thorough understanding of value chain of production, processing, storage and distribution with emphasis on market oriented production systems.

   v. Should be able to travel extensively within the country.

Education qualification and experience required for each position is outlined below.

1. Team Leader: The team leader should have an experience of minimum 12 years in a livelihood development project in a senior management role in either livelihoods promotion/ value chain development/ market linkage. Candidate should also have minimum 6 years of experience working in rural value chains. S(h)e should have experience in managing a team of professionals. Should be a Post Graduation in Agribusiness management / Rural Management / Rural Marketing or MBA in Marketing from a
recognized university/institute. Candidate with UG/PG in Agriculture and allied activities or veterinary science is desirable.

2. **Value Chain Expert - Agriculture and allied activities:** Should have an experience of minimum 8 years in a livelihood development project at middle level management responsible for promotion of Agriculture and allied activities based livelihoods. Candidate should also have minimum 5 years of experience working in value chains of rural produce. Should be a Post Graduation in Agri-business management / Rural Management / Rural Marketing or MBA in Marketing from a recognized university/institute. Candidate with UG/PG in Agriculture and allied activities is desirable.

3. **Value Chain Expert - Livestock:** Should have an experience of minimum 8 years in a livelihood development project at middle management level responsible for promotion of livestock based value chain. Candidate should also have minimum 5 years of experience working in value chains of rural produce. Should be a Post Graduation in Agri-business management / Rural Management / Rural Marketing or MBA in Marketing from a recognized university/institute. Candidate with UG/PG in veterinary science is desirable.

4. **Value Chain Expert - NTFP:** Should have an experience of minimum 8 years in a livelihood development project at middle management level responsible for value chain development and market linkages for NTFP products. Candidate should also have minimum 5 years of experience working in NTFP value chains. Should be a Post Graduation in Agri-business management / Rural Management / Rural Marketing or MBA in Marketing from a recognized university/institute. Candidate with UG/PG in forestry is desirable.

5. **Knowledge Management & Capacity Building Expert:** Must have a Master’s Degree or equivalent in Rural Management, Forest Management, Agriculture and allied activities, Natural Resources Management or a related field. 8 years in rural development, with at least 4 years of experience in knowledge management and design and delivery of participatory approaches in capacity building programs for communities, project functionaries, etc. Strong team collaboration and technical leadership skills is desirable.

The CVs of the key professionals will be evaluated at the request for proposal stage.

All the professionals deployed to NRLPS would require to work for full time at the disposal of the Client. All the professionals deployed should follow NRLPS working hours (Monday to Friday, 9:00 am to 5.30 pm). Consultants will be entitled to 30 days Leave (including 12 sick leaves) in addition to the National Holidays observed by NRLPS. Leave and tour of professionals deployed to NRLPS would be approved by Mission Director or designated officer.

**Operational Budget**
15. Once the selection process is finalized, the selected agency shall prepare annual budget/Action plan to meet the cost of reimbursable expenditure, cost of thematic experts, and items/activities listed out above and any other operational cost required for the assignment. *A per diem allowance, including hotel, for experts for every day of absence from the home office for the purposes of the services will be paid as per the travel rules of MORD/NRLPS in force. For the purpose of travel entitlements, the team leader will be considered equivalent to L1 category and other key members shall be considered equivalent to L3 category. Travel entitlement of thematic experts will be equivalent L1 category. As per the travel rules of MORD/NRLPS in force, the client will reimburse field travel expenditure, accommodation, food and other expenditure incurred while official travel undertaken by the consultant on actual basis. The copy of the travel rules shall be made available to the selected consultants.*

16. The Consultant shall take approval from authorized representative of the client to take up the activities approved in the action plan. Further, while procuring the goods and services, the consultant shall adhere to NRLM procurement norms. Whereas, expenditure related to operational expenditure, the consultants shall follow the rules and regulation in force in MORD/NRLPS following the principals of economy, efficiency, value for money etc.,

**Duration and Key Deliverables**

17. Services of TSA will be hired initially for a period of 2 years. Payment to the consultant will be made based on the time input of the consultants and on submission of time sheet of individual consultants. Further, the consulting firms is required to submit a quarterly report highlighting progress made during the quarter. During the period of engagement, the TSA team is required to deliver the following:

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<th>Time frame (from the date of contract)</th>
<th>Indicative Deliverables</th>
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| Quarter -1                            | • Inception report with detailed action plan  
• Mobilization of team of professionals  
• Conduct of consultation work shop with NMMU/SRLM for identification of commodities/products for development of value chain and market linkage;  
• Requirement of ICT applications/ infrastructure etc.,  
• Development of tools and techniques required for development of value chain, market linkage, |
| Quarter -2                            | • Brief quarterly status report  
• Conduct of Market Assessment and Value Chain Analysis  
• Development of Commodity value chain for at least 5 products  
• Development of Capacity Building strategy and roll out plan  
• Conduct one TOT for select Value Chain Resource Group members |
3. Quarter-3

- Development of monitoring framework
- Draft Market Linkage guide for CRPs
- Brief quarterly status report
- Start capacity building and training programmes for CRPs
- Development of Commodity value chain for at least 5-10 products
- Provide technical assistance to state Missions in the roll out of value chain development

4. Quarter - 4

- Brief quarterly status report
- Start capacity building and training programmes for CRPs
- Development of Commodity value chain for at least 5-10 products
- Provide technical assistance to state Missions in the roll out of value chain development
- Development of work plan for year two by the end of 11th month of the contract.

At the end of first year, deliverables for year 2 will be worked out and agreed.

Review Committee to Monitor Consultant’s Work

18. The Mission Director, NRLM is the competent authority to undertake monitoring and review of the work of market linkage creating agencies. He may constitute a review/steering committee to monitor the progress of the agencies from time to time and provide necessary advice. The review/steering committee may also seek comments and inputs on the consultant’s work from the MORD, SRLMs, and other experts as appropriate.

Payments to the agency will be made upon submission and acceptance of the reports and such other deliverables by the MORD and as per the terms and conditions to be laid down for this purpose in the contract agreement to be executed between the selected consultant and the MoRD.

Services to be provided by the Client

19. The Consultant would be provided access to MIS data, internal project communications, correspondence, study reports, manuals, handbooks, policy note and such other material which are not in the nature of classified documents of the SRLM.

Ownership

20. All information collected by consultant will be used only for the purpose of delivering the scope specified in the TOR. No part of the information shall be used for any other purpose without the prior explicit consent of the client. All material and data collected shall be the property of the client.
Reporting

21. The agency will report to CEO DAY-NRLM and the thematic heads.

Review of the TSA:

22. The performance of the TSA will be reviewed by a committee constituted by CEO DAY-NRLM. This review committee may comprise of Lead, Livelihoods; Director (F & A); Deputy Director (F & A); and Procurement specialist in DAY-NRLM in addition to an independent nominee of CEO, DAY-NRLM. The committee will review the project on quarterly basis.

23. All reports (including the Inception Report, monthly progress reports, quarterly report, annual report, mid-cycle project assessment report, and final report) are to be submitted by the TSA to CEO DAY-NRLM. Upon review by the committee, DAY-NRLM will jointly work with the TSA and in mutual agreement make changes in project design based on findings of the reports.

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