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**Terms of Reference (TOR)**

**Research project on “Increasing the Income of Malt Barley Farmers in Ethiopia through More Effective Cooperative Management”.**

1. **Background and context**

Self Help Africa (SHA) is an international NGO with headquarters in Ireland, and offices in the UK and the US. SHA’s vision is of a rural Africa free from poverty and hunger, and our mission is to develop enterprising solutions that enable smallholder farmers to achieve a better quality of life. SHA has been supporting smallholder farmers and rural households in Sub-Saharan Africa to increase their agricultural productivity, maximise their income and returns, and manage their natural resources sustainably. SHA currently works in Ethiopia, Kenya, Uganda, Tanzania, Benin, Burkina Faso, Ghana, Togo, Malawi and Zambia, implementing 65 projects on sustainable agricultural production and enterprise development. SHA has been working in Ethiopia since 1984.

In 2012 SHA began working with Galema and Raya Kejewa cooperative unions on the Improving Productivity and Market Linkage of Malt Barley project (Malt Barley Project), in Digelu Tijo, Limu Bilbilo and Kofele Districts of Arsi and West Arsi Zones of Oromia region. The project was developed to address the constraints faced in the malt barley value chain by smallholder producers, their organisations and other market actors. The project goal is to increase the incomes of target farmers through improving availability of quality malt barley seed, increasing production and productivity of malt barley and creating strong market linkage for malt barley producers.

Through the project it has been noted that members of two cooperative unions, with a total of 66 primary co-ops, are selling about 90% of their malt barley to traders rather than to co-ops. In addition, approximately 90% of their sales are immediately after harvest rather than at a later time when prices are higher. A number of factors appear to be responsible for this side selling and the sale of barley immediately after the harvest:

* High loan rates charged by the unions to the primary co-ops appear to be part of the reason for low sales to the co-ops.
* The unions’ and primary co-ops’ lack clear marketing strategies.
* They also face a number of governance challenges that create a slow decision making process.
* There appears to be distrust among members, primary co-ops and unions that interfere with more effective cooperative marketing of malt barley.
* There is no price differentiation between the sales price offered through the unions and directly to the primary co-op by the brewery.
* Farmers don't necessarily agree with the pricing approach taken by the unions. They sometimes see the services offered by the unions as an insufficient incentive to sell to them.
* Farmers don’t always perceive a benefit from joining a primary co-op. They sometimes see joining a co-op as a way of accessing inputs/services from NGOs, not as a means to market barley.

In light of the above, a joint research study has been developed between SHA and the International Cooperative Research Group (the Research Group) as part of the Malt Barely project. SHA and the Research Group would like to commission a team of Ethiopian consultants to conduct the field research, prepare a research report, and conduct the on-the-ground portion of the evaluations. It is expected that the research consultancy team has relevant experience of undertaking research in the areas of production and marketing of agricultural commodities through cooperatives/farmer organisations.

The research group and SHA may also jointly agreed to engage one or more non-Ethiopian project advisors to help design and provide advice on research and development activities.

1. **Purpose of research**

The research is focused on understanding ways to reduce the amount of side selling and increase the amount of income of malt barley farmers in Ethiopia. It is hoped that the learning can used to identify investments that can be made in building the capacity of the co-operatives to best serve members, and overcome the apparent lack of trust at all levels and mechanisms that the co-ops may be able to employ to encourage member loyalty.

The goals of this research project are to:

* Carry out applied research over a three year period that will produce information needed to prepare training and technical assistance tools to improve co-op marketing performance and to increase benefits to malt barley farmers; and
* To use these training materials and tools to measurably increase farmer income and measurably reduce side selling.
1. **Scope of work**

The research team is expected to employ a variety of data collection and analysis techniques for both quantitative and qualitative data to ensure a comprehensive research exercise is carried out. This is to include:

1. The preparation of an annotated research report on marketing of agricultural products through cooperatives in developing countries, with a focus on Africa and on "side-selling." *Research to be conducted August-September, 2015*
2. A review of financial and marketing-related data maintained by the primary co-ops and the unions. *July-September, 2015*
3. Semi-structured interviews with a sample of union and primary co-op staff. *July-September, each year of the project (2015, 2016, 2017)*
4. Focus groups and/or semi-structured interviews with a representative sample of malt barley farmers, both co-op members and non-members, including female farmers. *July-September, each year of the project (2015, 2016, 2017)*
5. Evaluation of development activities carried out as a result of the applied research report, including recommendations for revising these activities. These evaluations will address some of the questions already being carried out by SHA using the QUIP protocol in order to compare outcomes over a longer period of time.[[1]](#footnote-1) Evaluations will also measure the return on investment of activities (NGO funded) along the chain for farmers, primary co-ops, and the unions;[[2]](#footnote-2) and identify other marketing challenges. *July-September 2016 and 2017.*

Self Help Africa and its on-the-ground staff in Ethiopia will lead the development component of the project. It will be based on a clear set of measurable objectives related to the volume and value of malt barley sold by farmers to primary co-ops, farmer income generated by these sales, and marketing-related measures at the primary co-op and union levels. The interventions by SHA will consist of a systematic set of training and other development tools derived from the research and evaluation results.

During the course of the project, there will be annual evaluations measuring project performance related to farmers, primary co-ops and the unions.

Development funding for the project may terminate at the end of December 2016. Thus, these development activities by SHA will definitely occur in the latter half of 2015 and in 2016, but will be contingent on development funding in 2017 and beyond.

1. **Timing and duration**

The proposed research project will be conducted in two phases:

* June 2015 through the end of 2016 (when funding for the development component of the project may be terminated); and
* The first quarter of 2017 through to the first quarter of 2018. This second phase will consist of research and development if funding is continued, and research only if development funding is terminated at the end of 2016.
* The two phases will include interrelated research and development components as outlined in section 3 above.
1. **Expected deliverables**

All written documentations are to be submitted in English using Microsoft Word in both soft and hard copy. The main body of all reports should be written in simple, non-technical language, with any technical material to be presented in annexes. All primary data collected and analysis conducted for the purpose of the evaluation will remain the property of SHA and the research group and must be submitted electronically and in a clear and comprehensible format in Excel.

The consultant will provide the following deliverables to SHA and the Research Group within the timeframe stated:

1. **An Inception Report:** The consultant is required to submit Inception Report **within 5 days after signing of contact agreement** to SHA Inception report would help the selected consultant to undertake a document review and prepare research plan that consists, among others: detailed work plan for the entire exercise, methodology and tools to be used, evaluation/research questions, and expected outputs. The inception report will be reviewed and approved by SHA. Based on the outcome of this review; the consultant is required to revisit the evaluation plan accordingly.
2. **Applied Research Report:** The consultant will present the preliminary findings of the above four data collection activities outlined in section 3 in a draft report for review by SHA and the Research Group. The report will include challenges and lessons learnt, recommended training, revised lending practices, improvements in management and governance at the primary cooperative and union levels, and other strategies to improve the marketing value chain for malt barley from farmers, through the primary co-ops and the unions, to the breweries. The report will also make recommendations on where on the value chain SHA (and other NGOs) should focus investments. 31st of October 2015
3. **Periodical Evaluation Reports:** The consultant is expected to submit two reports evaluating the development activities carried out as a result of the applied research report, including recommendations for revising these activities. Report 1 due 1st of December 2016 and report 2 due 1st of December 2017
4. **Final Research Report**: a detailed report of the overall findings of the research will be submitted for approval. The structure and content of the report should be of following format:
	* Executive summary (What was researched? Why? What are the conclusions and recommendations, not more than 3 pages).
	* Introduction/Background
	* Description of the Research (How and why was the research approach chosen)
	* Research Findings (an in-depth analysis on key project intervention, major findings, challenges etc.)
	* Conclusions and recommendations
	* Appendices

Submission date to be confirmed

1. **Qualifications, skills required and selection criteria**

The lead consultant should have demonstrated competencies in one or more of the following professional backgrounds: agriculture, agricultural-economics, agricultural value chain development, marketing, cooperatives and farmer organizations with considerable experience on research projects. More specifically, the consultant is expected to have:

* A minimum of 7 years’ experience in carrying out field research, with a focus on agriculture production and marketing of agricultural commodities through cooperatives/farmer organizations.
* Demonstrable academic and practical experience in qualitative and quantitative research methodology, evaluation design and implementation.
* Strong analytical, facilitation and communication skills
* Good understanding of agriculture based enterprises
* Strong analytical and report writing skills
* Fluent spoken and written English and Amharic
* Data collectors should be fluent in local language
* The lead consultant (team leader) should possess at least a Masters degree in Agricultural Economics, Rural Development, Marketing, Development studies or related subject.
1. **Selection Criteria**

Research proposals will be selected on the basis of:

* + 1. **Technical Proposal (70%)**
* Evidence of the consultants’ in-depth knowledge and demonstrated understanding of the work required
* Previous work in this or relevant fields
* Clarity of analysis and proposal documents
* Proposed team/ staff planning
* Research methodology and
* Service delivery strategy
	+ 1. **Financial proposal (30%)**
* The financial proposal shall indicate all costs (including logistics, i.e. per diem, accommodation, and transport costs). SHA will consider accepting logistics cost or provide services as it finds it fit. The least bidder shall be given maximum points (30) while the others will be awarded in proportion to their deviation from the least bidder.
1. **Management of the research project**

The consultant will communicate directly to the Project Manager and Programme Support Coordinator [Ethiopia]. During the evaluation period, he/she will also be expected to work closely with the Project team. Any proposed changes to the personnel listed in the implementation of the research during the bid offer must be approved by SHA and the Research Group.

In the implementation of the Research SHA will provide:

* Guidance and technical support as required throughout the evaluation
* Logistical arrangements for all field travel
* Copies of all key background resources/documents identified
* Project staff time to assist with field arrangement
* Introductory meetings with key government and project staff
* Comments and feedback on, and approval of, all deliverables within agreed timeline.

The consultant will be responsible for:

* Developing the detailed research methodology; data collection instruments
* Conducting all data collection, including all training, supervision, quality assurance, data entry and data cleaning;
* Analysis of data and reporting in a clear and accessible format
* Regular progress reporting to the SHA including responding to any comments or technical inputs wherever reasonable
* Production of deliverables within agreed timeline and in accordance with quality requirements
* Seeking comments and feedback from SHA and the Research Group through the Project Manager and Programme Support Coordinator [Ethiopia] in sufficient time to discuss and incorporate these into the final report
* Production of the final evaluation report containing data against all indicators in the project log frame, evidence-based responses to the key evaluation questions, summary of lessons learnt and recommendations.

**9. Taxes**

The financial proposal shall include all taxes. All the taxes will be deducted as per laws of Ethiopia

**10. Application procedure**

Interested applicants should submit their letter of intent, profiles and CVs together with detailed technical and financial proposal electronically to SHA to the **two email addresses below**

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**Self Help Africa reserves the right to amend or cancel all or part of this bid for consultancy service.**

1. QUIP stands for qualitative impact assessment protocol. It was developed at the Centre for Development Studies, University of Bath. [↑](#footnote-ref-1)
2. SHA is currently undertaking a joint research with a UK NGO, Farm Africa, on the impact of subsidy. The SHA/Research Group project will link with this initiative to examine the most effective level of subsidy with farmers, primaries, and unions. [↑](#footnote-ref-2)