

Draft Terms of Reference

**Government of India
Ministry of Rural Development, Department of Land Resources
NPC Building, 5-6 Institutional Area, Lodhi Road, New Delhi -110003, India**

**Forward Linkages and Rural Livelihood Support System
Under Neeranchal National Watershed Project
(Terms of Reference for External Agencies at DoLR)**

1. BACKGROUND

The methodologies of watershed management in India have over the years undergone many changes. Over the past three decades, watershed management has evolved from a top down process focused on civil works with little community engagement, to a more participatory approach, and more recently to an integrated approach involving community based planning, soil and water conservation, rural livelihoods, etc. Despite such evolution, it has been seen that the watershed management practices, by and large and in except certain specific programmes, have not been able to achieve their qualitative and quantities objectives. This has been the case even with IWMP that despite the fact it is a more advanced and integrated approach, it still requires strengthening. In this context, the Department of Land Resources has approached the World Bank to support it in a project that would not only focus in the strengthening of the IWMP in particular but to bulwark the entire watershed management efforts. The project entitled Neeranchal will be implemented in partnership with 9 States containing a high proportion of the country's rainfed areas.

Neeranchal aims to increase incomes through enhanced agricultural production and improve sustainability of natural resources through better watershed management among the people living in selected micro-watersheds in nine (9) States, by adding value to IWMP programs through institutional reform, capacity building, the development and application of best practices, and convergence with other Government projects. It is not a stand-alone operation with field-based investments (like IWMP) watershed project, or single, state-level Bank-supported projects. It aims to address the general concerns and weaknesses of IWMP while also focusing on specific needs of the participating States that would have all India ramifications, thereby, attempting to strengthen IWMP and to cater to these specific needs of the States. While the selection of the States has been based on certain criteria in terms of geographical location, rainfed areas, percentage of poor, etc, the aim is that the results of Neeranchal need not be restricted to only these States but should be eventually be replicated by other States.

There are four project components:

- 1) Institutional Reform and Human Capacity Building
- 2) National Innovation Support
- 3) State IWMP Support and Post Project Sustainability in Focal States
- 4) Project Management/Implementation Support

The intended outcomes of this programme would comprise implementation strategies which would be evolved through **applied research** and development from pilot initiatives in the select watersheds, such that they can eventually be replicated across the entire coverage area under IWMP.

For the implementation of pilots, the Consultant are thus expected to work closely with the farmer organizations and respective State Government agencies in the field, the Implementation Partners for designing the interventions, guide and handhold the groups / institutions through the implementation process, and monitor & evaluate their progress and impacts. The present Terms of Reference is for the Consultant to be selected as the consultants for the Livelihood and Market access component.

2. OBJECTIVE(S) OF THE ASSIGNMENT

The primary objective of this assignment is to carry out applied research and development to support rural livelihoods with the ultimate goal of formulating demonstrative projects and a strategy for increasing total household incomes in the target areas. This shall primarily be achieved by enhancing both agriculture and non-agriculture income by maximizing productivity, technology interventions and other innovative approaches.

The specific tasks would be as follows: -

- i) Prepare a Baseline & support applied research and development to help farmers in selected watersheds improve their product quality, market linkages, and access to finance.
- ii) The Consultant would undertake applied research to generate community-led inclusive growth models as part of watershed development. It would identify producer groups, commodity interest groups and other forms of farmer organizations that are instrumental in building farmer capacity to engage with the market place (both at input and output level) and devise innovative approaches to strengthen their linkages to private sector (both retail and large institutional buyers)
- iii) The consultant would also identify and pilot innovative tools to ensure better equity between producers and buyers, and benefits flowing to the farmers/groups. The work would map and analyze value chains of key agricultural and non-agricultural product groups in each identified watershed or state, to identify product segments that are working and those that are failing.
- iv) The consultant will train SHGs in need based skill up gradation in specific identified activities.
- v) The consultant will undertake product up-gradation efforts with respect to commodities produced under IGA by the SHGs or any other group.
- vi) Establish financial linkages to SHGs, User Groups (UGs), CIGs, Area groups, JLGS or other CBOs and facilitate IGAs ensuring sustainability.
- vii) The consultant would develop model IGA plans and assist in extending the same to larger IWMP area.

- viii) The Consultant will also provide technical inputs and guidelines for state-led training and hand-holding to build sustainable capacities among farmers for entering into new value chains.
- ix) It would also suggest and supervise practical studies on how to better augment and integrate livestock, fisheries and fodder development with ATMA, with suitable backstopping from KVKs and other partners from private and NGO sectors.
- x) The Consultant would partner with appropriate, private institutions to create a dedicated financial literacy program to help farmers understand the value of technology, assess risks and rewards and evaluate financial impact of decisions on their personal balance sheet, and improve farmer access to credit.
- xi) It would develop and pilot user-friendly ICT tools (e.g., cell phone-based applications) to help farmers access information to make better annual operating plans for crops and understand the financial impact of these plans.
- xii) It would also work with the private sector to review current insurance products for farmers and develop new approaches for delivering these services to farmers.
- xiii) The Consultant will be responsible for design/implementation of the IGA plan through active engagement and involvement of other IPs that are focusing on related aspects (viz. agricultural productivity, watershed sustainability, crop diversity, etc.) of the Neeranchal project.

3. DETAILED SCOPE OF SERVICES & TASKS (COMPONENTS)

It is envisaged that 2 districts in each state (in 9 Neeranchal states) would be selected for the applied research initiative. The Consultant's scope of work shall comprise the following.

i) Baseline Preparation

The first step for the Consultant would be to prepare baseline status for the identified watersheds where the applied research in the thematic area of rural livelihood is to be carried out.

This activity would involve analysis and review of the rural livelihood ecosystem of the region, agricultural and non-agricultural produce, product value chains (both farm and non-farm) and their market linkages, existing income levels¹, issues and challenges faced by the farmers/producers in marketing of their produce, factors responsible for linkages, procurement practices, contract frameworks between farmers/producers and buyers (traders & end users), role of existing state agencies including extension services such as KVKs, ATMAs, etc. The Consultant is expected to always keep in consideration the various market dynamics, market requirements, and private sector perspective.

The analysis should also focus on the policy, institutional and infrastructure ecosystem that governs and influences the production, marketing and farmer incomes. The Baseline Study should present a gap assessment of the watersheds (taking into cognisance the assessment of the other IPs), which would help delineate the need for Innovations and consequent conduct of Pilot initiatives in the subsequent stages of this assignment.

¹ The Consultant is expected to carry out primary surveys of a representative sample as per standard statistical procedures for the Baseline survey.

ii) Program Research and Design

In this module the Consultant shall design comprehensive programs and innovation strategies for the enhancement of value chains and market linkages that would act as the detailed blueprint for implementation of the Pilots. A detailed market linkages & livelihood enhancement (MLLE) Plan for each of the selected locations centered on the key components of the project would form the basis of innovations in a given cluster.

The Livelihood innovations would need to be designed in a manner that ensures a **targeted minimum level of per capita income**, through a combination of farm based and appropriate non-farm based activities, and in parallel to enhance the capacity of the watershed Communities particularly the SHGs to sustain these measures on their own in the long run.

The MLLE Plan would involve design of innovation strategies, systems and processes for farm & non-farm products identified for value chain enhancement, and could cover the following:

- Decision Support Matrix templates for identifying the innovations
 - Choice of Crops to cultivate based on market demand and earning potential
 - Value Chain potential
 - Type of Customers to engage with
 - Contract frameworks
 - Cost benefit analysis
- Mobilization of farmers/producers into organized Groups / FPOs, self-help groups, etc.
- Design of Product Value Chain packages including linkages with potential customers
- Design of schemes with local banks, cooperative banks, micro finance institutions, insurance companies relevant financial products for the beneficiaries
- Involvement of support partners to sustain the initiatives on the ground including identification of NGOs working in the field and mentoring them
- Policy & regulatory advocacy, convergence of schemes to gain maximum leveraging
- Strategies to Mobilising private sector involvement in different elements and roles, scope for PPPs
- Systems that enable farmers to get updated information about commodity demand, supply and prices,
- Training & capacity building for beneficiaries, partner institutions, Government agencies
- Five Year Plans and Annual Implementation Plans

iii) Conducting Pilots/Trials

The Consultant shall undertake pilot projects in the identified watersheds aimed at enhancing livelihoods through improved market linkages and creating replicable templates in accordance with the programme designed in the previous stage. The Consultant will be required to engage farmers, private sector, state government line departments and agencies, NGOs, Micro-Finance Institutions, DoLR, other IPs and other stakeholders to ensure active involvement in running demonstrative pilot projects.

While the pilot programs shall be implemented by the Consultant based on the actual field data based baseline studies and pilot program designs, the Consultant shall ensure that various issues such as quality, market linkages, post-harvest facilities, capacity building/training are taken into account. The Consultant should utilize the existing infrastructure including IT and telecom systems to showcase how appropriate interventions including technology interventions can enhance livelihoods for the farmers.

The Consultant is required to conduct the pilots over a multiple year period (say: two to three years) to ensure that a sufficient scale of pilot demonstration and reliable feedback can be achieved. The Consultant's role can broadly be described that of a Knowledge Partner and mentor for working with the farmers, FPOs, private sector and government agencies for implementing the pilots.

The Consultant shall conduct field based pilot projects as per the design prepared for each identified location in a way that best mobilises the existing facilities and resources and instills confidence among the various stakeholders. The following are indicative of the types and extent of pilot projects in the farm and non-farm sectors.

- a.) Development of market linkages for existing farm and non-farm products.
- b.) Working with private sector market players to support specific requirements of farmers, rural artisans/ entrepreneurs in terms of availability of appropriate technology, markets for organized procurement particularly through institutional buyers, better networks, logistics, higher value for products etc.
- c.) Strengthening of existing facilities like collection/aggregation centers, Quality Labs, Storage/ preservation units, animal husbandry based facilities (Dairy, Poultry, etc.) etc, value added processing units to demonstrate efficient scientific sustainable practices of various post-harvest activities.
- d.) Strengthening of Agri-Extension centers & Support Services including Training Facilities with the aim of demonstrating enhancing farm produce and incomes.
- e.) Evolving financing mechanisms with banks, institutions to provide working capital and insurance to farmers through micro-financing & other schemes.
- f.) Design and conduct of Awareness campaigns as part of the pilot to sensitize people and get maximum coverage.

The Consultant shall also run pilot programs for skill upgradation and capacity building with the objective of showcasing that by enhancing skills farmers can adopt good practices in agriculture and/or venture into new livelihood opportunities to enhance their household incomes.

The purpose of capacity building demonstration projects is to enable the stakeholders at different levels to work competitively and collaboratively to execute their duties and tasks. The Consultant shall build capacities at personal, organizational and government levels.

iv) Provide technical inputs & guidelines through Stakeholder Workshop(s) and Awareness Campaigns at Watershed and District level

The Consultant shall have to organize workshop(s) and awareness campaigns on regular basis during the tenure of the project. The focus of the workshop and awareness campaigns shall be sharing of findings from preparatory studies, detailed value chain analysis, gap assessments, pilot interventions, development strategies related to access to finance, market dynamics,

livelihoods and income enhancement. This activity is aimed at stakeholder consensus, information sharing, awareness building, forming of multi-task associations, training and capacity building. The Consultant shall have to conduct workshops in the presence of multi-stakeholders by forming multi-task associations (MTAs).

The Consultant shall also organize exposure visits/study tours for the stake holders to the places where the community have successfully implemented/in similar programs.

v) Feedback & Refinement of Design, Templating for Scale-up in partnership with appropriate Pvt. & public sector institutions

The Consultant is expected to undertake preparation of rationale framework to obtain feedback on the assumptions formed at the start of pilot projects. In line with the project philosophy feedback and refinement in design shall also have to be consultative and participatory.

The Consultant is expected to define the feedback mechanisms for different elements from the pilot projects to assess the schemes and opportunities for improvement. A major part of obtaining feedback, refinement in the design, and templating for scaling-up would come from periodic workshops and interactions. The Consultant is expected to scientifically design the feedback mechanism capturing the key aspects of the pilot projects and outcomes. The entire process shall have to be such that the refinement requirements in the projects can be captured i.e. each aspect of refinement shall be discussed and agreed by project stakeholders i.e. farmers, extension services agents, PRIs, agri-commodity buyers, financiers, traders, logistics/ transport/ storage providers etc. The entire process shall enable roll out of pilot projects in other areas of similar socio-economic, physical and geographic characteristics.

The Consultant shall on periodic basis refine different tools, techniques, models to strengthen the system and improve effectiveness of each intervention. It is expected that the Consultant shall work-out stage-wise tools covering the broad stages of project conceptualization, development and implementation cutting across planning, resource utilization, integration/ coordination, motivation, evaluation etc.

Based on this, the Consultant shall evolve the **State Level Strategies** for the identified commodities and frame **Standard Operating Procedures (SOPs)** for implementing them.

vi) Designing Field Manuals related to Market Access and Livelihood from different Farm & Non-Farm products

The Consultant shall put together field manuals for providing handy access for farmers and other execution agencies in undertaking the key steps (and stages) of project lifecycle to achieve desired results. The Consultant shall decide the requirement of specific field manuals and finalize it consultatively. Another module could be financial literacy of farmers to enhance their understanding of basic concepts, value of technology, options to access farmer finances, repayment options, insurances, right and duties etc.

The Consultant shall also prepare training modules, identify subject matter specific resource persons/ institutes for various trainings and ensure all field level trainings, workshops and capacity building programs for the stakeholders, communities, PRIs etc. are undertaken as per the approved training plan. The Consultant has to keep the content of the manuals and modules simple for easy adaptability.

vii) Creation of Decision Support Systems for Farmers / Farmer Groups

The Consultant, in consultation with other key stakeholders, shall prepare a detailed framework for decision support for farmer / farmer groups / commodity interest groups. The intent is to streamline and resolve decision support at farmer levels and their capacity building enabling them to take informed decisions.

Monitoring and Progress Review

- a. Regular monitoring and supervision of the Consultant shall be done by the concerned State Govt/ DoLR. The Consultant will submit the progress reports in the prescribed formats on monthly, quarterly and annual basis. The State Govt/ DoLR will verify the performance of the Consultant as per norms decided by the project.
- b. Review of the Consultant's work and performance shall be done by a review committee constituted for the very purpose. This review committee will also guide, direct, and instruct the Consultant in accomplishing the assignment in desired manner. The review committee shall be comprised of the officials nominated by the State Govt., DoLR and the World Bank (to be decided during the course of the project).

Outcome(s)

The following are the broad outcomes expected from the market-linkages and livelihood enhancement component in the pilot watersheds.

- Enhancement in per capita income of farmers in the pilot watershed through increase in gross margins from both farm and non-farm products.
- Enhanced private sector engagement in value chain activities such as at input level, technology level, market level, etc.
- Reduction in information asymmetry in the farmer value chain.
- Enhancement of financial literacy and capacity building of farmers enabling them to make informed decisions.
- Increase in sustained IGAs activities and CBOs.
- Adoption of innovative and viable IGAs by the CBOs.

4. DELIVERABLES & TIME SCHEDULE:

Deliverables	Time Schedule
Inception report	By end of 1 st month
Monthly progress reports	5 th of every succeeding month
Baseline (socio-economic) survey and gap assessment	6 th month
Operations manual	12 th months
Product value map(s) - a value chain mapping document providing an overview	18 th month
Standard Operating Procedures (SOPs) Manual, Training Manual and Field Manual	18 th month
Pilot Project Concept Report(s)	24 th month
End of Pilot Project (S) Report	36 th month
Market Linkages & Livelihood Enhancement (MLLE)	36 th month
Feedback and refinement report(s)	12 th , 24 th , 36 th , 48 th & 60 th months
Final report (capturing complete documentation, experience, projects, feedback and refinements)	60 th month

The Consultant will submit their deliverables to DoLR, and assist DoLR in holding further discussions with Stakeholders, Partners wherever necessary.

5. TEAM COMPOSITION & QUALIFICATION REQUIRED OF THE KEY EXPERTS (which will be used for evaluating the Key Experts)

S. No	Position	Minimum Qualification and Experience
1.	Team Leader	Master's degree in Management/ Rural Development/ Agriculture Sciences/ Economics with at least 15 years' similar experience and should have experience in large multi-disciplinary programmes for agricultural development, agri-business development, value chain development, market Linkages, infrastructure development, water management, livelihood enhancement
2.	Agri Value Chain Development Specialist	Post-Graduate degree in MBA/Marketing/PGP in Agri-Business Management/PGD in Marketing or Agri-Business Management/any related field from any recognized universities / institutes, with minimum 15 years of professional experience in Agricultural Marketing and Value Chain Development, specifically in the development of market linkages and working experience in the establishment and operations of small marketing enterprises by farmer organization.

S. No	Position	Minimum Qualification and Experience
3.	Non-Farm Market Linkage Specialist	Bachelor's in any field with 10 years' experience in development and marketing of Handicrafts, other non-agricultural livelihood in rural areas, working at grassroots level
4.	Capacity Building Specialist	Bachelor in any field with 10 years' experience in designing Skill development programmes, training materials, and imparting training for various vocational activities

b. Additional Manpower required who's CV will not be evaluated:

Position	Nos.
Coordinator	1 per state
Core team - Analyst	1 per State
Data entry Operators	As per the need

6. CLIENT'S INPUT AND COUNTERPART PERSONNEL

- (a) Services, facilities and property to be made available to the Consultant by the Client:
- The Consultant will be supported by each of the other Implementing Partners, DoLR and State Implementing agencies limited to available information.
 - DoLR will facilitate access to all available project related documents and information that are needed for carrying out the assignment both at Central and participating State levels.
 - DoLR will provide facilitation support and help in Coordination with other Stakeholders, Implementation Partners, and other authorities, including seamless exchange of information, as necessary during the course of the assignment
 - DoLR will provide support for the Pilots and the trials so that they can be conducted as per schedule
 - DoLR will facilitate and provide feedback on the proposals, submissions, etc. of the Consultant, both from DOLR itself as well as from other partners and Sates.
- (b) Professional and support counterpart personnel to be assigned by the Client to the Consultant's team:
- Coordinator at the Headquarters
 - State Level Coordinators for each state

7. Reporting Requirements

In all aspects of this assignment, the Team Leader of the Consultant will report to the Project Director / Joint Secretary (WM), DoLR. The Consultants' team will work in close and regular coordination with the DoLR. All the reports will be delivered as per the agreement. The Consultant's team, in coordination with the DoLR teams will ensure stringent monitoring to identify and correct any shortcomings in the implementation of this assignment.