

## Terms of Reference

<b>Title</b>	<b>: Development of strategic business plan</b>
<b>Client</b>	<b>: Hoa My Soursop Coop (HMSC)</b>
<b>Country</b>	<b>: Vietnam</b>
<b>Project number</b>	<b>: 23HDAR-9607</b>
<b>Assignment number</b>	<b>: ADV.</b>
<b>Period</b>	<b>: May 2024</b>
<b>Cooperative advisor (BA)</b>	<b>: Thai Hong Lam</b>

### Introduction cooperative

Hoa My Cooperative (HMSC) was established in 2017, located in My Phu A hamlet, Hoa My commune, Phung Hiep district, Hau Giang province. This is one of the first cooperatives to be granted the certificate on the right to use the "Soursop Hau Giang" trademark which was granted the certificate of trademark registration by the National Office of Intellectual Property of Vietnam in 2019. The key product of the co-op is soursop. Soursop is one of the fruits with a competitive advantage in Hau Giang province with favorable natural conditions that produce delicious soursop products compared to other regions.

The cooperative currently has 63 members. Charter capital is 5.1 billion VND (USD 200,000 equivalent). The cooperative provides services for the members on input provisions (soursop seedlings, fertilizers and pesticides), irrigation, technical guidance; processing and trading fresh and processed soursop. At the beginning of 2023, total of members was 63 and the soursop area was 86 ha which 32,2 ha are Global GAP certified. In 2023, the coop's total revenue is over 8,9 billion VND (USD 360,000 equivalent).

### Background of the assignment

According to Hau Giang DARD, the province will promote the expansion of fruit tree areas with high competitive advantages, production along the value chain and towards high-tech agriculture, safe agriculture in markets to increase value of fruit products. At the same time, strengthen the direction of production transformation associated with digital transformation to create breakthroughs in productivity, quality, efficiency and competitiveness in agriculture in compliance with sustainable agriculture and climate change adaptation.

The Hoa My soursop is a good business case with high potential for adding value and scaling up in the future. The coop has a plan to add value for its members by providing input services, processing and distributing soursop. In the coming years, the cooperative has ambitions to expand its production in compliance with GlobalGap standards, increase the number of members, adding value for the products by applying technology, investing in warehouse, and processing facilities, develop new products and increase sales.

However, there is still room for improvements in aspects of the business development plan, shortage of resources for investment and working capital, and lacks of knowledge and skills

in cooperative governance and value-adding creation. The cooperative is a potential client of Agriterra. Considering the needs and available expertise of Agriterra in cooperative development, upcoming collaboration could be addressed to develop long-term and short-term business development plans and follow-up technical support.

**Main objective**

The assignment is to deliver a Business Strategy that provides guidelines for Hoa My Soursop to visualize their business ambition and targets, realistic action plan, access to finance and to bring on new business partners and members. Having the business plan in place will also help investors/grantees/business partners/members feel confident that they will see a return on their investment when working with the cooperative.

**Specific objectives**

- Analyze the current business situation of the cooperative (member needs, capacity of the cooperative, business performance, internal and external factors affecting business activities, SWOT analysis...)
- Determine the mission, vision, core values and strategic goals, specific objectives, KPIs, of the cooperative in the next 3-5 years;
- Marketing and sales plan
- Develop annual business plan for 2024-2025
- Financial Plan & Projection
- Risks and mitigation plan
- Conclusion and recommendations

**Expected results**

A sound strategic business plan and detailed business development plan that enable HMSC Co-op to develop its soursop business in target markets in the next 5 years.

**Assignment details**

- Composition of the Agriterra assignment team including Agriterra CA and the consultant.
- Duration of the assignment: The time frame of fieldwork of the assignment will be in May 2024, excluding preparation and reporting time.
- Arrangements: Agriterra will arrange and cater for flight, hotel, transportation, and programme for the Agriterra assignment team once the field trip can be conducted safely.

**Tentative agenda for field trip**

Day	Programme	Available		
		CA	Consultants	The Co-op
Day 1	Preparation (TOR, AIN...)	x		
Day 2	Desk research and agree about the plan	x	x	
Day 3	Flight to Vi Thanh. Briefing on the objectives and agenda of developing the strategic business plan	x	x	

	Discussion on objectives and working methods			
Days 4-7	Working with the cooperative to collect information and local insights	x	x	x
Days 8-9	Conduct market research in Hau Giang and Can Tho and HCM city.	x	x	x
Days 10-15	Writing business development strategy and an annual business plan.	x	x	
Days 15-16	Translate BDP to Vietnamese, consult and coach the Co-op	x		x
	<b>Total</b>	12	12	

### Assignment details:

The assignment team includes 01 Cooperative advisor of Agriterria and 1-2 external consultant/s. The duties of the external consultant are as follows:

- Develop technical and financial proposal for the assignment.
- In charge of parts SBP: External analysis, market survey, marketing and sales, financial planning and projection, knowledge and insights about the Soursop sector, soursop value chain assessment, efficient business model and annual business plan for the co-op)
- Sharing practical experiences and insights in agri-business, especially the fruit sector.
- Participate in field trips in the cooperative to collect information, information and as the assigned parts.
- Conduct a market survey in Hau Giang, Can Tho and HCM city.
- Analyze, synthesize and write SBP for the above sections.
- Interaction with CA in the whole planning, collecting information and reporting process.
- Deliver the outcomes and deliverables as the assignment in the TOR.

### Required qualifications for consultant

- Previous experience creating business development planning for agricultural co-ops
- Good knowledge and skill in financial planning and projection
- Good knowledge, experiences and skill in market survey, marketing, branding, distribution, sales and business models for agricultural co-ops.
- Practical experiences in agri-business, especially fruit sector
- Good knowledge and networking of fruit, especially the soursop industry in Mekong river delta.
- Good report-writing skills (English)
- Understanding of the cooperative sector
- Good team player
- Verbal presentation/communication skills
- Reasonableness of cost

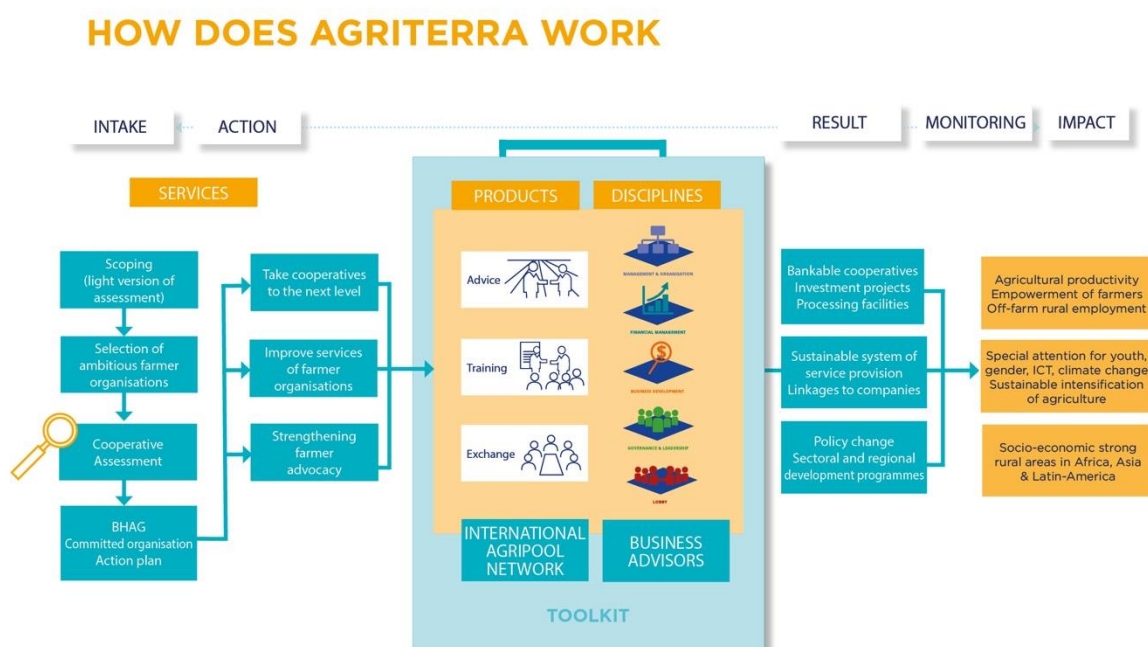
## Proposal submission

The proposal should include:

- CV of the consultant with related background and experiences.
- A short technical and budget proposal of the consultant in achieving all expected objectives and results as mentioned in the TOR.
- An application, technical and proposal should be submitted in English by email with the subject mentioning "Technical and financial proposal to formulate SBP for fruit cooperative" to [vietnam@agriterra.org](mailto:vietnam@agriterra.org)

**The closing date for application: 17.00pm, 06 May 2024**

## Agriterra, for cooperatives



Agriterra provides high quality, and hands-on advice, training and exchange services, to cooperatives and farmer organisations with maximum impact for socio-economically strong and productive rural areas. In 2019, with 163 employees, Agriterra advises 291 cooperatives in 21 countries. With our programme we reach more than 850.000 farmers. Over the past few years, we have already mobilised more than 50 million euro made available through policy changes. More than 129 cooperatives are linked to banks with a mobilised loan for working capital and investments of more than 75 million euros, while 51 clients have a processing facility with increased production.

Through professionalising and strengthening cooperatives in Latin America, Africa and Asia, Agriterra contributes to positive economic development and better income distribution. Farmers organised in strong, competitive and trustworthy cooperatives are indispensable

for a vibrant rural economy, fostering agricultural development and off-farm employment in rural areas.

Agriterra draws on a century of cooperative knowledge in the Netherlands disclosed via its extensive network in the Dutch agri-food sector. These experts and Agripool experts from farmers organisations all over the world, work together with business advisors from the Netherlands and national business advisors in the countries where Agriterra staff is based.