

Terms of Reference

Title	: Tea market linkage for LACO
Client	: Lien Son Cooperative (LACO)
Country	: Viet Nam
Project number	: 23LSAC-9556
Assignment number	: ADV.19750
Period	: 22 Oct – 01, Nov 2024 (including 6 days in the field: 24-29 October)
Cooperative advisor (CA)	: Le Dac Phuc
Mode of Agripool involvement	<input type="checkbox"/> Remote (Online) only <input type="checkbox"/> Field visit included

Introduction cooperative

Lien Son Agricultural and Service Cooperative was founded in the year 1976 as an old-model cooperative. During the "subsidy" era, the cooperative was granted land by the government and built headquarters and warehouses to cater to their members. The cooperative has undergone two model transformations under the Cooperative Laws of 1996 and the Cooperative Law of 2012, having experienced several historical upheavals. Lien Son is also a cooperative with a significant number of members compared to other cooperatives in the locality. The cooperative has 1226 members, in which it advocated mobilizing the participation of children of former members of the cooperative to increase its size and inheritance. Lien Son Cooperative is evaluated as one of the top cooperatives of Thai Nguyen province in terms of providing good services to members, with its internal credit activities being outstanding. As of the end of 2022, the cooperative has mobilized 43 billion VND, equivalent to 1.7 million Euro, and loaned about 30 billion VND to its members, equivalent to 1.3 million Euro. In 2022, the cooperative decided to construct a tea processing factory with a total investment of 1.7 billion VND (70,000 EURO) with the primary intention of consuming fresh tea for members and adding value to local tea products. In 2023, LACO successfully certified 22 hectares of tea that meet VietGAP standards, as recognized by the Thai Nguyen Department of Agricultural, Forestry, and Fishery Product Quality Management. This achievement positions LACO to access higher markets and boost sales for its members.

Background of the assignment

Although Lien Son Cooperative has tea processing infrastructure and abundant raw material areas, they do not have much experience in trading, marketing and selling to the market. Lien Son Cooperative's customers are currently mainly individuals and traders who buy to resell to small traders. Agriterra has supported LACO in building a 5-year business strategy, which indicates that LACO needs to build a sales system in at least 10 provinces and cities by 2027, improve processing procedures to improve product quality to suit consumer tastes. Build a reputable Lien Son tea brand in the domestic market.

In the immediate future, LACO needs to have a suitable marketing plan to bring their products to potential markets, so LACO has asked Agriterra to support the development of this plan.

Main objective

Similar to Agriterra's other clients, we support LACO in driving growth and creating employment opportunities. Our assistance enables LACO to meet industry standards and market demands, facilitates supply chain integration, and opens avenues for value addition within domestic value chains while leveraging new technologies. We provide guidance and mentorship on product quality, design, pricing, packaging, and marketing strategies tailored for target markets. By organizing trade shows, buyer missions, and business-to-business networking events, we foster enduring business relationships between buyers and sellers.

Specific objectives

- Review LACO's product range and market development plan to make appropriate recommendations.
- Evaluate the tea market in some target localities such as Nghe An, Thanh Hoa and Hanoi.
- Develop appropriate marketing strategies for LACO to increase sustainable trade relationships and increase sales.

Expected results

1. Meeting with at least 8 tea distributors in Nghe An, Thanh Hoa and Hanoi city regarding the specific objectives as mentioned above.

Requirement of the consultant: The consultant needs to be able to arrange these meetings and discussions.

- Establish at least 01 contract to buy tea from tea distributors/supper market.

2. Market research presentation for the management of LACO.

Requirement of the consultant: The consultant will prepare and facilitate the meeting with LACO's management, presenting the findings and conclusions of the market research as a basis for the formulation of LACO's marketing and sale program of LACO.

2. The marketing and sale program of LACO for the period of 2024-2028 formulated.

Requirement of the consultant: The consultant needs to prepare and finalize this program in consultation with Agriterra and LACO.

Assignment details

- Composition of the Agriterra assignment team:
 - Le Dac Phuc, Agriterra cooperative advisor
 - Local consultant (to be hired by ATVN for this assignment)

The team will be joined by LACO's director and LACO's business manager (LACO's team) who will participate in meeting with tea distributors in HCM city as well as in the whole process of this assignment.

- Duration of the assignment: The time frame of the assignment will be 11 days in the period of September 22th Oct to 01st November 2024. This includes 02 days for preparation, 3 days for reporting.
- Arrangements: (alternative options)
 - ATVN will arrange and cater for flight, hotel, transportation, programme for the Agriterra assignment team.
- Responsibilities Agriterra: logistics
- Responsibilities client: LACO

Tentative programme

Day	Time	Programme	Available
1.5 Day prepare		Literature review on tea market	Consultant
0.5 day		Online Introduction meeting between LACO and Agriterra team	CA/Consultant/ LACO's Team
24/10	Morning	Visit LACO to understand products and LACO capacity and visit tea farmers	CA, consultant LACO's Team
	Afternoon	Meeting LACO for united plan for market linkage in field	CA, consultant LACO's Team
25/10	Morning	Travel to Nghe An province	CA/Consultant/ LACO's Team
	Afternoon	- Meeting with 2 - 3 tea distributors, supper markets, local dealer and potential buyers	CA/Consultant/ LACO's Team
26/10	Morning	Travel from Nghe An to Thanh Hoa and meet 1-2 tea distributors	CA/Consultant/ LACO's Team
	Afternoon	- Meeting with 1-2 tea distributors	CA/Consultant/ LACO's Team
27/10	Morning	Travel from Thanh Hoa to Hanoi	CA/Consultant/ LACO's Team
	Afternoon	- Meeting with 2-3 tea distributors and potential buyers	CA/Consultant/ LACO's Team
28/10	Morning	Preparation of the market research presentation	CA/Consultant
	Afternoon	- Presentation of the market research and receiving inputs from LACO as the basis for the formulation of marketing and sale program of LACO for the period of 2024-2028 - Follow-up detail action plan of LACO for the period of 2024-2025 facilitated by the CA and consultant	CA/Consultant/ LACO's management
29/10	Morning	- Follow-up meeting with Thai Nguyen CA	CA

	Afternoon	- Experts team back to Hanoi	
30/10-01/11		Finalization of the mission report	Consultant and CA

CA = Agriterra Cooperative Advisor

Required qualifications for consultant

- At least 5 years of experience in the field of marketing, especially in the agricultural or food industry.
- Deep understanding of the tea market and current consumer trends.
- Consultants have extensive experience in tea trade in Hanoi and other provinces in Vietnam. During the working process, consultants can propose key markets, not necessarily the localities listed above.
- Consultants have experience in developing marketing strategies that have been proven to be effective, optimizing resources in promoting customer relationships and revenue.

Application submission

The application should include:

- CV of the consultant with related background and relevant field experiences.
- A letter of interest The application should be submitted in English and Vietnamese by email with the subject mentioning "Consultant-tea market linkage for LACO" to vietnam@agriterra.org and copy to phuc@agriterra.org

The closing date for application: 17.00pm, 14 Oct 2024

Agriterra, for cooperatives

We are a purpose-driven organisation, aimed at strengthening farmer cooperatives in 13 countries in Africa and Asia. Agriterra’s wheel of impact depicts how strong farmer cooperatives contribute to societal development and the relevance to many of the Sustainable Development Goals of the United Nations.

Positively impacting farmer cooperatives is at the heart of our identity and is reflected in our legal entity as a Dutch non-profit foundation.



Agriterra provides high quality and hands-on advice, training and exchange services to farmer cooperatives with maximum impact to support dynamic, economic and sustainably strong and productive rural areas. We draw on a century of cooperative knowledge in the Netherlands shared through our extensive network in the Dutch agri-food sector. These Agripool experts from farmer organisations across the world work with Cooperative advisors from our country offices, supported by staff teams in the Netherlands.

In 2022 Agriterra worked together with 579 farmer organisations, trained 8,989 people and 3,808,366 farmers were reached.