
Terms of Reference



Capacity needs assessment for HSN¹ agri-food micro and small farmers/enterprises that have direct linkages with smallholder producers

1. Background

In the last decade, global concern has shifted from food security to food quality and health, which include food safety, nutrition, health and sustainability. At the global level, food consumption has increased with longer and more complex food chains. The ways food is produced, processed, stored, packaged and distributed are also changing.

In Vietnam, in the last 10 years, big and medium size cities in Vietnam have observed a population growth, urbanization and increase migration. Such changes have large impact on food system transformation. The urban food system increasingly dependent on peri-urban production. For example, Hanoi has to import 40% of its' perishable produce from outside the city; about 70% of perishable produce are "imported" to Ho Chi Minh City (HCMC), while more than 90% of agri-food consumption in Da Nang are from other provinces.

During transition of food system, smallholder farmers may have interest in the market opportunities. Formation of farmer groups or cooperatives are promoted by the government, which has resulted in many active cooperatives that play an important role in the food system of the city region. However, there remain many old cooperatives, in which the management and leadership are mainly administrative. Such old type cooperatives are not active in collective action and market linkages. **These cooperatives, their members and other individual smallholder farmers, may be excluded from the market** due to increasing quality and quantity requirements imposed by modern retail chains², or by tightening food safety regulations by the government.

Consumers increasingly demand a greater diversity of foods. They are also more concerned about health, hygiene and food safety issues and thus tend to spend more on safe, environment friendly and even organic products. However, voluntary certification such as VietGAP, GlobalGAP and Organic are expensive to smallholder farmers, while there are no minimum standards for agriculture products. In 2019, only 10% of agriculture produce is produced under closed food chains. VietGAP certification only works when government provides subsidies. Global GAP and organic certification do not show any sign of increase in the last 10 years. Consumers are not yet willing to pay a higher price for organic products. The reasons include deteriorated trust in existing certification, traceability systems and law enforcement regarding food safety. Recently, to further promote agriculture production towards organic products, government has approved the organic agriculture programme

¹ Healthy sustainable nutritious

² The University of Adelaide. The Vietnam urban food consumption & expenditure study.
https://www.adelaide.edu.au/global-food/system/files/media/documents/2019-03/Urban_Consumer_Survey_Factsheet_04.pdf

for 2020-2030³, aiming at having 1.5-2% of organic agriculture land, 1-2% of animal production are organic and 0.5-1.5% of aquaculture areas are organic by 2025.

To address above mentioned issues aiming at sustainable food systems, Rikolto programme in Vietnam identified HSN agri-food micro small and medium enterprises (mSMEs) as our entry point to strengthen the linkages between smallholder farmers, mSMEs and the market for HSN agri-food, promoting healthy safe food with increasing transparency at affordable price for consumers.

Rikolto will conduct a capacity needs assessment for HSN agri-food micro and small farmers/enterprises that have direct linkages with smallholder producers.

2. Objectives

The overall aim of the study is to assess:

- a) Current status of HSN agri-food farmers and mSME that have direct link with small producers regarding their internal management, operation, sustainability, supply, market, external risk and enablers.
- b) Identify capacity gaps and needs for improvement at the organizational levels as well as strengthening their up and down stream linkages that hinder the availability, affordability and acceptability of HSN agri-food. increase market demands and improve citizens' lives, .
- c) Develop improvement plan⁴ with concrete target beneficiaries and expect results at small producers, mSMEs and consumers levels to improve sustainability of the food systems in general and of specific value chain in particular, taking into account effectiveness and efficiency⁵ of the plan and the benefits that all actors along the value chain will receive.
- d) Identify a few business cases to further coaching and developing the models of sustainable HSN agri-food.

3. Scope of work

The assessment will be carried out for mSMEs that are active in the big cities (Hanoi, HCMC, Da Nang), and have direct linkages with smallholder producers in the cities or in provinces in the belt of these cities. Survey will be carried out for larger number of mSMEs. After the analysis, selected mSMEs will be asked to have an indepth interview to find suitable business cases for further coaching.

The assessment should analyze 8 areas mentioned above including: internal management, operation, sustainability, financial management, supply, market, external risk and enablers, of which the first 4 is focusing on mSMEs, the next 2 focusing on the value chain and the last 2 are from the environment.

At the supply level, assessment should go deeper into farm source, practice, organization and management; At the market, the study should look at distribution and market.

4. Deliverables

- Methodology with concrete work plan agreed with Rikolto
- List of HSN agri-food entrepreneurs/farmers/mSMEs surveyed with full contact details

³ Decision 885/QĐ-TTg by Prime Minister dated 23 June 2020.

⁴ Both training and coaching depending on the gaps and needs identified

⁵ Regarding number of smallholder producers, sustainable cultivation areas

- Draft report and final report of the need assessment in English
- Detail plan for improvement of the HSN agri-food chains including capacity building for actors (farmers, enterprises) and coaching for selected ones as business cases/pilots with budget

5. Qualification of consultants

The team consists of 01 team leader and 01 team member.

- The lead consultant should have a post graduate degree in agriculture economics, economics, strategic management, marketing, cooperate governance
- The consultant should have a minimum experience of 05 years in enterprise development, organisation and institutional development in the agribusiness sub-sector
- Proficient in business diagnosis, strategic management, business modelling and structuring
- Demonstrate understanding and competencies in management of smallholder farmers enterprises and private sector actors
- Illustrate knowledge and experience in working through value chains and market development approaches

6. Time frame

Activities	W1	W2	W3	W4	W5	W6	W7
Finalization of questionnaires (in agreement with Rikolto)	X						
Finalization of digital format through monkey survey	X						
Send out to 700 Agri-food SMEs		X					
Collecting feedback			X	X			
Draft report					X		
Indepth interview based on data analysis (6-10 enterprises)						X	
Final report							X

The assessment will take place tentatively in April and May, 2021.

7. How to apply

Please send your proposal, application letter and detailed curriculum vitae with at least three referees in English as soon as possible by email to:

Ms. Do Thi Tiep

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Email: tiep.do@rikolto.org

The post will be closed right after we have selected the candidate, but not later than 02/04/2021

Only shortlisted candidates will be contacted for interviews.