

## Terms of Reference for FPC Level Support Organization

(For business planning, Aggregation, Primary processing and Local market linkage)

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### 1.0 Project Background

The Department of Water Resources, Government of Odisha is in the process of implementing “Odisha Integrated Irrigation Project for Climate Resilient Agriculture (OIIPCRRA)” with the support of the World Bank. The Project Development Objective is “**to intensify and diversify agriculture production, enhance climate resilience and improve water productivity in selected cascades of Odisha**”. The proposed project will focus on small and marginal farmers, Pani Panchayats (PP), Farmer Producer Organizations (FPO / FPC), Primaryfisher’s cooperatives (PFCS) and other agricultural entrepreneurs, including women and other vulnerable groups.

The project has four components, i.e., (1) **Project Component A:** Climate-Smart Intensification and Diversification of Production, (2) **Component B:** Improving Access to Irrigation and Water Productivity, (3) **Component C:** Institutional Capacity Strengthening, and (4) **Component D:** Project Management. The Component (A) has three sub-components, i.e., (1) **Sub-component A.1:** Support to Improved Productivity and Climate Resilience, (2) **Sub-component A.2:** Support to Aquaculture Production and (2) **Sub-component A.3:** Support to Diversification and Produce Marketing. Component (B) has two sub-components, i.e., (1) **Sub-Component B.1:** Support to Water Sector Reforms, and (2) **Sub-Component B.2:** Support to Investments in Cascades. The project intends to minimize the current gap ayacut, improve water use efficiency, and enhance water productivity, strengthening participatory irrigation management system and support in facilitating climate resilience in the tank command and beyond.

### 2.0 Project Area

The project is planned to be executed in 15 districts of the State. The project has identified 538 minor irrigation tanks which will be taken up for intervention, covering a total gross cropped area of 1.20 lakh ha. Including command area of 56,294 ha., spread over 98 blocks.

### 3.0 The Project Period:

The project duration will be of 4 years, starting from 2021-22 and the expected project cycle in each tank / cascade will be of 3to 4 years, depending upon the nature of interventions.

### 4.0 Need for Agri-Business Support Organization (ABSO):

The specific objectives are:

1. To improve market linkage through collectivization and product aggregation .

2. To improve return to farmers and its organization (FPO/WUAs) through value addition and storage;
3. To improve accessibility of farmer's collectives to agribusiness services;

The need of the proposed consultancy assignment is to facilitate and support the implementation of Agribusiness promotion and facilitate activities under OIIPCRA project (**Sub-component A.3: Support to Diversification and Produce Marketing**). The ABSO will be placed at the state and district level (at the district level, the ABSO will place one agri-business expert **who will be associated with local Support Organization to promote agribusiness** and agri-entrepreneurs). The ABSO will work in collaboration with producer group's /FPOs/Agri-entrepreneurs (AEs)/ WUAs etc. in agriculture & allied sector.

### **5.0 Area of Operation**

The project will engage one Agribusiness Support Organization (ABSO) for the specified purpose. The contracted agency, during the contract period, will cover all the 15 project districts including intervention pockets.

### **6.0 Eligibility Criteria:**

The project will engage one Agribusiness Support Organizations (ABSOs) at the State level with outreach to project districts to facilitate agribusiness activities. The ABSO will facilitate coordinate and manage agribusiness activities of all the project districts based on the market potential of different commodities. The ABSO will be selected, following below mentioned criteria.

1. The agency must be having a minimum of 7years of experience in promotion of Producer groups and Producer Collectives as well as facilitating / executing agribusiness activities, including business plan preparation, establishing forward and backward linkages, establishing market linkages with national and state level markets, value chain assessment and product specific value chain promotion;
2. Should not have been blacklisted by any department of Government of India or Government of Odisha.
3. Having requisite human resources, including experts in agribusiness, Agri-enterprise promotion and marketing;
4. Experience of working in the project State (Odisha);
5. Experience of supporting farmers/ producers/ producer or farmers collectives in production and processing of specific agricultural / horticultural/pisciculture commodities and in establishing market linkage of above said commodities in a direct or PPP mode;
6. Demonstrated ability in promotion of producer collectives (both producer groups and higher order collectives like Coop or FPC), management of producer collectives and business linkage of producer collectives in Agril. & allied sector.

7. Should have experience of working with more than 3 World Bank/UN/ADB/DFID funded projects in similar type of work.
8. The agency must have worked at least in three Indian States for agribusiness promotion and Agri marketing .
9. The agency must be having average annual turnover of Rs.4.0 crore in last three years

## **7.0 Scope of Work:**

1. Conducting diagnostic study of the existing FPOs in the project area & development of **viable business plans** for FPO / FIG / PFCS/producer groups / agri-entrepreneurs in the project districts addressing the gaps in infrastructure / market / technology / input supply/support system.
2. Identification of feasible agribusiness investment opportunities in the project Districts (covering project implementation area) by carrying out detail assessment.
3. Facilitate appropriate post harvest practices for sorting, grading, cleaning, drying, weighing, storage, packaging (Primary processing) and market linkages of agricultural, horticultural and pisciculture commodities to enhance the value of their produce in order to realize increased revenue/income.
4. Promotion and scaling up of cluster approach by farmers for bulk production of project supported agricultural, horticultural & pisciculture commodities to promote collective marketing, develop effective model for dissemination of technology.
5. Support in development of Village level collection centre that will be linked to processing for aggregation of the produce at Farm-gate/Nearest market yard.
6. Linking of AE model in the project to be developed by APICOL.
7. Assessment of various storage (cold storage /other) structure & infrastructure available in the project area & provide area specific suitable suggestion to bridge the gap.
8. Working in close coordination with **support organizations (S.O)** and facilitate the flow of produce between the different levels in the marketing system.
9. Identification of various market place/periodic/weekly markets including infrastructure and suggest up gradation. Post financing, support in actual implementation of the infrastructure.
10. Use of R.M.C infrastructure mapping & linking with existing F.P.Os
11. Preparing detailed plan for capacity building development of all stake holders at various level (FIG/FPO/PFCS/Agri-Entrepreneur)
12. Developing training modules for FPCs, PGs, FIGs/ WUA/ PP for enhancing their effectively and efficiency as an organization ( including business operations)

13. Training of relevant SPMU staff/ SO staff on PG and FPO modules.
14. Provide handholding support to the project supported FPOs to attain the desired outcome
15. Preparation of annual and quarterly plan and submission of quarterly report to SPMU and PD-ATMA/FIAC on progress of various activities.

## **7.1 Key Roles of ABSO:**

Under the scope of the project, the ABSOs will perform following role;

### **7.1.1 District Level Functions of ABSO:**

1. Preparation of model investment plan for the district addressing the gaps in infrastructure/market/technology/input supply based on the diagnostic study of area specific/ identified commodities i.e. (i) Pulses (Green gram, Black gram), (ii) Oil Seeds (Groundnut),(iii) Area specific vegetables including (Cabbage, Cauliflower, Brinjal) and (iv) Flowers (Marigold)& other crops taken up in the project District. The model investment plan should also cover horticulture interventions like protected cultivation, micro irrigation system, processing units etc.
2. Support SOs in promoting different producer groups
3. Creating awareness among various producer Groups on Post-Harvest management & value addition of produce.
4. Formation of FPO/ on boarding existing FPO .
5. Organize training program (on governance and management strengthening; on collective procurement, processing, packaging, etc) for the primary level producer group and the secondary/ tertiary level farmer collectives (FPC/ Coop)
6. Nurturing the project supported FPOs and PGs.
7. Support FPC to build relationship with vendors and local market players
8. Primarily responsible for **marketing** of the area specific produce of the project including landless stakeholders. (Apiary, Mushroom, poultry, Goatery etc.)
9. Providing guidance to FPOs / PP / PFCS/Agri-entrepreneurs on regular basis on planning, input streamlining, post-harvest management, supply chain management and value addition;
10. Establishing market linkage with local markets for different agricultural / horticultural/pisciculture commodities ( for both bulk and retail selling);
11. In Districts where existing FIGs/FPOS are in defunct stage after assessment study steps will be taken by the ABSO for formation of such groups for carrying out business related activities.

### **7.1.2 State Level Functions of ABSO:**

1. Prepare assessment guidelines for project supported and other potential commodities for value addition and local market linkage;
2. Conduct a diagnostic/ assessment study of the quality of the existing FPOs/ Producer Collectives and identify key areas of support.
3. Facilitate / prepare model investment plan for the project districts, based on the assessment;

4. Develop training modules for PGs and FPCs along with organizing ToT for the relevant staff and SO team members.
5. Develop grading/ assessment tools for PGs and FPCs and create the system of regular monitoring.
6. Support SPMU to develop a digital platform for FPC level baseline ( dynamic) as well as MIS.
7. Develop linkage with potential players - formal financial institutions, input suppliers, bulk and retail market players, institutional buyers, agtech companies, etc.
8. Support SPMU to link with various stakeholders to extend support to the project supported FPOs.
9. Working in close coordination with SPMU, State Agriculture University, Directorate of Agriculture, Directorate of Horticulture, Directorate of Fisheries, Register of Cooperatives, OSAM Board and other project executing entities.

### 8.0 Key Personnel:

The ABSO will engage following persons for successful implementation of the project activities. The experience of Key Personnel quoted should be post qualification of basic education requirement.

SN	Key Experts	No. of Positions	Qualification	Qualification & Experience
1	Team Leader (Agribusiness Expert):	01	MBA (Agri-Marketing) / Post-graduate in agribusiness /Agri marketing/Rural Management.	A minimum of 10 years of experience in the sector. Has proven abilities to lead a team of 5-10 professionals and supporting/ mentoring them to attain the desired outcome. Must have grass root experience of promoting and nurturing at-least one medium size FPO ( 300 shareholders) Must have experience of supporting at-least 2 FPOs in produce aggregation, input supply streamlining by developing partnership with private sector as well as processing and marketing of produce ( mainly agriculture and horticulture produce)
2	FPO promotion expert (District Level)	07	Post-graduate in Agribusiness / Agri-Marketing,	Should have 7 years of experience of which 5 years should be in

				<p>promotion and support to Farmer/ Producer Collectives. Must have the skill sets to mobilize FPOs, experience of developing relevant training modules for FPOs, support FPOs to develop their business plans, aggregate and process their produce and link with output market. At-least 3 years in grass root implementation for nurturing a medium size FPO ( with 300 share holders)</p>
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## 9.0 Period of Service

The period of service of ABSO will be for four years from the date of signing of contract. The consultancy contract will be reviewed on an annual basis and extended only subject to satisfactory performance. Further extension of the contract, if required, beyond the four-year period will be subject to a mutual consent of both of the parties.

## 10.0 Key Deliverables

The ABSO shall deliver the followings to the SPMU.

1. Project inception report containing detail approach and methodology for Agribusiness and Market linkage promotion including logistic support to be submitted within one month of signing agreement.
2. Market Surplus Assessment Report  
ABSO will do the market surplus assessment of area specific/prioritized crops in the project Districts involving their Field functionaries.
3. Existing FPO assessment report  
The status of existing FPOs in the project District to be assessed by the ABSO & initiate suitable remedial measures for sensitization.
4. Development of training module for PG and FPOs.
5. Local Market Assessment report for getting a better price of the produce  
Study of existing market is essential which will be possible by assessing all kinds of markets available for one particular produce
6. Supporting FPOs for commodity planning.  
Agency will make District wise /Commodity wise market planning in order to give the farmer a best price of their produce.
7. Supporting FPOs in Business planning
8. Supporting FPOs in Aggregating, Processing.
9. Supporting FPOs in Marketing of produce.
10. Supporting FPOs in Input streamlining.
11. The Monthly/ Quarterly/ Half Yearly /Annual Report for each Project District should be submitted through FIAC countersigned by concerned PD ATMA. For necessary release of

payment, the ABSO have to submit required bills and vouchers along with duly certified quarterly progress report to PD, ATMA. The said reports to be submitted in the following format.

SL NO	Name of the District	Deliverables	Up to the month	During the Month	Total	Remark
1	2	3	4	5	6	7

#### **11.0 Performance Review:**

The performance of ABSO will be reviewed on Monthly/ Quarterly basis by a review committee consisting of District level officers of various stake holder department and DLPMT members. Such report should be communicated with due comments by concerned PD, ATMA to SPMU for necessary Action. However the performance will also be reviewed on quarterly basis by a review committee at state level comprising of following members.

1. Project Director, OIIPCRA- Chair Person
2. Project Finance Officer (PFO) - Member
3. Agribusiness Expert of SPMU - Convener
4. PD-ATMA of Selected Project Districts-Member (Maximum of 5 members)
5. Representatives from Directorate of Agriculture, Directorate of Horticulture ,Directorate of Fisheries and Directorate of Register of Cooperatives (selected / nominated by concerned directorates; one person from each directorate)
6. Agriculture /Horticulture/Fishery experts of SPU;
7. Capacity Building and Institution Strengthening Expert of SPU
8. Agro-Economist of SPU

#### **12.0 Functional Relationship with SPMU, OIIPCRA-OCTDMS:**

The contracted ABSO will work in close collaboration and coordination with the SPMU of the project and PD-ATMA office at the district level. While the ABSO will be directly responsible for facilitating and managing the process of agribusiness development and product marketing, it will work primarily with the communities / community organizations / associations / registered producer groups etc in Agril. & Allied Sector. The ABSO has to work in close collaboration with the local Support Organization/sPaniPanchayat, Water User Associations and local FIG/FPOs / FPCs/PFCSs etc.

#### **13.0 Support to the ABSO by the Project:**

The project will provide key background documents to the selected ABSO, after signing of the contract for reference and preparing the plan for agribusiness promotion. The Project will undertake the following activities to support ABSO in delivering its functions.

1. Provide project related documents to help the ABSO team to understand the project and its components;
2. Orientation to the ABSO team, including district level team members;
3. Designating one SPU official to co-ordinate and guide the ABSO on regular basis;
4. Provide required guidelines and information during the course of the assignment;
5. Other technical support and guidance as and when requested.

**Duration of the Assignment and Payment Schedule**

1. The total expected duration of the assignment is 4 years from the date of signing of the contract.
2. The ABSO will be paid on quarterly basis by the SPMU, OIIPCRA. Quarterly review will be made basing on deliverables reflected in Quarterly reports by the state level review committee, basing on which payment will be made. Schedule of payment as per following table.

**Table 1.1**

Sl.No.	Tasks/Deliverables	To be completed by	Remarks	% of Payment
1.	Presentation, submission and acceptance of inception report	Within 1 month of signing contract	.....	10%
2	Quantifiable Deliverable	As mentioned below		80%
3	Presentation, submission and acceptance of Final report	Within 1 month of end of the contract period	Acceptance of Report	10%
			<b>Total</b>	<b>100%</b>

The schedule of payment to be made basing on achievement on various deliverables on % basis over & above the assessment report/Base line report.

Sl.No	Name of Deliverables	% of payment to be made
1	Market Surplus Assessment Report(Commodity wise))	10 %
2	Existing FPO assessment report & sensitization	10 %
3	Development of training module for PG and FPOs	10%
4	Local Market Assessment report (Project/Dist wise)	10%
5	Supporting 80% FPOs for commodity planning	10 %
6	Supporting 80% FPOs in Business planning	10 %
7.	Supporting 80% FPOs in Aggregating, Processing	05%
8.	Supporting 80% FPOs in Marketing of produce	10%
9.	Supporting 80% FPOs in Input streamlining	05%
	Total	80%