

## **TERMS OF REFERENCE: TO DEVELOP A CLUSTER DEVELOPMENT FRAMEWORK (CDF) FOR KILOMBERO CLUSTER.**

CARE-WWF Alliance on behalf of the SAGCOT Center Ltd (SCL) is looking for a consultancy firm to develop a Cluster Development Framework for Kilombero Cluster. This document sets out the Terms of Reference for the services to be rendered.

### 1.0 INTRODUCTION

#### 1.1 About the Partners of this Activity

- CARE WWF Alliance

CARE-WWF Alliance in Tanzania is part of Global Collaboration between two organizations (CARE International and the Wild Wide Funds for Nature-WWF) to increase integration of conservation and development with the goal of building just and sustainable food systems and resilient livelihoods. Over the last several years, the Alliance has sought to scale up its ambitions by developing high-level partnerships that leverage investments and resources into inclusive green growth programs. In the Southern Agricultural Growth Corridor of Tanzania (SAGCOT), the CARE-WWF Alliance aims to demonstrate a model of agricultural growth that improves the livelihoods of smallholders while maintaining vital ecosystem functions and conserving globally significant biodiversity through private-public partnerships. The Alliance has managed to mobilize resources and established a coalition to support SAGCOT's ambition of bringing together potential partners from governments, businesses, civil society organization, donor partners and the farming community to pool resources towards a common goal. It was learned that no clear pilots of success have been developed that link communities (notably women and youth) with new economic models. In addition, the expansion of agricultural production in some areas is already linked to increased water stress and land degradation resulting from poor natural resource management.

The mission of the Alliance in support of SAGCOT's objectives is to develop equitable food systems and sustainably managed land and water by creating resilient landscapes that conserve nature, improve the livelihoods and food security of the rural poor, and influence development approaches in Africa and beyond. The ultimate goal is to build a coalition of partners to design interventions that will help lifting 2 million people out of poverty in SAGCOT through sustainable agricultural development that protects and benefits wildlife and natural capital.

- Southern Agricultural Growth Corridor of Tanzania (SAGCOT)

The Southern Agricultural Growth Corridor of Tanzania ("SAGCOT") is a **Public Private Partnership** that was initiated at the World Economic Forum (WEF) Africa Summit in 2010 with three overarching objectives: 1) Enhance Tanzania's food security and nutrition; and accelerate agricultural transformation and green growth, 2) Safeguard that this happens in a sustainable and responsible manner, 3) Improve livelihoods for smallholder farmers and their communities. The mandate of the partnership is to achieve this by catalysing responsible private sector led agriculture development. SAGCOT envisions that USD \$2.1 billion of private investment can be mobilized over a twenty-year period (up to 2030), alongside public sector grants and loans of USD\$1.3 billion. The impact will be a tripling of the area's agricultural output and income improvement for millions of Tanzanians.

**Partners** in the **SAGCOT partnership** include government, global business, the Tanzanian private sector, Apex and farmer organizations, Development Partners, Foundations, Research Organizations, Academia and CSOs.

## 1.2 Role of SAGCOT Centre Limited (SCL) in Facilitating Public - Private Partnerships

The SAGCOT Centre Limited (SCL) was established as a limited company by guarantee in the year 2011 to play the unique role of an honest, non-partisan partnership broker within the SAGCOT Partnership. SCL facilitates partners to deliver on inclusive, sustainable and commercially viable agricultural value chains in the SAGCOT corridor. By having the visibility of and connection to actors in the whole ecosystem, the Centre's role is to:

- Act as secretariat to the SAGCOT Partnership;
- Identify, and Communicate business opportunities in the Corridor to attract new investments in Agricultural development;
- Facilitate and support the formation of sustainable value chain strategic partnerships within which actors and supporters identify and unlock bottlenecks in the specific value chains;
- Track progress (through facilitating monitoring and evaluation) within the Partnerships, ensuring follow up against partner commitments;
- Provide an effective platform for knowledge sharing and networking; and
- Identify, through strategic partnerships, policy and regulatory issues and priority policy reforms needed to achieve the SAGCOT objectives.

## 1.3 The Cluster Approach

The SAGCOT initiative is implemented through a "Cluster" Approach to facilitate the development of profitable agribusiness partnerships, focusing on geographic concentrations of interconnected farmers, companies, specialized suppliers, service providers, and associated institutions with a high potential to expand inclusive and green agricultural value chains. Six original clusters were originally identified in 2010 - Ihemi, Mbarali, Kilombero, Sumbawanga, Ludewa and Rufiji - to achieve economies of scale, synergies and increased efficiency. Moreover, since its inception in 2011, SCL has already attracted a number of private agribusiness partners, some of them already in place in the corridor, as well as new agribusiness projects.

SCL started implementation of Cluster activities in late 2015 in the first priority cluster --Ihemi Cluster (Iringa and Njombe regions) - followed by Mbarali Cluster in 2018 (Mbeya and Songwe regions). In both Ihemi and Mbarali Cluster Development Frameworks, SCL has facilitated successful public-private partnerships with specific focus on priority value chains to unlock key bottlenecks and improve the agribusiness policy environment. This was made possible through multi-stakeholder commitments (in a Compact) with a strategic focus to catalyze closer ties, open dialogue on constraints and opportunities for collaboration between Agribusinesses, Regional leadership, Development partners and Non-State actors. These interventions have attracted new investments and projects in Ihemi and Mbarali clusters in the Corridor.

Equipped with experience from lessons learned from Ihemi and Mbarali Clusters, SCL wishes to replicate (and adapt where relevant) the approach used from above mentioned clusters to initiate activities in the third priority cluster-Kilombero Cluster- which covers the entire region of Morogoro. Kilombero cluster was identified as one of SAGCOT's top three strategic clusters for agricultural development. The cluster hosts the Kilombero Valley that has substantial potential for agriculture, particularly rice and sugar cane farming. At the same time, the cluster is a home of enormous biodiversity and has extensive Ramsar sites and water catchment contributing 65% of total water to the new Mwalimu Nyerere hydropower station under development, and supporting irrigation schemes, domestic use, livestock and fishing in the landscape. There are important corridors for wildlife dispersal in the landscape including Ruipa, Mwanihana–Magombera and Wami Mbiki WMA Corridors. To ensure management of these vital resources, SCL and its partners have established a multi-stakeholder platform such as Land Use Dialogue to oversee the process visioning and planning development scenarios.

Therefore, the CARE-WWF Alliance in partnership with SAGCOT Centre, seeks a consultant team to develop a CDF for Kilombero cluster.

## 2.0 SCOPE OF WORK

The scope of work for the development of the Kilombero Cluster Development Framework (KCDF) covers **three complementary and distinct phases**. The outputs of each phase deliberately inform the purpose and scope of the phase that follows. The Phases are to:

- 1) Update the Kilombero Cluster Profile, particularly the status of and potential for green growth;
- 2) Scope Value Chains (Value Chain Prioritization); and
- 3) Provide an In-depth analysis of priority Value Chains with an eye of sustainability

### 2.1 Objectives

The **overall objective** of this study is to provide a well-documented, well-structured and practical guiding document (The Kilombero Cluster Development Framework- KCDF) to guide the SCL and Kilombero Cluster Facilitation team to establish the SCL's operations.

The specific objectives of the consultancy are:

- To provide a broad overview of Inclusive and Sustainable Agribusiness “landscape” in the Kilombero Cluster (update Cluster profile and integrate a land analysis that incorporates considerations of environmental risk);
- To identify at most 6 most important (or priority) value chains operating across all districts of Morogoro region;
- To analyze the dynamics of these 6 value chains in order to generate clear recommendations and strategic actions in terms of how SCL can facilitate sustainable development activities in the Kilombero Cluster and account for inclusive green growth;
- To fill information gaps related to the profile of the areas covered by these value chains;
- To produce a document (the Cluster Development Framework-CDF) in which recommendations are articulated around the findings of the study; and
- To build initial momentum and ownership of the CDF and collaborative approaches by strategic stakeholders in Kilombero through a final validation of the findings to trigger commitment and action.

Each of these objectives will be dealt with in a specific section/phase, although they are part of the overall assignment.

### 2.2 PHASE I – UPDATE THE KILOMBERO CLUSTER PROFILE

The **overall objective** of this Phase is to provide a broad overview of the inclusive and sustainable Agribusiness “landscape” in Kilombero Cluster and establish the “*status quo*”. Through a Desk review of secondary information plus Key informant interviews, the consultant team is expected to carry out the **following tasks**:

#### 2.2.1. Update the Kilombero Cluster Profile to inform the design of interventions in the cluster:

The Kilombero Cluster profile was described in the SAGCOT Investment Blue Print (2010) as ‘Type 2’ where further investment in backbone infrastructure and careful assessment of social and environmental impacts is required. Therefore, it is critical to identify key issues that Kilombero Cluster Team will carefully look at and guide/facilitate SAGCOT partnership to address to ensure an inclusive and sustainable agribusiness growth in the cluster. Since then, 11 years down the line, the situation in Kilombero has also changed. There are new political boundaries, Infrastructure developments, and other new developments that SCL need to map to establish the current opportunities as we start interventions in Kilombero Cluster;

- Identify and map Existing (and Pipeline) **Public and Private Investments** and corresponding support structures in Kilombero Cluster,
- Identify and map green growth issues to address challenges of inclusiveness, ecological sustainability, improved income and rural livelihoods. This should include integrating data from a land analysis to better understand areas of higher and lower risk to ecological integrity (e.g., ecosystem services and biodiversity)

- Identify and map relevant stakeholders actively supporting an inclusive and sustainable agribusiness and champion green growth ideas through possible partnership models in Kilombero Cluster.
- collect and review relevant existing land use plans and frameworks to understand and align land use designations or identify potential areas of conflict/concern.

The “mapping” will therefore focus on the following **specific aspects:** (indicates GIS/spatial information needed)

- ❖ Update basic information, and provide an overview of all districts of Morogoro region with focus on the following:
  - Total area, Arable land, cultivated area, forest area, wetlands area, altitude, rainfall distribution, temperatures, population, population density and population growth rates;
  - Identify, locate and provide an overview of the protected and other ecologically important/sensitive areas (National parks, Game reserves, Forest reserve, ecosystem services/natural capital, Ramsar sites, and water bodies/hydrology maps and their current status);
  - Establish the scale and nature of the environmental and social risks related to development, expansion, and a concentration of agribusiness activities in Kilombero Cluster;
  - Local hydrology and existing and planned irrigation schemes: Number, location, recent trends in functionality and number of participating farmers and threat/weakness and lastly the main target crops under the schemes; rivers/springs and consolidated knowledge of the hydrology in the basin for consideration of flow availability (include GIS map)
  - Major crops, livestock and Fisheries commodities: land under production, production and productivity (metric tons) levels, and location where found in the district; and
  - Status of infrastructure: major and feeder roads (and potential agribusiness opportunities they link to); Railway, Electricity connectivity and communication
- ❖ Identify and map Public and private investments and corresponding support structures:
  - Identify, locate and give a brief profile of existing large farms, medium farms, and small farms<sup>1</sup> and plantations. Farms can be crops, livestock or fisheries farms:
  - Establish the range and average size of smallholder farms and the how this varies;
  - Identify and locate Factories, Storage structures, Logistics hubs (existing and potential), major market centers, Input suppliers and agro-dealer networks; key ones should be spatially mapped.
  - Identify, locate and profile existing Government and donor projects; identify what results have come out of relevant projects and linkages to inclusive green growth
  - Identify, locate and profile Farmer Organizations and CSO's; and
  - Identify and locate business support structures such as Banks, MFIs, Research and Training, and status of extension services (private and public).
  - Validate findings at a workshop with a selection of key informants who participated in this Phase.

#### **Phase I: Deliverables**

- 1) A summary report of no longer than 15 pages (excluding annexes/maps) that provides a profile of Kilombero Cluster which includes an exhaustive list of potential commodity value chains, stakeholder analysis, and includes a summary of all parameters listed above (each parameter should have their own Annex and spatial data be incorporated in relevant maps);
- 2) Each value chain should have a summary of levels of private and public investment and potential for growth/improved performance; and
- 3) A validation workshop report;

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<sup>1</sup> Farm size is more a factor of financial turnover rather than acreage farmed; although size of land should also be taken into consideration.

- 4) Annexes should include: a synthesis of the desk review; a copy of the interview checklist; GIS maps, and a list of the key informants.
- 5) All data collected should be well-organized and integrated into SAGCOT's overall data management system, and a strategy set up to ensure usability and updates, working closely with SAGCOT GIS Specialist

### 2.3 PHASE II: SCOPE VALUE CHAINS (VALUE CHAIN PRIORITIZATION)

The overall objective of this phase is to facilitate key stakeholders in Morogoro region to prioritize six (6) value chains including Nature-based solutions (NBS) as justified by a mix of quantitative and qualitative criteria.

Using the information from Phase I, the consultants are expected to carry out the following tasks:

- Develop criteria for ranking and shortlisting of 6 priority value chains; and
- Convene a workshop and facilitate discussions among key stakeholders from Morogoro region (LGA representatives especially District level, RAS office representatives, private sector actors and civil society organizations, Farmers etc) to come up with an agreed list of 6 priority value chains.

Selection of the 6 priority value chains should take into consideration the following broad criteria:

- Alignment with SAGCOT objectives (food security and nutrition, smallholder farmers inclusiveness, potential impact on social and environmental issues, potential for agribusiness growth);
- Align with WWF conservation goals (halve foot prints of production and consumption, zero loss of natural habitats and zero extinction of species).
- Potential to support inclusive green agenda
- Morogoro Regional Agriculture Development Plan (2020-2015) and ASDP II Plan Priorities;
- Potential for cross value chain dynamics; and
- Potential for growth to meet local and external market demand

The consultant is allowed to develop additional broad (and detailed) criteria that will be agreed upon by SCL.

#### **Phase II Deliverables**

- 1) A report of no more than 10 pages (excluding annexes) that sets out a ranked list of six value chains
- 2) Validation workshop report
- 3) A matrix that cross-references the criteria with the six value chains should be included as part of the report.

### 2.4 PHASE III – IN-DEPTH VALUE CHAIN ANALYSIS

The detailed analysis of the value chains will be done in two stages:

- A Desk review of secondary data specifically relating to the prioritized value chains that interrogates, for each value chain: elaborated key stakeholders' analysis (eg, market actors and regulators, value chain supporters and service providers, pullers, etc); and
- qualitative analysis, through which the consultants will highlight the value chain dynamics; and agribusiness opportunity and constraints identification along these value chains identify and prioritize public and private investment opportunities. The results from Phase I will also be used to inform phase III especially on existing value chain actors and supporters.

At all stages, the consultants will closely collaborate with SCL's Kilombero Cluster Team and head of Cluster and Partnerships and WWF Water Tower Landscape team. Whenever possible the staff should be involved in the visits and other study activities. They should be given the opportunity to take ownership of the approach and data collected during this study.

### 2.4.1 Qualitative and Quantitative Analysis

A team of experienced value chain experts will use a mixture of approaches: quantitative and qualitative approaches to describe and analyze the value chains and how smallholder farmers interact with service providers at different stages in these value chains but also, along with environmental and green growth experts, the possible environmental and social challenges posed over the course of the farming process. Qualitative analysis should be informed and supported by the quantitative data, and vice versa

The analysis for each value chain will include the following parameters:

- Definition of the sub-sectors and of the value chains- including commodity flows and main market outlets.
- Functional analysis: (Actors, service providers, supporters etc..)
- Sub-sector maps (inter-relations and geographical coverage)
- Identification and description of the driving value chains in the sub sector
- Constraints and opportunities at sub-sector and value chain levels, including the relationship between different producers and value chains that may have implications on equity (e.g., level of exposure of small-scale producers to new risks such as fragile markets; distribution of benefits etc)
- Gender perspectives along the value chain
- Value Chain Performance:
  - Price structure and cost structure along the value chains,
  - Adoption of modern technology
  - Level of engagement of key actors
  - Profitability of the different actors,
  - Rapid assessment of farmers' cash-flows and labor dynamics
  - Rapid segmentation of the farmers depending on existing activities / farming system
- Dynamics within the value chains
- Driving forces
- Likely changes in status-quo / considering the on-going business environment
- Levels of risk for the different value chain actors and mitigation strategies
- Position, current and potential impact of local value chain champions on the dynamics
- Levels of green compliance, environmental sensitivity/risk, land use plans, water use, and social inclusiveness as well as all actors' levels of understanding and acceptance of GG issues and approaches, and possibility and willingness to change/adopt appropriate/recommended behaviors.
- Integration of climate change and adaptation along the entire value chain.
- Interactions between the sub-sectors
  - Along the value chains
  - Within the farmers' households (in terms of use of land, financial flows and labour)
- Recommendations on best-bet business models, drawing from Nature-based Solutions as much as possible
  - each sub-sector and value chain can be developed,
  - cross-value chain development can be triggered
- Where there will be existing value chain partnerships, the consultants will analyse their strategies and existing/proposed interventions; and will suggest models of engagement in these partnerships.
- Proposal of M&E system for development of inclusive green growth of the priority value chains, including linkages to IGG tool to help set up sustainability baseline as well as targets at the cluster level.

These findings will be validated in a workshop with a good representation of all the strategic stakeholders. The recommendations should be practical. By this it is meant they should clearly define who needs to do

what, how and over what time period. This is important: the recommendations will define the work needed to be done by key stakeholders to jumpstart the process of agricultural transformation in the cluster, including brokering strategic partnerships among the agreed upon value chains and the Cluster compact agreements.

### **Deliverables**

- 1) A report of no more than 30 pages (excluding annexes) that, for each value chain, sets out:
  - A potential list of 5-6 “best-bet” interventions (Business models) that resolve binding constraints currently limiting prospects for their growth/performance;
  - For each value chain describe
    - The market size (volume of transactions, number of enterprises etc)
    - Number of enterprises as input companies, number of service providers by category; and
    - An approximation of the costs and revenue streams
  - List of Potential stakeholders from among the core market actors and those who provide cross-cutting services who could play a part in resolving these constraints through strategic partnerships
  - Diagrams showing the multi value chain development Framework (interrelated value chain dynamics) and recommendations for coordination and synergies across clusters
  - Showing interrelated value chains- describing different types of risks faced the resolution of these constraints broken down by their significance and likelihood, including climate change.
  - A section on Green growth opportunities and constraints including climate adaptation, and develop practical responses to green growth opportunities for smallholder farmers in the field.
  - List of potential local and international GG actors in the cluster who will form cluster level GRG
  - Annexes should include detailed value chain reports including GIS and value chain maps.
- 2) Validation workshop Report

### **2.5 PHASE IV: DEVELOP KILOMBERO CLUSTER DEVELOPMENT FRAMEWORK (CDF) DOCUMENT**

While integration is happening during the entire process, consolidate reports from Phases I to III into the final document – this will provide “The Kilombero Cluster Development Framework”. It should be a well-documented, well-structured and practical guiding document to guide the SAGCOT Center Limited/Kilombero Cluster Team and other key stakeholders to initiate field operations, and a strategy on managing cluster data/information for better progress monitoring.

### **Deliverables:**

- 1) Consolidated Kilombero Cluster Development Framework report including integrated reports of the 3 previous phases. Also included an M&E framework with proposed indicators with linkages to the IGG tool;
- 2) Consolidated database of all data collected including GIS data within the SAGCOT data platform;
- 3) Compilation of all detailed annexes.

### **3.0 TIME FRAME**

The assignment is expected to be carried out for a period of not more than 45 days from the date of signing of the contract or not more than 74-person days as follows:

1. **Phase I:** 22 man-days (including 10 days for environmental/GIS analysis).
2. **Phase II:** 8 man-days
3. **Phase III:** 37 man-days (including 12 man-days for environmental/GIS analysis and integration with value chain actions)

4. **Phase IV:** 7 man-days - (including 2 days for environmental/GIS analysis integration)

#### 4.0 CONSULTANT QUALIFICATIONS

WWF seeks a reputable national or internationally recognized consultancy team, with at least 10 years of experience in Value Chain analyses, climate change vulnerability analysis and facilitating transformative Partnership Initiatives in Agriculture and environment. It is expected that the successful consultancy team selected for this project will include the following skills, expertise and experience:

- 1) **Overall expertise:** Leadership, project management, coordination, and communication skills
  - Proven experience with at least 3 related or similar assignments and demonstrated ability to work as a multidisciplinary team, including strong regular communications
  - Ability to engage private sector and policy makers both at national and local levels
  - Extensive knowledge/experience of agricultural development in Africa and specifically Tanzania
  - Ability and commitment to work closely with CARE-WWF Alliance, SCL, and other key partners as specified (e.g., Environmental Feeder Group members), ensuring consideration of local context and technology transfer
  - Proficiency as a team in both written and spoken English and Swahili (not all team members need to be fluent in both)
- 2) **Key specialty expertise 1:** Business development expertise for value chain analysis must have:
  - Master's degree in agricultural economics, agribusiness, business management, economics or other relevant field
  - Demonstrated qualification in strategic planning processes, agribusiness development with expertise in ways to foster investments in agribusiness.
  - Minimum 8+ years of field and technical experience with business development, entrepreneurship development, public-private partnership engagement, and value chain development is required.
  - Possesses breadth of experience in assessing and supporting small and medium business growth
  - Ability to engage SME's and farmers
  - Substantial practical experience in financial and business analysis around agricultural value chains and in economic analysis of mixed farming systems
  - Participated in design development or carried out performance evaluation for commercial investment in either the commercial fields of Agriculture, Livestock, and Fishing industries.
  - Extensive knowledge and experience in agricultural development in Tanzania and specifically in the Southern Highlands and ways to foster investments in agribusiness
  - Experience in cluster approaches, mapping and system development
  - Experience in organizational performance monitoring and improvement
  - Proven excellent communication and facilitation skills amongst multiple stakeholders
- 3) **Key specialty expertise 2:** Green growth, environmental, ecological expertise
  - Master's degree in Natural Resource Management, Environmental Management or similar degree
  - knowledge and experience in spatial planning and demonstrated experience in practical applications of environmental/conservation/ecological research;
  - Has practical experience in designing/working on EIA with commercial Farming projects in Tanzania
  - Demonstrated experience with sustainability issues in developing countries.
  - understanding and experience with ecosystem services science desired
- 4) **Key specialty expertise 3:** Database management and GIS
  - Experienced in business intelligence, data management software and services; and familiarity with data management for online data platforms

- Understanding of database development and design and issues of data quality; Ability to address data inconsistencies
- Experienced in creating an effective data management strategy, and willingness to work collaboratively with SAGOCT GIS Manager to organize data for SAGCOT's use (including in SAGCOT GIS platform)
- Proficiency in GIS software such as ArcGIS Desktop and ArcGIS Pro; capability to analyze spatial data using common geoprocessing tools (intersection, dissolve, clip, common raster management tools, measure areas and distances) would be an advantage
- Experience in managing vector and raster data layers from different sources/projects/geospatial formats/etc; familiarity with how to manage the outputs of ecological modelling
- Ability and experience in producing clear and informative maps

#### 5.0 Application procedure

Send your detailed proposal (technical and financial) including CVs and experience of the team to [procurement@wwftz.org](mailto:procurement@wwftz.org).

Please note that only softcopy proposals will be accepted

All applications should reach us by/or before 1700 East African Time on Friday November 5th, 2021