

TERMS OF REFERENCE FOR THE DEVELOPMENT OF A BUSINESS PLAN FOR A COCONUT SUGAR FARMERS' COOPERATIVE, IN CENTRAL KALIMANTAN, INDONESIA

1. ABOUT THE ENHANCED LIVELIHOOD FUND

The Enhancing Livelihoods Fund (ELF) was established in January 2015 with support from Ford Foundation and Unilever. ELF provides finance for suppliers in Unilever's supply chains to improve their social impact in sourcing from smallholders, empowering women in the supply chain and improving conditions for workers. These projects have a two-year life-span with the intention for scalability and/or replication after the end of the funding period.

Support to grantees should enable them to deliver projects and to learn from them. Grantee projects are expected to lead to results on the ground (positive changes in the lives of people affected) and in the supplier (learning, engagement, behaviour change), as well as between actors in the fund (relationship between smallholder and supplier; relationship between Unilever and supplier).

2. PROJECT SUMMARY

In 2017, Puter Foundation was provided with an ELF grant to design & implement a new sourcing model in the coconut sugar supply chain in Sampit area, Central Kalimantan, Indonesia, combining business & environmental protection agendas by:

- Building a supply chain with no intermediaries between farmers and suppliers to increase farmer's income & status in the value chain.
- Developing training to transfer knowledge and good practices from existing farmers to new coconut sugar farmers;
- Strengthening women capabilities and participation in the supply chain.

It is expected that within 4 years 560 farmers will be producing 2,500 mt/year of coconut sugar, and will have learnt skills that will increase their chances to be linked to export markets.

In the first year of the project a coconut sugar farmers' cooperative has been established with the aim of providing production and quality advisory services to farmers and improving linkages to markets. New coconut-sugar producers have been sensitized on the aims of the cooperative.

3. SCOPE OF CONSULTANCY

Phase 1: Research and Design

- **Stage 1. Data Collection/inventory of data (field assessment)** The consultant will conduct an initial survey to get an overview of coconut sugar, social culture, opportunities and threats, market, operational and data management business unit at this time. The consultant will conduct:
 - A field survey, FGD and interviews with administrators, including cooperative members with complementary activities (Puter and RMU). The result of the field will be a basic assessment in preparing the business plan and the increased capacity of the management at this time.
 - Complimentary and detailed market analysis – including analysis of customers (local retail market, Unilever and export market) and competitors, (quality, quantity and price).
 - Analysis of performance to date. How efficient are the collection and processing parts of the value chain? Is there a strong business case for coconut sugar at the household level?
- **Stage 2. Drawing up the design of the cooperative strengthening**
 - The consultant will suggest the ‘function’ (what it will do) and ‘form’ of the cooperative. This must respond to needs of members and be driven by the analysis of data in Stage 1.
- **Approval:** *the consultant will present Phase 1 findings and recommendations to the cooperative members and key stakeholders for discussion and approval.*

Phase 2: Business Planning

- **Stage 3. Preparation of Business Plan and increase management capacity of the cooperative.** The consultant shall write-up the business plan. In this process, the consultant is also expected to provide capacity building for the cooperative staff on financial management and business planning.
- **Stage 4: Capacity strengthening plan.** The consultant will assess the Human Resource needs of the emerging business plan, assess existing capacity to deliver and suggest a capacity strengthening plan.
- **Approval:** *the consultant will present Phase 2 findings and recommendations to the cooperative members and key stakeholders for discussion and approval.*

Phase 3: Operationalizing the Plan/Governing Documents

- **Stage 5. Preparation of supporting documents.** If approved, the consultant will help to prepare key governing and policy documents to frame the future management and governance of the cooperative.
- **Approval:** *the consultant will present Phase 3 findings and recommendations to the cooperative members and key stakeholders for discussion and approval.*

4. TIMELINE

ACTIVITIES	December	January				February				March	
		7th	14th	21	28	4	11	18	25	4	11
Finalise TOR/ Appoint Consultant											
Data Collection											
Design											
Approval 1											
Business Plan											
Capacity Strengthening Plan											
Approval 2											
Governing Documents etc.											
Approval 3											

5. DELIVERABLES

- End of phase 1: Report on the design of cooperative strengthening;
- End of phase 2: Business Plan and Capacity Strengthening Proposal;
- End of phase 3: Governing documents.

6. KEY QUALIFICATION AND SKILLS

- Fluency in English, Bahasa Indonesia and relevant local languages;
- Ability to write high quality reports in English;
- Experience of conducting value chain assessments, preferably coconut sugar;
- Experience of working in rural areas of Indonesia, preferably Kalimantan, with a strong understanding of rural livelihoods;
- Experience in development of cooperative business plans or similar enterprise development;
- Energy and a positive attitude to work, even when working in arduous conditions.

7. BUDGET

The budget for this consultancy is \$6,500USD (approx. 95,000,000 IDR) and should include consultant's taxes, fees and subsistence; fees for research; all transport (including local boat travel) and subsistence costs for the research team; printing of tools; consultants' travel; translation costs, presentation venues any other costs anticipated in completing this assignment. The budget is inclusive of any taxes.

Puter Indonesia will pay funds amounting to 40% after the signing of the contract and the remaining 60% will be paid after the final deliverable is received by the Puter Indonesia.



8. HOW TO APPLY

Proposals (maximum 10 pages) are invited from organisations and individual consultants with relevant experience. The proposal should outline the consultant's profile (including their CV/resume), proposed management arrangements, and examples of previous work. Proposals must also include a clear itemised budget. Any proposals that do not include an itemised budget will not be considered.

Proposals should be submitted to Andaman Muthadir at Puter Indonesia (office@puter.or.id) and copy Ian Barney at Oxfam GB (ibarney1@oxfam.org.uk) by Monday 17th December 2018. Interviews will be conducted by Friday 21st December 2018.