



**Practical
ACTION**

Terms of Reference (TOR)

For

Identification and Assessment of enterprise in the region in SAMUNNATI Project

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1. BACKGROUND

Practical Action is a global change-making group that consists of a UK registered charity with community projects in Africa, Asia and Latin America, an independent publishing company and a technical consulting service. It combines these specialisms to multiply its impact and help shape a world that works better for everyone. In Nepal, Practical Action is focused on putting ingenious ideas into work to contribute to poverty reduction and sustainable wellbeing through working in three expertise change areas: **Farming that works; Energy that transforms and Resilience that protects**. Similarly, Development Concern Society (DECOS) is a regional level NGO registered in Nepal in 2004. It envisions “a prosperous community where all human beings share equitably distributed resources for their social growth, economic stability and civilization”. Since its establishment, it has been working with vulnerable communities for their social and economic development.

Under Farming that works programme, Practical Action Nepal Office in partnership with DECOS has been implementing a 3 years project titled “SAMUNNATI: Building climate adaptive farming opportunities and improved livelihoods for women and marginalised groups in Nepal” in eight Rural/Municipalities of three districts; Dang (Dangisaran & Shantinagar rural municipalities), Rolpa (Runtigadi, Triveni, Thawang & Pariwartan) and Rukum East (Bhume & Puthauttarganga) of Lumbini Province in Nepal since Jan 2022. The project is co-funded by the UK Aid Match fund. The overall objective of the project is to contribute to Nepal Government's SDG 1 target of reducing extreme poverty to less than five per cent by 2030 whereas the specific objective of the project is to improve economic and social resilience from market-oriented agriculture production and off-farm employment of 6,000 women, men from marginalised groups and people living with disability in province 5 in Dang, Rolpa and Rukum East Districts in Nepal. The project works directly with 6,000 beneficiaries (women: 4,691, men: 1,092 and people with disability: 217), farmers' cooperatives, CSOs, women networks, agro-vets, business service providers, insurance companies, Bank and financial institutions, Development partners and local government.

The project is expected to achieve following five broad expected results to achieve objective of the project within its duration of 36 months.

1. Increased agriculture production and climate resilience
2. Improved market linkages
3. Increased entrepreneurial capacity
4. Increased access to affordable credit and finance
5. Reduced drudgery and increased empowerment

Under result 3, the project is focusing to increase entrepreneurial capacity in targeted communities. So, to assess appropriate enterprise in the region, DECOS intends to carry out research work titled " **Identification and assessment of enterprises in the region**" in three (Dang, Rolpa and Rukum East) Districts of Nepal.

2. NATURE OF ISSUE

Rolpa, Rukum East and Dang are marginalised districts, where Rukum East and Rolpa are hilly and poorly connected to roads and markets. Within the districts, there is high poverty, marginalisation, and potential for economic and social empowerment. Most of the households in the selected communities are poor, marginalised and climate vulnerable. Among them most vulnerable are women, especially women heads of household whose husbands died during the civil war (1996-2006) or have migrated for work, people with disabilities and both women and men from marginalised groups, mainly Dalit and Janajati. Lack of knowledge on entrepreneurship, limited credit facilities, climate change impact, poor soil, low access to capital, inputs, and markets all limit productivity and incomes.

Communities are mostly remote, living in rugged, hilly and marginalised areas. They are heavily reliant on small scale agriculture for food and income and are not yet self-sufficient for food. Moreover, the marginal including disable people have limited land which restrict them to involve in agriculture farming. Further, they have lack of entrepreneurship knowledge to establish viable enterprise. These people have limited access of credit and finance due to lack of linkage and coordination with financial institutions. They are also unaware about the technologies that best fit for alternative livelihood and lack of access on income generating opportunities. The aggregated result is that the communities are food insecure and lack of profitable livelihood. Therefore, identification and assessment of enterprises as well as training needs assessment of potential entrepreneurs is essential in the region.

In this context, the project has planned to conduct "**Identification and assessment of enterprise in the region**" in three (Dang, Rolpa and East Rukum) Districts.

3. OVERALL OBJECTIVES

The overall objective of the study is "**Identification and Assessment of enterprises in the region**" in three (Dang, Rolpa and Rukum East) Districts.

The specific objectives are,

1. Identification and assessment of enterprises in the region related to farm and off-farm such as agri-business, livestock, off-farm skills, and Non-Timber Forest Products (NTFP) based
2. Assessment of the training needs of existing and potential entrepreneurs
3. Development of tailor-made training packages based on the training needs assessment

4. SCOPE OF WORK

Based on the objective, following are the major scopes of this study. However, the detailed scope of study will be discussed and finalized during an inception period.

- The consultant needs to review project document, log-frame, and other relevant documents to have clear understanding of project's objective and expected results.
- The consultant needs to identify potential enterprises (existing or new) appropriate for disabled, landless, and marginalised people including those using electricity and/or renewable energy. These potential enterprises should be focused on farm and off-farm based such as Agri business, livestock, off farm skill based and Non-Timber Forest Products (NTFP) based.
- The consultant needs to carry out a rapid market assessment in the project area to identify relevant stakeholders as well as market opportunities and barriers for promotion of enterprises in the four focused sub-sectors.
- The consultant needs to conduct discussion meeting at provincial, district and palika level including stakeholders to collect information regarding potential or existing enterprise in the region including their status.
- The consultant needs to conduct discussion with existing entrepreneurs, financial institutions, groups including targeted beneficiaries to assess present context and situation of enterprises in various aspects such as existing enterprises, capacity of entrepreneurs, current and planned use of energy, potential enterprises based on market demand, and suggest appropriate enterprises that need to be promoted in the region for targeted communities.
- The consultant needs to coordinate with Nepal government's Micro Enterprise Development for Poverty Alleviation (MEDPA program) in each district. Where possible, review MEDPA's training module and suggest appropriateness for conducting

entrepreneurship training in our project.

- The consultant needs to conduct training needs assessment of potential entrepreneurs
- The consultant needs to develop tailor-made training package for potential enterprises
- As specified in objective, data collection, compilation and analysis will be carried out at different levels to identify and assess potential enterprises in the region that are appropriate to marginal, land less and disable people
- GESI consideration is essential in the entire process because the project will focus on landless, marginalised and disabled people (80% women)

5. STUDY AREA

The study will be carried out in eight rural municipalities of three districts: Dang (Dangisaran & Shantinagar), Rolpa (Runtigadi, Triveni, Thawang & Pariwartan) and Rukum East (Bhume & Puthauttarganga) including district and provincial level.

6. METHODOLOGY

Based on objective and scope of the study, appropriate approach and methodology have to be proposed. Mainly household survey, FGD and KII for both qualitative and quantitative methods, including data processing and analysis. Triangulation of data/information have to be clearly mentioned. The methodology and tools will be finalized together with DECOS and Practical Action project team. The following steps would guide the process however the external consultant and team can propose methods within this broad framework.

A. Inception Phase:

- After the formal agreement, the assignment will start with an inception phase
- This phase will undertake a desk review of project document, log-frame, and other relevant documents to have a clear understanding of objective and outcomes as well as expected result of the project
- Collect and analyse project related secondary data information
- Develop checklist for data collection through proposed methods (HHs interview, FGD and KII)
- The consultant will also refine how s/he is going to undertake the assessment, analysis, and what sources of information they are going to use for the study
- Based on the review and assessment, prepare an inception report including a clear-cut methodology, timeline, schedule and steps to be followed to undertake the study
- The inception phase will end with submission of the inception report and finalize it after incorporating comments from Practical Action team.

B. Interim Phase:

- After inception phase, the assessment will then progress to the interim phase which includes field work and collection of field information based on checklist
- The team will utilize different data collection tools such as household survey, field observation, expert interviews, key informant interviews, Focus Group Discussion (FGDs), interaction meeting/workshop with communities, groups, local, district, provincial governments and other stakeholders as well as validating information with community and relevant stakeholders
- The team needs to ensure active participation of women, landless, marginalized and disabled communities during the data collection process

C. Reporting phase:

- After completing the field work, the consultant should submit the draft report which will be reviewed by the technical team of DECOS and Practical Action Nepal for

feedback/suggestions

- The consultant will incorporate input and submit the revised version
- The full draft of the report will be reviewed by Practical Action team
- Finally, the consultant will submit the final report by incorporating all comments from reviewers.

7. DELIVERABLES

The followings are the expected deliverables from this assignment

- **Inception report:** An inception report incorporating findings of desk review, conceptual framework of the assessment, details of applicable tools and methodologies together with details of work plan, checklists, time schedules as well as tentative table of content for the final baseline report.
- **Draft and final reports:** Detail draft report meeting the objectives of the ToR and with the methodologies in line with the table of content developed and agreed in Inception Report. Final report will be the end product after incorporation of all the comments from reviewers.
- **Raw generated data:** The consultant's needs to submit the data generated in the process of this study in Excel as well as other field related photos during field observation.

8. EXPERTISE AND MANAGEMENT

The consulting firm should have good experience in qualitative and quantitative research; clear understanding of similar studies (enterprise assessment and development). Prior working experience in Lumbini Province, and project working areas will be an asset. Consultant team should have strong data collection and analysis skill. The consultant shall comprise of three team members as below, however the consulting firm can propose as per need and scope of the assignment. The respective team members should have following qualification and expertise:

Team Leader:

The Team Leader will manage the overall assignment. S/he will ensure that the various elements of the assessment are efficiently planned and undertake with an appropriate manner that provides clear conclusion. The Team Leader will also be responsible for effective liaison with key stakeholders while conducting the assignment and should have following qualification and expertise:

- Team Leader should have at least Master's Degree (PhD Preferred) in Entrepreneurship Development/ Business Administration/ Business Development/Social Science or related areas and a proven track record of at least seven years of extensive work experiences of similar studies
- Have strong and clear understanding on research methodology and experience for data entry and analysis
- Good understanding of farm and off-farm alternative livelihood options, income generating activities, women and disable friendly enterprise development etc.
- Prior experience of conducting assessment of enterprise and its development will be an asset
- Proven analytical and report writing skills is must
- Prior experience of managing teams of similar consulting assignments
- Strong organizational, written and oral presentation skills
- Demonstrate ability to work under deadlines, handle multiple tasks, and take initiative

Enterprise Development Expert:

- S/he should have at least Bachelor's Degree in Entrepreneurship /Economics/ Business Development/ Business administration and have proven track record of at least five years of conducting similar studies

- Strong understanding on research methodology and experience on using different social research tools and techniques
- Good understanding of farm and off-farm alternative livelihood options, income generating activities, women and disable friendly enterprise development etc.
- Have experience on using statistical software for data entry and analysis
- Prior experience of conducting assessment of enterprise and its development will be an asset.

Gender and Social Inclusion (GESI) Expert:

- The Gender expert should have at least Master's degree in Gender Studies/Social Science and a proven track record of at least three years of work experience in similar field
- Have experience of conducting similar studies (Enterprise assessment and development) in GESI perspective
- Good understanding of farm and off-farm alternative livelihood options, income generating activities, women and disable friendly enterprise development and analysis skill in GESI perspectives

9. BUDGET

The maximum available budget is **NRs. 1,200,000.00** (In words: One million two hundred thousand rupees only) **inclusive of applicable taxes** (where NRs. 1,000,000.00 will be paid from DECOS and remaining 200,000.00 will be paid from Practical Action in third installment). This includes consultant's fee (including team members and enumerators), lodging/accommodation, air fare/travel, stationaries, tea/snacks for meeting/workshops including all other cost associated with this study. All applicable taxes will be deducted at source.

The payment will be done in three instalments: 40% of total agreed amount shall be disbursed upon submission of inception report, 30% will be disbursed upon submission of draft report, and remaining 30% will be paid after submission of final report and all other deliverables mentioned in section 7 of ToR.

Apart from the above, submission of the following will be taken into account during the selection process:

- a. A full technical and financial proposal along with the budget breakdown;
- b. A copy of Company Registration;
- c. A copy of VAT certificate (obligatory);
- d. A copy of tax clearance for last fiscal year from Inland Revenue Office; and
- e. All proposed professionals must sign the copy of clearly mentioning their proposed position in this assignment.

10. DURATION AND TIMELINE

The consultant is expected to complete the task within two and half months of the commencement of the assignment which is anticipated to be effective from 14th June 2022 and will be completed by 31st of August 2022.

11. EVALUATION CRITERIA

All received proposal/CVs shall be reviewed following different indicators. These will be but not limited to sound understanding of the assignment, competent methodology, consistency, coherence and compliance, experience, and efficient budget planning.

12. INVITATION FOR THE LETTER OF INTEREST

Practical Action Nepal Office requests consulting firms (registered in VAT) to submit (i) an application highlighting the letter of interest (LoI) (ii) brief technical proposal along with your proposed methodology (not more than 7 pages) (iii) recently updated CV, and (iv) a financial proposal with detail cost breakdown to conduct the proposed work to following address on or before 17:00 hrs., 6th June 2022 in separate envelope properly marked with the proposal type sealed. The outer envelope should be marked as “**Identification and Assessment of enterprises in the region**”

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Practical Action believes in and follows through a fair and competitive process to recruit the consultant in all of its assignment to ensure quality assurance.

