

Terms of Reference for Conducting Impact Assessment, Economic Study, Addressing the Demand Side of the Cashew Market and Private Sector Involvement.

1. Background

The Regional Cashew Improvement Network for Eastern and Southern Africa (RECINESA) is one of the projects funded by The Common Fund for Commodities (CFC) which its aim is to provide financial assistance to developing countries for poverty alleviation through commodity-focused developments. The main objective of RECINESA is to improve quality and quantity of the cashewnut production in the region and hence contribute to increase in household income through provision of improved planting materials to cashew growers, dissemination of appropriate knowledge on crop husbandry and support in small scale cashewnut processing.

The project covers seven countries; Tanzania, Mozambique, Kenya, Malawi, Madagascar, Uganda and Ethiopia. The project started with three countries Madagascar, Mozambique and Tanzania and the remaining four countries joined a year later. Naliendele Agricultural Research Institute (NARI) based in Mtwara Tanzania is the Project Executing Agency (PEA).

The project has been operational from 2004 and has been implementing four main project components which were (a) background/support studies, (b) germplasm selection for improved quality and quantity of production, (c) dissemination of improved planting materials to farmers and (d) knowledge and technology transfer to poor resource farmers.

The project is coming to an end in May 2011 and PEA intends to use part of the project funds to undertake impact assessment, economic study, address cashew demand side and private sector involvement.

2. Scope of the assignment

- i. **Impact Assessment:** - Conduct CFC Cashew Project impact assessment to determine achievements attained during the project period and understands how it has contributed to livelihoods of the poor resources farmers in the region. This assessment will focus on highlighting all changes as a result of the project intervention. It will help recognize and document evidence of successful actions, whether originally intended or not, as well as evidence of negative impacts and setbacks.
- ii. **Economic Study:** - Perform an in depth economic study of the industry to determine the profitability, break even points at different levels of management in different countries and develop economic models in view of demonstrating that cashew farming is profitable and can be made sustainable.
- iii. **Addressing the demand side of the cashew market:** - Undertake an in depth study covering the demand side of the market to address gaps in the identification and evaluation of demand drivers of the cashew market. This is important because inadequate market structure has continued to be a major factor holding back any significant expansion in cashew production. An overall long-term marketing strategy

based on key determinants of demand is key in ensuring that the project realizes its potential.

- iv. **Private sector involvement:** - Carry out a policy study to establish modalities of involving the private sector and mainstreaming value chain and participatory approaches in the cashew improvement programs in the region. The study will also address regional issues and recommend modalities for Public Private Partnerships (PPP), collaboration and regulatory/control frameworks.

3. Assignment Coverage

The assignment will be carried out in four countries in the project districts; however, visits may be necessary in other main cashew growing areas within each respective country:-

Tanzania: Mtwara (Naliendele Agricultural Research Institute), Coast Region (Mkuranga and Rufiji districts)

Mozambique: Maputo, Nampula and Pemba Provinces

Kenya: KARI Mtwapa near Mombasa, Kilifi and Malindi Districts

Malawi: Lilongwe, Machinga, Salima and Mangochi districts

4. Deliverables

To come up with a thorough report adequately addressing the above 4 areas in the cashew value chain. This will involve three stages:-

- Developing a proposed work plan for the assignment including the methodologies and time frame in the form of an Inception Report;
- Following the approval of the work plan, conduct the actual work according to agreed methodologies and timeframe; and
- Develop a comprehensive Final Report detailing clear output covering the 4 areas in the scope of the assignment.

5. Invitation for proposals

Qualified institutions, consulting firms and individuals who are interested in the work should submit their application in sealed envelope clearly marked "**Impact Assessment, Economic Study, Addressing the Cashew Demand Side and Private Sector Involvement**". They should attach CVs of experts to be involved, short technical proposal, work plan and proposed budget in United States Dollars (US\$). In assessing expression of interest, consideration will be given to the technical competence, qualification/experience of the experts, the methodology to be used in the implementation of the work and the duration of completing the work. Experience of doing similar assignments is an added advantage.

6. Deadline for submission of proposals

The deadline for submission of proposals is 10.00 am local time on 13th September 2010. The tender will be opened in public immediately thereafter at Cashew Biotechnology Unit,

Mikocheni Agricultural Research Institute, Plot 24B Mikocheni, Opposite Konoike Construction Company, Dar Es Salaam.

7. Submission of proposals

Proposals in three copies (Original and 2 copies) must be delivered / submitted to the address below by 10:00 am local time on 13th September 2010.

**CFC PEA Tender Committee
Cashew Biotechnology Unit
Mikocheni Agricultural Research Institute
Plot 24B, Mikocheni
Opposite Konoike Construction Company
PO Box 6226
Dar Es Salaam
Tanzania**