

Terms of Reference:

DANIDA Market Partnerships Development - Organic growth: taking Afghanistan's first organic saffron value chain to scale

Date: 09 February 2021

Title of Piece of Work: Organic growth: taking Afghanistan's first organic saffron value chain to scale

Organisational Background:

Hand in Hand International (HiHI) is part of the Hand in Hand network, a group of organisations stretching from Afghanistan to Zimbabwe that since 2003, has helped create or improve some 4 million jobs – 90 percent of them for women. HiHI supports network partners in implementing its programs through donor reporting, capacity building, technical assistance, strategic guidance and oversight.

Hand in Hand Afghanistan has been registered as a national NGO with the Ministry of Economy in Afghanistan since 2006. Headquartered in Kabul with a regional office in Mazar-i-Sharif, it has developed a strong presence across Afghanistan, offering an integrated solution to socio-economically empowering marginalised communities, especially women and youth, with gender and climate resilience mainstreamed throughout its programmes. Since its inception, it has operated across 13 provinces in Afghanistan. With over 100 staff, Hand in Hand Afghanistan has an extensive track record successfully delivering large-scale projects funded by the EU, GIZ, DFID, Sida, USAID and European foundations, amongst others.

Conflictfood is a social start-up founded in Berlin that brings traditional agricultural products to the international market through fair and direct trade with small-scale farmers in conflict-stricken countries. In May 2016, Conflictfood introduced its first product, saffron from Afghanistan.

Background to the Project:

In December 2020, Hand in Hand and Conflictfood's project was selected for support from DANIDA Market Development Partnerships (DMPD). The overall purpose of the project is to catalyse local economic activity, market development and unleash business potential leading to employment and income opportunities. It brings together commercial- and non-commercial actors in a commercially oriented partnership to promote sustainable business, development and employment opportunities.

More specifically, this project seeks to establish and scale a sub-segment of the Afghan saffron market. Afghanistan can most successfully compete with larger saffron exporting markets by focusing on high-value, premium market segments. Introducing organic certification (EU) for Afghan saffron will unlock untapped demand in Germany and other European countries, allowing Afghan saffron farmers to achieve a significant price premium for export-grade crop. Organic certification will also catalyse demand from other exporters.

The project will train approximately 10 saffron companies on in house EU organic saffron production and provide a training of trainers to companies to ensure that they can support their farmers to deliver premium, gender-sensitive organic saffron. Additionally, this project will work with one to four anchor firms who will receive bespoke technical advisory support on the

production of EU organic saffron and be linked to the European market via our partner Conflictfood.

Purpose of the assignment:

Hand in Hand is seeking a consultant to support its preparatory work for implementing the 'Organic growth' project in Afghanistan. The assignment will lay the groundwork for the project, which is due to start in July 2021. The tentative timeline for this assignment March-May 2021.

Key objectives of the assignment are:

- Outline the process of how a Herat based saffron company (SMEs and larger) becomes EU Organic compliant and can achieve that certificate
- Conduct a review of successful/unsuccessful organic EU certifications (or similar) in Afghanistan and integrate key learning and recommendations into the action plan.
- Identify and map other actors who are supporting the development of the saffron sector in Herat and identify areas for collaboration, complementary work or any duplication.
- Conduct a viability assessment for EU organic certification of saffron in Herat and advise the project consortium on how best to achieve this certification for chosen focus companies.
- Develop an action plan for the project to successfully achieve EU certification, including specific steps and potential costs for a typical company (SME or larger)

Key activities

The applicant(s) should build on and propose their own approach to achieving the above objectives and fully respond to the terms of reference. Below is an example:

Phase 1 – Primarily desk-based research:

Review and verify the related institutional stakeholder framework of EU organic agriculture in Herat, Afghanistan; including inter alia policies and regulations; related and/or engaged entities of the government and public sector, farmers' communities and groups, and of the private business environment:

- 1) What are the regulations around EU certified farming and processing? What can be done on-farm and what has to be done off-farm?
- 2) What stakeholders need to be involved in certification and quality assurance?
- 3) What existing examples of successful certifications exist in Afghanistan?
- 4) What significant changes will occur after new organic legislation is applied in 2022?
- 5) Are there any significant legislation in Germany regarding tackling modern slavery in the supply chain?

Review and verify de facto relevant EU standards, norms and regulations, as well as certification methods, branding and labelling and its application in Afghanistan:

- 1) What is the best strategy for ensuring a quality process and robust system for starting up and continuing EU organic certification?
- 2) What are the specific steps and milestones required to successfully achieve certification for saffron?

- 3) What are the costs expected with certification, and recertification, and who normally bears these costs?
- 4) Which portion of the operation needs to be certified? Farmers, cooperative, or companies? Can geographic areas be certified as organic?

Phase 2 – Primarily field-based (or desk-based if possible)

- Identify and map other actors who are supporting the development of the saffron sector in Herat and identify areas for collaboration, complementary work or any duplication.
- Conduct a viability assessment for EU organic certification of saffron in Herat and advise the project consortium on how best to achieve this certification for chosen focus companies.
- Develop an action plan for the project to successfully achieve EU certification

Key Deliverables:

- 1) A detailed viability assessment (approximately 10-15 pages) on EU organic certification with findings and recommendations based on the Phase 1 activities above. The assessment should include a step by step process for companies seeking to achieve certification.
- 2) Detailed organic sector saffron review and action plan with specific steps for achieving certification and re-certification, including costs.
- 3) Presentation of assessment and action plan to Hand in Hand Afghanistan & other project stakeholders

Profile of Consultant:

Hand in Hand requests that consultants submit proposals responding to the Terms of Reference outlined above. We expect the consultant to demonstrate excellent skills and experience according to the criteria below:

- Detailed knowledge of EU organic certification processes and practices
- Experience with organic agriculture practices, ideally in herbs and spices
- Previous experience providing capacity building and or Training of Trainer (ToTs) will be desirable
- Proven experience of working alongside international and national teams within civil society organisations; NGOs, academic institutions, social enterprises, etc.
- Excellent knowledge of the Afghan context
- Fluency in verbal and written English

Application Process:

Please send a detailed work proposal of no more than five pages to

khekmati@handinhand.org.af by 21st February 2021. The proposal should include the following:

1. A proposed process and time frame for the areas of work outlined, setting out the phases, resources and the number of days estimated for each one.
2. The anticipated challenges and dependencies affecting the implementation of the activities and how these should be addressed both by the consultant and by Hand in Hand
3. A summary of the skills and experience of the consultant together with a CV showing relevant previous assignments and clients.

4. A detailed fee quote and rationale for the consultant and an estimate for the costs of other resources. Budget should be inclusive of: daily rate and time allocated per resource, travel and expenses and taxes.

Budget and Payment

The consultant(s) will provide a detailed budget summary splitting the consultants' fees and expenses. The terms of payment will be negotiated with the firm upon signature of the contract.

Audience

- The final report will be used to influence programme design, and ongoing organizational learning. It will be shared internally across the HiH network.
- This report will be shared with other key partners such as Conflictfood and DANIDA.