

Request for Proposals (RfP)

Feasibility Study for the creation of an agro-business conservation enterprise in Madagascar.

Wildlife Conservation Society – Madagascar Program

Issue Date: 27 September 2021

Closing Date and Time: 16th October 2021, 23:55 (UTC+3)

Project Contact: Andrew Kirkby

Duration: 1st of November 2021 to 30th January 2022

Budget: Max. 19,000 GBP (VAT and other taxes included)

Summary

WCS with the support of Partnership For Forests is looking for a team of consultants or organisation specialised in social enterprises, business development and feasibility studies, agricultural business and commodities and sustainability, to carry out a comprehensive feasibility study for the development of a forest friendly enterprise to support cacao and vanilla trading in northeaster Madagascar.

THE REQUIREMENT

The project

The MaMaBay landscape (Makira-Masoala and the Bay of Antongil) located in north-eastern Madagascar is a global epicentre of biodiversity. Within just 1 million hectares of land lies 1% of all the world's biodiversity and is one Madagascar's last great wildernesses where over intact forests remain within and around Makira and Masoala National Park. For the 230,000 people who live within the landscape, these forests provide important ecosystem services, safeguarding their livelihoods by protecting watersheds, preventing flooding, preserving soil fertility, providing forest products and reducing sedimentation of the bay. However, growing human populations that are both poor and highly dependent on natural resources, utilizing basic slash and burn agricultural techniques and poor land use planning are threatening the integrity of the landscape and resulting in deforestation rates of approximately 1,500 hectares per year.

Over the years, the MaMaBay region has become an important producer of cash crops such as vanilla and cloves which are exported internationally. The demand for these products continues to grow as Madagascar becomes better known for producing amongst the best cocoa and vanilla in the world in terms of quality and taste. Growing vanilla is now a booming business in MaMaBay, providing life changing opportunities at the same time threatens forests through farmland expansion including within protected areas. The risk of vanilla prices

crashing remains an even greater threat to conservation, which will likely result in a surge of deforestation as communities fall back on forest exploitation for their livelihoods – a historical trends that has been observed over the last 25 years. Meanwhile Cacao is a new commodity in the region with interested buyers however productions remains very low. Despite this, cacao has become a popular product for farmers as a way to diversify their income.

Over the last 15 years the Wildlife Conservation Society (WCS) has been supporting improved farming techniques with reforestation and cash-crops around Makira Natural Park. A new 4 year project phase in partnership with Halba/Sunray, Partnership For Forests and GIZ is seeking to scale up the project by supporting more farmers to transition to sustainable farming systems using agroforestry techniques with cacao, vanilla and other cash and food crops while supporting the governance of cooperatives, sustainability certification and eventually sales and export of commodities.

Purpose and Rationale

While the project works to help farmers scale up cacao production with agroforestry, WCS is seeking to carry out a feasibility for the development of an enterprise building on a similar model as Ibis Rice (<https://ibisrice.com>) in Cambodia. This enterprise would act as a liaison between buyers and farmers, carry out traceability, product processing and transformation, sales and export, all while promoting forest friendly commodities and ensuring sustainability.

Profile

To this end, WCS Madagascar is looking for a team or organisation specialised in social enterprises, business development and feasibility studies, agricultural business and commodities and sustainability to carry out a enterprise feasibility study.

The group of experts should have a proven track record of carrying out similar feasibility studies for commodities for international export. Expertise with social enterprises in the tropics is a major advantage. Principal investigator who will lead the group should have a master's degree or higher in business (MBA), economics or similar field. Group should include at least one or two in-country expert(s) who will lead on data collection in-country in case of international travel restrictions due to Covid-19.

Objectives and Tasks

The group or organisation is expected to develop a feasibility study evaluating the proposal to develop a forest-friendly enterprise for the management of a sustainable cacao and vanilla in the MaMaBay landscape. The report should include the following elements:

- i. **Customer potential and unique selling points** of the project. This will involve discussions with Halba as a priority customer followed by other potential local and international buyers to assess their product needs and financial commitment.
- ii. **Legal analysis and proposed legal set up** for the enterprise for a Madagascar context that best reflects WCS's vision.
- iii. **Proposed business model** considering lessons learnt from similar entities/enterprises with WCS in southeast Asia. A more in-depth business plan is to be developed at a later stage outside of this ToR.
- iv. **Business structure and logistics review** and proposed set up. This should include analysis of supply chains, product treatment, management and export while highlighting roles and responsibilities of the enterprise and partners.
- v. **Competitive assessment** within commodities market operating in Madagascar and MaMaBay landscape (specifically Maroantsetra district). Assessment should also include potential for new collaboration or partnerships.

- vi. **Risks assessment** to enterprise over the next 5 to 10 years with proposed risk mitigation strategies.
- vii. **Estimate of financial investment** needed for set up of the enterprise with summary of a breakdown of costs.
- viii. **Evaluation of business potential and profitability** based on volumes of cacao and vanilla (current and future supply), costs to deliver goods to customers and revenue over the next 5 to 10 years.
- ix. **Final summary of results** providing a conclusion of the feasibility study.

Methodology and Timeline

1. Inception and preparation. Background documents to be provided by WCS. Preliminary report with a summary of findings and a methods document for study. To be submitted within 2 weeks of signing the contract.
2. Data and information collection to be carried out both remotely and in-country. Information collection should include, but not limited to:
 - a. Field visit to Maroantsetra to meet with stakeholders including cooperatives, WCS, existing businesses and potential partners as well as to review local context.
 - b. Meetings with experts in Madagascar at a national level for specifics including legal set up, commodities export formalities, commodity certification, and other relevant stakeholders.
 - c. Meeting with international partners including Halba team and Zurich Zoo (long term international donor for WCS for cacao project) and WCS commodities team (Europe and SE Asia).
3. Report finalization and submission. To be submitted 3 weeks before the end of the contract to provide WCS time to provide any comments that need to be addressed in the report.

All reports should be well written in English and presented clearly.

Budget

A maximum budget of 19,000 GBP (VAT and other taxes included) is expected for this consultancy. All costs incurred by this study including potential travel will be the responsibility of the consulting group.

Payment will be made 30% upon signature of contract, 20% after accepting the summary of findings (Result 1) and 50% upon reception of the final report with any comments addressed (Result 3).

INFORMATION TO BE PROVIDED BY PROPOSERS

Technical proposal: should not exceed 4 pages (excluding annexes), and include the following:

- Overall approach to the consultancy;
- Methodology overview and preliminary top-level work plan;
 - Justification of capacity to carry out consultancy, including relevant experience and motivation by the consultant or the team.

Financial proposal: Offer of **max. 19,000 GBP** (VAT and other taxes included) detailing the breakdown of expected expenditures per activity, including time dedication and daily rates.

CV of the candidate(s);

Proposal lodgement methods and requirements

Proposers must submit their Proposal to WCS Madagascar no later than 16th of October 2021 by email to: trakotondrafara@wcs.org and akirkby@wcs.org

The subject heading of the email shall be [RfP – WCSMad P4F – Feasibility study - [Proposer Name]]. Electronic copies are to be submitted in PDF and proposers may submit multiple emails (suitably annotated – e.g. Email 1 of 3) if attached files are larger than 6MB. Proposals must be prepared in English.