

**THE COOPERATIVE REPUBLIC OF GUYANA  
INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT  
MINISTRY OF AGRICULTURE  
HINTERLAND ENVIRONMENTALLY SUSTAINABLE AGRICULTURAL DEVELOPMENT  
PROJECT (HESADP)**

**TERMS OF REFERENCE**

**A HONEY VALUE CHAIN ANALYSIS OF REGION 9**

**1. Background**

The Government of the Cooperative Republic of Guyana, through a financing arrangement with the International Fund for Agricultural Development (IFAD), has embarked on a USD 11.15 million, six-year Project, the Hinterland Environmentally Sustainable Agricultural Development (HESAD) Project, to improve livelihood resilience through income generation, access to assets, improved nutrition and adaptation to climate variability. The Lead agency for the implementation of the HESAD Project is the Ministry of Agriculture through its Agriculture Sector Development Unit (ASDU). The Project Management Unit (PMU) will comprise the office at the MOA in Georgetown and Regional offices in Region 1 and Region 9.

The Hinterland Environmentally Sustainable Agricultural Project intends to apply part of the proceeds for consulting services (“the Services”), which include the execution of the following study:

A. Detailed Value Chain Analysis for Honey in Region 9

The project supports rural households and communities in the identification and development of value chains that can provide new income opportunities and contribute to rural livelihood diversification. Both Sub-Regions offer viable opportunities to increase the competitiveness, inclusiveness and sustainability of local value chains through improvements in natural resources management, production, processing, storage and quality-enhancing technologies and through the strengthening of market access for small-holders.

One of the main tenets of the project is the improved livelihood resilience through income generation, access to assets, improved nutrition, and adaptation to climate variability.

*The project will achieve its objectives through key results under the following:*

**Component 1: Strengthening of community and producer groups investment planning**

*Outcome 1:* Communities and producer groups have identified investment opportunities manage economic and climate change risk.

**Component 2: Implementation of investment plans**

*Outcome 2.1:* Increased investments in business plans that increase agriculture and related income-generating opportunities and increase market access.

As part of outcome 1, the project seeks to achieve that at least 80% of the households that invested in business plans have increased their income from agriculture and related activities by 50%

Outcome 2.1 refers to increased investments in business plans that increase agriculture and related income-generating opportunities and increase market access.

## Situational Assessment in Region 9

Agriculture and rural livelihoods in Region 9 are affected by increased variability in rainfall patterns. The effects of such variability are severely felt where severe floods and prolonged dry spells, coupled with the lack of adequate water management technologies, represent major challenges for the development of agriculture and the livestock sector. The low fertility of the savannah soil poses a further constraint to agriculture in Region 9.

The transition to new production patterns therefore needs to incorporate better adaptability to changing climate and economic conditions. This will require access to knowledge, investment and technologies for natural resource management that at the moment are lacking.

Non-timber forest products (NTFPs) have been an integral part of livelihood for many communities living in the Rupununi. They rely on NTFPs for their daily sustenance and income and often resort to NTFPs as an emergency source when crops and other means of livelihood fail.

Wild honey is one of the most important NTFPs which may increase the incomes and employment of low-income people in and around forests while preserving the ecological sustainability of the resources

The Rupununi has high potential for production, trade and branding in organic agricultural products (such as honey) if value chains for these products can be properly developed. These will have both environment conservation and income benefits to small holder farmers and business persons.

## 2 Characteristics of the Consultancy

- **Type of Consultancy:** Individual
- **Source of Funds:** International Fund for Agriculture Development and the Government of the Cooperative Republic of Guyana.
- **Place of Work:** The tasks will be undertaken at the Consultant's office and in Region 9.
- **Contract duration:** As detailed in Item 6
- **Payment Options:** As detailed in Item 7

## 3 Objective(s) of the Consultancy

- 1.1 Assess identified market opportunities and undertake market research to fill gaps in information and knowledge for Honey in Guyana, including possible export markets for producers in Rupununi, a description of products, conditions for market access to successfully supply these markets, price and ranges and volumes required;
  - 1.1.1 Identify and define **market opportunities** for Honey;
  - 1.1.2 Identify the **actors and stakeholders** in Rupununi currently supplying existing markets or ready to supply them in the future;
  - 1.1.3 Identify the **secondary value chains that are linked to the Honey Value Chain** that should be looked at in the future whose development will support the ongoing improvement of the Honey Value Chain supplied by producers in Rupununi.

- 1.2 Conduct a participatory value chain analysis for Honey and other bee products as applicable (wax, pollen, propolis, royal jelly, skincare products) supplied or which could potentially be supplied by small-scale producers in Rupununi, involving these current or potential producers in roundtable discussions as well as individual interviews (as COVID19-restrictions allows). The final product report will be built around the value chain map and will show the steps/process, the respective actors at each level, the current situation, the constraints and the opportunities identified for the participation of small-scale producers from poor or vulnerable communities in Rupununi at each level of the value chain. Special attention should be given to identify constraint and opportunities for women and young people's participation in the value chain. The value chain mapping and analysis should include producers, agro-processing, input suppliers of equipment, tools and materials for production and processing, packaging, trading, wholesaling, retailing of products, volume of flows, production costs and changes in prices along the chain, equivalent prices in nearly relevant and relevant markets identified and final end consumers. **The map will demonstrate** the following which must be reflected in the report:

Details on the enabling and regulatory environment, including testing and quality assurance capacity and systems

Details on the international context relevant to the development of Guyana's honey industry, and specifically towards the development of honey sourced from region 9 with considerable protected areas.

Details on input suppliers and their capacity, nationally and in region-9. The map should not be limited to Region 9 but should also show the links to trade and consumers other parts of the country.

- 1.2.1 Describe key functional areas;
  - 1.2.2 Identify actors, enablers and support services for each function along the value chain and at the respective stage, capacity gaps, constraints and strengths;
  - 1.2.3 Describe the activities implemented at each state, services provided and existing legislation and infrastructure;
  - 1.2.4 Provide an analysis of costs and returns for value chain actors from production/ harvesting (wild honey) to marketing and estimate profit and gross margins along the value chain ("how is the consumer money shared")
  - 1.2.5 Describe the challenges encountered at each stage;
  - 1.2.6 Identify and list opportunities to overcome the problems.
  - 1.2.7 Recommend investment opportunities along the chain ensuring inclusion of small-scale producers and the communities in Rupununi
- 1.3 Conduct and facilitate a participatory **actor and stakeholder workshops (nationally and regionally)** to present and verify the initial findings and to identify the strategies for improving the quality and expanding existing production and markets to:
    - 1.3.1 Identify the most critical success factors to address and to improve the situation for Rupununi small-scale producers and communities participation in the value chain and to supply the existing markets,

- 1.3.2 If needed, conduct another gap analysis (SWOT),
- 1.3.3 Seek common agreement on the key components to address in a value chain upgrading strategy
- 1.3.4 Prepare a Value Chain action Plan and develop concrete investment project proposal for the Honey Value Chain Roundtables to be presented to the HESAD project investment fund (following the required format) investing in productive activities of poor and vulnerable communities in Rupununi.

## **4 Scope of Services, Tasks (Components) and Expected Deliverables:**

### **4.1 Scope of Services**

The Value Chain Analysis will be conducted with respect to the contribution from agriculture diversification to the resilience and development of the Amerindian communities in Region 9 in term of food and nutrition security, employment, income and sustainable and resilient livelihoods along with the existing value chains. The study undertake a qualitative and quantitative analysis of the present agriculture and other livelihood activities of rural communities in Rupununi that provide the production context for the development of the honey Value Chain and how it can contribute to the development of the residents of the region. The study will also take into account the socio-economic outlook for the Region, its national trade relationships and with neighbouring Brazil, and the effects of climate changes and variability on all activities in the value chain and their improvement.

In this instance the study will conduct assessments of Honey Value Chain including a clear end markets analysis alongside production capabilities. This will be looked at as a potential value chain for development in the future for commercialization of produce.

An industry/governance analysis shall be completed to better identify the business investment opportunities and models suitable for the inclusion of small-scale producers and their communities in Rupununi and maximizing their socio-economic benefits while contributing to their resilience capacities.

The Consultant shall provide clear, well-justified and practical recommendations on the optimal strategy for the project to pursue in supporting of the value as a means to achieve the project's overall and specific objectives taking into consideration the available resources and with an emphasis on sustainability, gender engagement of youth and replicability. The strategy should target the uptake of Amerindian and small producers, women and youth. The value chain study will encompass geographical areas outside of Region 9 including major honey production and consumption areas which are essential part of the value chains.

Based on the findings of the study, recommendations will be made to inform a blue print for the honey and other bee products value chain development especially as it is related to:

- 1) Its contribution to advancing food and nutrition security at the regional level
- 2) Enable small-scale producers, their communities and enterprises to take advantage of opportunities presented by the Government of Guyana
- 3) Describe/assess honey and other bee product production opportunities compared to other developmental opportunities in the individual communities in the project areas
- 4) Assess Educational Opportunities for Communities Producer Groups as it relates to areas of training needed for the full participation in the development of the honey value chain.
- 5) Determine the vulnerability factors that impact food and agricultural activities in the region and the role of honey production as an adaptation activity contributing to resilience.

- 6) To identify and analyse the inclusive agriculture value chain especially Honey relevant to the project's goal of enhancing climate change resilience and improving livelihoods particularly for poor rural households, women and youth. Analyse the Value Chain as part of livelihood diversification strategies to build resilience capacities against vulnerability to market shocks; increased seasonality effects on income and labour cycles; competition for labour from other sectors (e.g., mining)
- 7) Map the existing honey Value Chain with references to the structural and dynamic elements
- 8) To recommend optimal intervention strategies for the project to promote honey production, processing and marketing as a strategy for enhancing climate change resilience, reducing poverty.
- 9) Provide inputs for initial activities: innovation platform formation and other related activities to be funded through the project's investments in specific value chains.
- 10) To recommend specific strategies or affirmative actions required to involve men, women, and youth in Honey and other bee products production, processing and marketing.
- 11) To identify existing marketing channels as well as potential development opportunities as well as the problems inherent in each and how to address them.
- 12) Prepare (using participatory processes involving the honey value chain round table) a strategy/ action plan for honey for the improvement of the sub sector in the region with the aim of formation of resilient value chain (market, climate, political, economic and local) in honey and the reduction of poverty.
- 13) Identify possible environmental impacts and social risk for any intervention along the value chains including avoiding the introduction of invasive bee species with adverse impacts on native bee populations.

#### **4.2 Methodologies for the Value Chain Analysis**

This TOR does not define a specific methodology for the conducting of the Value Chain Analysis but defines certain expected activities that the consultant is to ensure that is included in their methodology.

**1. Chain Mapping:** to show the major traits of the chain, the structure (value creating stages), the flows of products between stages, the type of players at each stage, the orientation of the chain or exposition to external competitive forces (export/import), development stage.

**2. Data Collection:** a list of "all possible" critical issues has been developed from an extensive review of the literature. Questionnaires are designed according to the relevant issues for the current and targeted development stage of the chain. Data collection is performed through interviews of selected chain actors of each value creating stage (producers, processors, input suppliers, distributors) with different performance levels (market leaders, new entrants, etc.). All possible issues relevant to chain development stage and its orientation are investigated.

**3. Data Screening:** the consultant shall establish grading system of non-critical and critical issues characterized by levels of severity. Strategic interventions for root causes of the critical issues shall be recommended. Specific focus should be on issues critical for the participation of small-scale producers and their communities in Rupununi in the value chain including the participation of women and youth.

**4. Data Validation:** While it is possible that none of the issues identified are critical, a synthetic and comprehensive analysis shall be completed at this stage experts' opinion as well as the opinion of the targeted communities are indispensable.

**Data Analysis:** The consultant is expected to conduct an in-depth analysis of the data gathered and present a detailed analysis that will give a true picture of the value chain and guide communities', the project's and the Ministry's interventions along the value chain in order to make it more robust and inclusive.

### 4.3 Details of the Value Chain Mapping

The detailed value chain approach is aligned in this context with the principles of the Making Markets Work for the Poor approach. The consultancy will reflect the key principles of these two approaches.

The Consultant shall map the value chain from project villages in Region 9 including an analysis of the pros and cons of the different value chain options in terms of costs, prices, profitability, sustainability, replicability and technical, economic and governance related considerations.

The consultant will describe strengths and opportunities for Honey and other bee products in the project area including biophysical suitability of the activity in the area including access to forage with melliferous flower and tree species, eventual pollination co-benefits for agricultural production, threats from fires, pests and diseases as well as socio-economic factors such as availability of technical skills, governance frameworks, infrastructure and technology as well as access to markets.

The Consultant shall describe current markets including data on current costs and prices along the value chain, volume, and market requirements including product quality as well as packaging requirements and the necessary reliability and volume of supply. In keeping with the value chain approach, the Consultancy will include information on end users / markets.

The consultant must map the key stakeholders along the identified value chains including:

- I. **Producers** – this shall include a description of *traditional and modern honey and other bee product producers. The Consultant shall describe current bee management, division of labour (male/female), obstacles in production, harvesting and sales practices* including specific details on the kinds of equipment currently used and the prices, production costs and volumes for Honey that are being sold from in and around the project area.
- II. **Transporters:** a description of transporters of Honey *from the producers to the processing centres and to the consumers.*
- III. **Processors:** a description of actual and potential commercialized and local processors considering maximizing value addition of the poor and vulnerable actors in the value chain.
- IV. **Traders and retailers:** a description of traders and retailers locally and nationally who are or could be involved in the sale of bee products from the communities. This might include local shops, on the roadside, farm gate or in bulk, study of specific requirements from each kind of buyer in terms of quality, delivery, variety, processing, minimum volume, etc); and
- V. **Exporters** (*to various destinations*). Analysis of the gross margins, markets of Honey and recommend on the potentials for future developments.

In keeping with the value chain approach, the Consultant shall describe relationships between different stakeholders along the value chain and shall consider different models to link producers with traders and consumers. This should include a review of different potential contractual relationships between farmers

and traders; and between the farmers including considerations of market price, payment schedules as well as quantity and quality assurance of the named commodity.

The Consultant will conduct a participatory needs assessment with men, women and youth to document the needs of the producers, local traders and other stakeholders to engage in an optimal value chain. The consultant must have village leaders sign a list of members of their community that participated in the needs assessment process.

#### **4.4 Analysis of the Value Chain**

It is expected that the report will include among its findings the following aspects of the analysis:

##### ***I. Policy analysis***

The Consultant shall provide a brief review of relevant national/agriculture policies including linkages with national strategies or programmes relevant to the proposed interventions. This includes policies on nutrition and food security and for poverty reduction in the Hinterlands.

##### ***II. Commodities/ products***

The consultancy shall cover both raw material and processed products. The literature review shall include an overview of the local, national and global markets in using well-referenced data.

##### ***III. Production Systems***

The Consultant will review different production systems including the use of different types of equipment. The Consultant shall compare pros and cons of different production systems in terms of profitability, sustainability and replicability.

##### ***IV. Project intervention design***

The Consultant shall provide detailed recommendations on how the project can support the bee products producers and processors, particularly female headed and poorer households to engage in the value chains. This will include recommendations related to optimal capacity building approaches including pros and cons of directly providing different kinds of input; priority capacity building needs; and available options for provision of training and other forms of capacity building including organisation of producer associations and linkages with buyers.

##### ***V. Methods***

In the Value Chain Analysis study the Ministry of Agriculture expects the consultant to employ both quantitative and qualitative methods for collection of data/information, using Participatory Tools and Techniques for data collection, which may include but not be limited to in-depth interviews of present producers (approximately 15-20 beekeepers/producers in different parts of the region), key informant interview, focus group discussion etc. This will involve a combination of document review, market research and interviews with stakeholders along the value chains including producers, traders, buyers, processors, retailers, Regional Democratic Councils, RCCI, MOPH, MOAA, NGMC, GLDA and NAREI staff among

others. The consultancy will draw on experiences from across Guyana and elsewhere including successful models from other value chain studies. The focus group interactions may be done virtually where possible.

**5 Qualifications of Individual Consultant :**

**Designation:** Value Chain Development Specialist

**Qualifications:** Graduate Degree or B.Sc. in Economics, Agricultural Economics, Marketing, Agriculture, Rural development, Business Management or a related field

**General Experience:** Have a demonstrated understanding of Local business development and Value chains working with NGO’s or Government business development activities, experience in working with business development in rural communities in Rupununi and knowledge on honey production is a plus.

**Specific Experience:** Minimum of 5 years’ experience in Agri- business development, Value Chains mapping and conducted Feasibility assessments for local businesses with small-scale agriculture producers and their communities.

**6 Duration of tasks:**

**Submission Timelines:**

<b>Reports</b>	<b>Reporting Timeline</b> <i>(From date of contract signature)</i>
Submission of Inception Study Report	20 days
Clients Comments	30 days
Submission of a Draft final report (Presentation to Client included)	80 days
Clients Comments	90days
Presentation to Stakeholders	100days
Submission of a Final reports	120days
<b>Total</b>	<b>120 days</b>

**7 Payment Option:**

<b>Reports</b>	<b>Percentage Payment</b>
Submission and Acceptance of Inception Report	20%
Submission and Acceptance of a Draft Final Report (Presentation to Client included)	50%
Presentation of Findings to stakeholders	10%
Submission of a Final Report	20%
<b>Total</b>	<b>100 %</b>



## **8 Reporting**

The Client shall designate a “focal point.” The focal point will be the point person between the project and the consultant. The focal point is expected to ensure the submissions and reviews are done in keeping with the timeline of the contract and to process payments in a timely manner once relevant invoices are submitted.

The Consultant is expected to provide all reports except the final report in two (2) bound copies and 4 copies on CD/ or emailed to the client.

The Final Report must be ready for publication by the Client. It is required to be submitted in full colour properly formatted and in fifteen (20) hard copies for distribution as well as electronic copies.

### **Inception Report. This would comprise the following:**

- 1) preliminary findings,
- 2) review of the Terms of Reference,
- 3) limitations of the assignment along with missing parameters,
- 4) stating the objectives of the study,
- 5) preliminary/coarse data and a refined combined methodology for all aspects of the study,
- 6) Stakeholder Identification, and draft engagement plan and
- 7) Detailed work Plans for logistics, definitions with roadmap for conducting the study based on the preliminary review.

This report will be finalized with the clients comments if any incorporated into the content and validated by all stakeholders.

**Interim/Draft Report.** This would be a combination of the reports of the various subcomponents of the study done the consultant including the reviews conducted by the client and the stakeholders

**Final Report.** This will incorporating technical review, editing, formatting and publication Ministry of Agriculture.

## **9 Support to be provided**

The consultants will be fully supported by the project team of the HESAD Project in liaising with the relevant agencies to conduct out reaches and meeting with various NGO and Governmental Agencies.