

TERMS OF REFERENCE

STICHTING IDH

MID-TERM EVALUATION STUDY FOR THE COFFEE FARMER INCOME RESILIENCE PROGRAM

1. Introduction

Stichting IDH (“IDH”) accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running companies, civil society, governments, knowledge institutions and other stakeholders in several commodity sectors. We convene the interests, strengths and knowledge of public and private partners in sustainability commodity programs that aim to mainstream international and domestic commodity markets. We jointly formulate strategic intervention plans with public and private partners, and we co-invest with partners in activities that generate public goods.

IDH Coffee Program is implementing a new strategy for coffee supporting smallholder farmers to close the living income gaps, to become more climate resilient and contribute to mitigation of climate change. The Coffee Farmer Income Resilience Program (CFIRP) is a partnership between the IKEA Foundation and IDH working on improving income resilience, adoption of regenerative agriculture practices, and improving smallholder inclusion in the coffee value chain. CFIRP was launched in 2021 and is running until December 2025.

The high-level objective of the program is to expand IDH’s proven service delivery model approach in the coffee sector to develop a robust proof of concept for blending coffee-specific services with services for other non-coffee farm produce to improve income resilience of 20,000 coffee farming families in Kenya and Uganda. IDH has co-developed with private sector partners service delivery systems which integrate a stepwise approach to achieving income resilience for farmers while transitioning farm systems to regenerative agriculture. Moreover, the program is helping to address the power imbalance in two dimensions: between farmers/farmers organizations and other value chain actors in aspects of coffee trading practices and between farmers/farmers organizations and sector regulators in policy formulation.

Based on these Terms of Reference (“ToR”), IDH aims to select a consultancy firm (hereafter referred to as the “consultant” or the “service provider”) to carry out a mid-term evaluation study, analysis, and reporting for the Coffee Farmer Income Resilience Program.

2. Background

Kenya and Uganda are both important coffee producers in East Africa. In Kenya, coffee producers grow Arabica, whereas Uganda grows both Arabica and Robusta. While most of Kenya and Uganda smallholder coffee farms are diversified, farmers are still unable to afford all the resources required for diversified production systems to allow them to earn a living income. Soil degradation, along with poor farm management and poor resource allocation decisions are major challenges in both countries which can trap farmers in a low-income cycle, lacking resources to improve farm management practices, and consequently additional soil fertility deterioration. CFIRP addresses these challenges by influencing the creation of more resilient, diversified farm systems that benefit the livelihoods of coffee producers and prevent soil erosion through regenerative agriculture.

CFIRP has the following key outcomes:

- i. Develop operationally and economically viable business cases for new tailor-made blended service delivery models integrating transition pathways to regenerative agriculture for coffee farming systems.
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- ii. Make accessible blended services to 20,000 coffee farming families in line with their needs and potential.
- iii. Enable continuous joint learning and efficient cooperation between different service providers (input supplies, extension, financial services, marketing, etc.) on regenerative agriculture and other topics.

As a result, the main CFIRP intervention areas are:

- a) Farming systems: Coffee farmers have diversified farming systems with coffee cultivation integrated with other farming activities. To achieve a higher and more resilient farm income, coffee and non-coffee farm production and marketing will be embedded in an integrated farming systems approach.
- b) Environment: Improved soil health and biodiversity are preconditions for regenerative agriculture systems leading to more resilient output levels.
- c) Private sector: Co-investment in the set-up, capacity building and testing of blended service delivery for full farm systems for efficient sourcing and securing supplies of coffee and other farm produce.

It is anticipated that each of these interventions will contribute to enabling coffee farmers to have resilient and diversified farming systems with coffee cultivation integrated with other farming activities, achieving a higher and more resilient farm income.

Since program inception in 2021, IDH has created 6 partnerships with coffee private sector companies in Kenya and Uganda who are the implementing partners of six field-level projects. These operate in 7 counties in Kenya and 5 districts in Uganda.

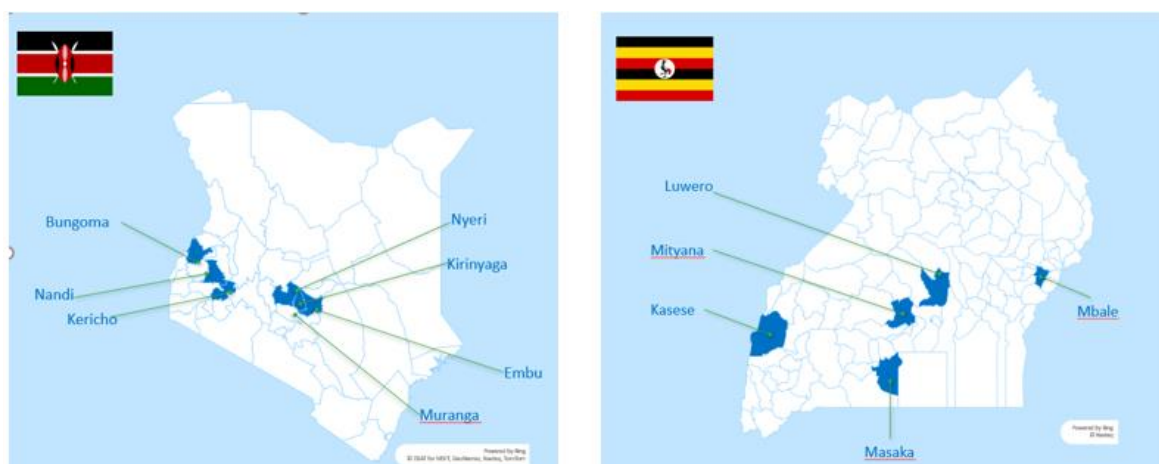


Figure 1: Project implementation locations in Kenya and Uganda

3. Assignment

Objectives

The mid-term evaluation is one of three evaluations to be done in the full cycle of the program: baseline, mid-term, and end-term. The mid-term evaluation's findings should be compared against the baseline study.

The overall aim of the mid-term evaluation is to evaluate the achievement of the planned outputs, outcomes and impact according to the Theory of Change (ToC) (Annex 1) of CFIRP in Kenya and Uganda



against benchmarks established through the baseline assessment, in order to strengthen the strategy and optimize the impact of the program.

Two objectives are set forth for this purpose:

- Evaluate the program's progress compared to the Theory of Change and the baseline evaluation results, provide for insights and learnings for potential adjustments and course corrections to achieve the desired outcomes in the remaining period of the program.
- Reflect on the OECD-DAC criteria in light of additionality of the Program to diversification, higher incomes and farm resilience as compared to other initiatives in the area.

Guiding Evaluation Questions

OECD-DAC Criteria	Questions / Topics for Assessment
Relevance	<ul style="list-style-type: none"> a. To what extent are the blended service delivery models and regenerative agriculture practices relevant to the coffee farmers and service providers? And why is that? b. What specific regenerative agriculture practices are relevant in the different farmer contexts? And why? c. What are the benefits and challenges of blended service delivery for service providers and for farmers?
Effectiveness	<ul style="list-style-type: none"> a. What is the progress on the KPIs related to the three outcome areas (soil health, more income and stable income; pathway 3 in the Theory of Change) is it likely that the programme will achieve its desired outcomes? b. Which interventions best complement a stepwise approach for the farm-systems? What service delivery models are facilitating these interventions? c. How might the coffee reforms in Kenya¹ influence the program from reaching its goals and what mitigation strategies can be applied?
Efficiency	<ul style="list-style-type: none"> a. What investments have farmers and other stakeholders mobilized to ensure successful implementation of service delivery models and adoption of regenerative agriculture practices? b. What risks for farmers and other stakeholders are associated with mobilizing these investments and what mitigation strategies are currently available to them?
Sustainability	<ul style="list-style-type: none"> a. What steps have and will be taken by project partners to continue and upscale the (blended) service delivery model beyond the program span? Why are they (not) planning to scale the service delivery model? b. What measures are partners putting in place to ensure continued uptake of RA?

¹The government is implementing coffee regulations 2019 and there is a Coffee Bill in the Kenyan Senate which is currently being debated before it is forwarded to the president to assent it into law. Since the ongoing coffee reforms are yet to be concluded, we will be able to make a decision on whether to include this early next year before the selected consultant depending on whether the reforms will have concluded



Methodological Requirements

IDH expects the consultants to take theory-based evaluation as the overall evaluation approach. The baseline should be the starting point for the methodological design, to ensure consistency between the baseline, midline and endline. We expect a mixed methods approach using both qualitative and quantitative research using complementary data from IPs projects monitoring, which is linked to the evaluation objectives.

The design of the baseline of the Coffee Farmer Income Resilience program

In 2021, IDH commissioned the baseline study for the CFIRP in Kenya and Uganda. The evaluators took a theory-based evaluation approach, following the principles of contribution analysis. The mixed-methods design consisted of the following:

- a. A survey among 474 coffee farmers (238 in Kenya and 236 in Uganda)
- b. 15 focus group discussions
- c. 232 soil health tests (113 in Kenya and 119 in Uganda)
- d. 49 key informant interviews with sector stakeholders
- e. Use of comparison groups (a proxy for a counterfactual):
 - a. 200 shortened surveys with coffee farmers
 - b. Focus group discussions with coffee farmers

The full outline of the baseline methodology can be found in the evaluation report, which is available on IDH's website.

In addition to the baseline, the following documents give insight in the baseline situation:

- a. IDH conducted a service delivery model (SDM) analysis for each of the program Implementing partners.
- b. A deep dive on regenerative agriculture systems in Kenya and Uganda.

These documents will be shared with the consultant during the inception phase.

The midline should be designed in such a way that it allows for comparison with the baseline study. IDH encourages the consultants to propose a design that best allows for reaching the evaluation objectives and answering the evaluation questions. Based on the lessons from the baseline, IDH suggests the consultants to include at least the following as part of the methodology:

1. Household surveys among a representative sample of coffee farmers. Where possible, these should be the same households that were surveyed during baseline survey to allow for time-series analysis. IDH foresees two challenges: 1) one partner did not participate in the baseline survey; 2) one partner made adjustments in the target group for program activities after the baseline data-collection took place. The data for these households for baseline survey is available and IDH expects the consultants to review this to assess the possibility for follow-up with the same respondents during the inception phase.
2. Use of monitoring data from the partners: the six implementing partners have invested in data systems with farm level data, for instance on adoption of regenerative agriculture practices, yield and in some cases soil health. The data that is available may vary per partner. IDH expects the consultant to review and use this monitoring data.
3. Similar to the baseline, Focus Group Discussions (FGDs) with coffee farmers, and Key Informant Interviews (KIIs) with sector stakeholders and program staff should complement the quantitative analysis of farm level data. Additionally, program documents and studies, such as on farmer inclusion, are available for the consultants to review.



4. IDH expects the consultants to develop a methodology to assess progress on the outcomes on soil health, in line with the baseline design. Although soil testing was done during the baseline, this is not a requirement for the midline. The consultants can use proxies for soil health change, such as a visual assessment, farmer perceptions and adoption of practices.
5. The use of comparison groups is not a requirement for the midline.

Deliverables

Deliverables of the Assignment	Deadline
Kick-off meeting	26 th February, 2024
<p>Inception report with the following details:</p> <ul style="list-style-type: none"> • Inception report outlining the scope and approach of the assignment clearly outlining timelines, process, and research design, including detailed data collection methodology, sampling strategy, evaluation matrix, evaluation tools, fieldwork plan, data analysis plan and outline of the evaluation report. • The inception report needs to be approved by IDH. 	21 st March, 2024
<p>One comprehensive draft report (max. 50 pages) including the following as minimum:</p> <ul style="list-style-type: none"> • Executive summary • Introduction and background description of the project and context relevant to the evaluation • Evaluation methodology and limitations • Findings aligned to each of the key evaluation questions • Conclusions outlining implications of the findings • Recommendations • Annexes detailing data analysis, raw data, and list of stakeholders consulted <p>The draft report will be presented as a pre-read ahead of IDH-Consultant virtual review.</p>	16 th May 2024
<p>One well-organized final narrative mid-term assessment report incorporating changes requested in draft review.</p> <ul style="list-style-type: none"> • Executive summary • Introduction and background description of the project and context relevant to the evaluation • Evaluation methodology and limitations • Findings aligned to each of the key evaluation questions • Conclusions outlining implications of the findings • Recommendations <p>Annexes detailing data analysis, raw data, and list of stakeholders consulted</p>	27 th May 2024



Abstract and power point presentation (including design of publishable format) of the midterm assessment results for dissemination to stakeholders.	27 th May 2024
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4. Selection Procedure

The procedure will be as follows:

1. Publishing the tender and inviting services providers to submit a proposal based on this ToR.
2. Option to submit questions regarding the assignment and the ToR. Questions will be answered via an information notice that will be shared with all consultants that indicated their interest in the assignment or submitted questions.
3. Evaluation of the proposals by the evaluation committee. The evaluation committee will evaluate the proposals based on the selection criteria as published in this ToR.
4. If deemed necessary, the service providers of the best proposals can be invited to do a pitch for the evaluation committee. This ranking will be made according to the scoring on the selection criteria.
5. Decision on selection of the service provider.
6. Inception meeting with the selected service provider.

The schedule below indicates the timelines for the tender procedure:

Tender Process	Timeline
ToR published	1 th December 2023
Closing date questions*	14 th December 2023
Publication of information notice	20 th December 2023
Deadline for submission of proposals**	11 th January 2024
Team pitch***	23 rd January 2024
Selection of Service provider	30 th January 2024
Start of assignment	26 th February 2024

* Questions received by IDH after this date will not be answered.

** Proposals submitted after the deadline will be returned and will not be considered in the tender procedure.

*** IDH may request shortlisted Service providers to a pitch session at the IDH HQ in Utrecht, Netherlands or via video conference.

After the deadline to submit a proposal has passed, the evaluation committee will evaluate the proposals.

The proposals will first be tested for completeness:

- The absence of the documents referred to in Section 5 of this document can lead to exclusion from further participation in the tender procedure. This is also the case when minimum requirements listed in this ToR are not met.



- If the proposal is complete, the selection committee will evaluate the proposal based on the criterion as mentioned in Section 5.

The assignment will be awarded to the service provider with the most economically advantageous tender. This is determined based on the evaluation criteria price and quality.

IDH will reject the proposal if any illegal or corrupt practices have taken place in connection with the award or the tender procedure.

Questions

Questions regarding the assignment or the ToR can be submitted until **14th December 2023, 17.00 EAT** by e-mail to kamakia@idhtrade.org copied to wefers@idhtrade.org. With the express mention: "Questions tender Mid-term Evaluation study for Coffee Farmer Income Resilience Program".

Questions must be submitted in the English language and using the Template Question Form, attached to this ToR as Annex 2. The submitted questions will be grouped, anonymized, and combined in an information notice. This notice will be sent to all consultants in a reply to the e-mail in which the questions were submitted.

The responsibility for the timely and accurate submission of the questions lies with the service provider. When IDH indicates that questions have not been received by IDH before the indicated deadline, the service provider must demonstrate that the questions were sent timely.

5. Proposal requirements

IDH is requesting the service providers to hand in a proposal of maximum 15 pages (excluding company biographies, CVs, sample work and references). The proposal must be handed in a MS Word or PowerPoint version next to a PDF submission to facilitate any copy-and-pasting of content that we may need during evaluation.

The proposal must at least include:

5.1. Content:

- A succinct, well-documented approach addressing the requirements set out in this ToR, including a reflection on the ToR, evaluation design, methodology, sampling approach, limitations, and risks. We request that the proposal structure match the selection criteria as closely as possible
- Maximum of three client references and a sample of previous work relevant to the deliverables in this ToR.
- An overview of the project team, including the CVs of the project team members
- Budget presented in Euros (ex VAT) inclusive of all travel and other expenses, with a breakdown of days/rate per project team member
- Statement on Ground for exclusion (see section 6 below)

5.2. Service Provider Profile:

- Expertise on designing (mid-term) evaluations and a proven track record on conducting evaluations.
- Experience with quantitative data-collection (farm household survey), in Kenya and Uganda.
- Experience with facilitating focus group discussions and key informant interviews and desk reviews.
- Expertise on quantitative and qualitative data-analysis and mixed method approaches.



- Staff available in Kenya and Uganda or the ability to quickly find reliable enumerators that understand the context and sensitivities in both countries and can communicate in local languages in areas where the midterm survey will be conducted.
- Experience in working with (coffee)smallholders.
- Experience in doing both income and environmental assessments, including regenerative agriculture (see approaches), or willingness to work with a partner in data gathering and analysis to ensure one overall outcome.
- Neutral and trusted.
- Ability and experience in presenting research findings in an accessible manner.
- Appropriate cost-effective budget

5.3. Administrative:

- a. Completed detail request form (Annex 3)
- b. Copy of most recent (audited) financial accounts
- c. Statement of acceptance draft contract (Annex 6)

The proposal must be submitted to James Kamakia at kamakia@idhtrade.org with copy to wefers@idhtrade.org before **11th January 2023 at 17.00 EAT**.

6. **Testing and weighing**

The assignment will be awarded to the service provider with the most economically advantageous tender. The most economically advantageous tender is determined on the basis of the evaluation criteria of price and quality.

Grounds for exclusion

1. Service providers shall be excluded from participation in this tender procedure if:
 - a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
 - c) they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
 - d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, or with those of the Netherlands or those of the country where the contract is to be performed;
 - e) they or persons having powers of representation, decision making of control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity.

Service providers must confirm in writing that they are not in one of the situations as listed above.



2. Service providers shall not make use of child labor or forced labor and/or practice discrimination and they shall respect the right to freedom of association and the right to organize and engage in collective bargaining, in accordance with the core conventions of the International Labor Organization (ILO).

Scoring and weighing

The evaluation criteria are compared and weighed according to the procedure below. This concerns a general outline of the scoring methodology and an explanation how the service provider can demonstrate compliance with the requirements.

Step 1 - Criterion Quality

Evaluation scores will be awarded for each of the components. The evaluation committee will score each component unanimously.

The proposal will be assessed based on the following selection criteria:

Component	Criteria	Max. Grading
1 Proposal overall	The extent to which the proposal meets the requirements set out in Sections 3 and 5 above and throughout this document. The extent to which the proposal demonstrates a coherent understanding and compliance with this ToR and suggests a reasonable approach to a comprehensive solution. Can the Service provider deliver all required deliverables?	5
2 Design and Development process	<p>The extent to which the service provider demonstrates that a clear design and development process will be strictly followed as per methodological and deliverables sections of this document (sections 2 and 3) and IDH is adequately consulted for input during the design and development.</p> <p>The extent to which it is clear what is required of IDH in terms of human resources, digital assets and other input to deliver the project without being too onerous on our staff</p>	5
3 Track record	<p>The extent to which the service provider presents the required level of expertise and knowledge to fulfil the requirements both at team member and company level. As per section 5 of this document.</p> <p>To extent to which the service providers gives a clear description of the project team, relevant (delivering similar projects) experience of team members and time allocation per team member.</p>	5



The evaluation committee will unanimously score each component by assigning scores from 1 to the maximum grading, with the maximum grading representing optimal performance on the component and 1 representing extremely poor performance on the respective component.

Step 2 - Criterion price

A combined price in Euros (ex VAT) is to be presented, inclusive all of travel and other expenses. This is to be broken down by team member rate and hours. An additional budget for the delivery and/or extension of the assignment may be considered.

The criterion of assessment is “the best price for the proposed level of quality” with a maximum grading of 5.

Step 3 - Weighting

The final score will be weighted 70% on Quality and 30% on Price.

If scores of service providers are equal, priority will be based on the total scores that were given for the Criterion Quality. The assignment will be awarded to the service provider that has received the highest score for the Criterion Quality. If the evaluation of the Criterion Quality does not lead to a distinction, the score for the component “Proposal overall” will be decisive. If this does not lead to a distinction, the ranking will be determined by the drawing of lots.

Award

Once IDH has decided to which Service provider it intends to award the assignment, a written notification thereof is sent to all Service providers participating in the tender procedure. The Service provider is contracted via a letter of assignment, following IDH's template (Annex 4).

7. Communication and Confidentiality

The Service provider will ensure that all its contacts with IDH, with regards to the tender, during the tender procedure take place exclusively in writing by e-mail to James Gitonga Kamakia via kamakia@idhtrade.org. The Service provider is thus explicitly prohibited, to prevent discrimination of the other Service providers and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of IDH than the person stated in the first sentence of this paragraph.

The documents provided by or on behalf of IDH will be handled confidentiality. The Service provider will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the Service provider or its engaged third parties will give IDH grounds for exclusion of the Service provider, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the Service providers will be handled with due care and confidentiality by IDH. The provided information will after evaluation by IDH be filed as confidential. The provided information will not be returned to the Service provider.

8. Disclaimer

IDH reserves the right to update, change, extend, postpone, withdraw, or suspend the ToR, this tender procedure, or any decision regarding the selection or contract award. IDH is not obliged in this tender procedure to make a contract award decision or to conclude a contract with a participant.

Participants in the tender procedure cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.



By handing in a proposal, participants accept all terms and reservations made in this ToR, and subsequent information and documentation in this tender procedure.

9. Annexes

Annex 1: Theory of Change CFIRP

Annex 2: Template Question Form

Annex 3: Detail Request Form

Annex 4: Letter of Assignment

Annex 5: IDH General Terms and Conditions for Services

Annex 6: Statement of Acceptance Draft Contract