# KYRGYZ REPUBLIC

# AGRICULTURAL PROJECT IMPLEMENTATION UNIT

**TERMS OF REFERENCE**

**Agrobusiness Development Specialist**

**for the Climate Resilient Agricultural Value Chains Development Project (CRAVCD)**

1. **Project background information**

The Ministry of Water Resources, Agriculture and Processing Industry of the Kyrgyz Republic established the Agricultural Project Implementation Unit (APIU) to coordinate, manage and implement agricultural projects and any other future projects that receive financial support from the Asian Development Bank (ADB) and other donors.

 Approved by the Asian Development Bank (ADB) Board of Directors on December 6, 2023, the Climate Resilient Agricultural Value Chains Development Project (Project) aims to improve household and national food security through resilient, climate-adapted value chains.

The Law of the Kyrgyz Republic “On Ratification of Agreements on Financing the CRAVCD between the Kyrgyz Republic and ADB, signed on December 13, 2023 in Bishkek dated June 27, 2024 No. 109 was issued.

 State policy in agriculture is aimed at ensuring food security and stimulating the development of medium and large processing complexes, logistics centers for exporting products to foreign markets and comprehensive support for companies with the highest export potential, by providing access to long-term and cheap credit resources, and trade information. The strategic goal of reforms in the agricultural sector is to ensure food security, develop sustainable agriculture and create conditions for the development of clusters in the production and processing of agricultural products. These country development priorities are included in the National Development Program of the Kyrgyz Republic until 2026, approved by Decree of the President of the Kyrgyz Republic dated October 12, 2021 No. 435.

 The CRAVCD VC, financed by the Asian Development Bank, focuses on poverty reduction by increasing rural productivity and creating income-generating activities.

 The main result of the proposed project will be an increase in the supply of fresh and processed fruits and vegetables to domestic and international markets.

 The CRAVCD VC will have two outcomes: (i) increased lending from participating financial institutions (banks) to support the development of horticultural value chains and (ii) strengthened horticultural value chains.

 Executive agency is the Ministry of Water Resources, Agriculture and Processing Industry of the Kyrgyz Republic (MWRAPI KR).

 Implementing agency is the Agricultural Projects Implementation Unit of the MWRAPI KR.

 Open Joint Stock Company "Aiyl Bank" as a participating financial institution (bank) will finance agribusinesses at the national level.

 The goal of the project is to increase the supply of fresh and processed fruits and vegetables to domestic and international markets, increase the export potential of the Kyrgyz Republic, as well as create income-generating jobs in the horticulture sector.

The project consists of two main components:

**Component 1:** Financing by Participating Financial Institutions (PFIs) of Eligible Sub-Projects by providing sub-loans to Eligible Sub-borrowers in accordance with this Loan and Grant Agreement and the Project Agreements,

**Component 2:**(i) Strengthening horticulture value chains through contract farming agreements between farmers and processors and/or exporters, promoting climate-smart agronomic and processing practices to reduce losses, training women owners and/or managers in management business and entrepreneurship, as well as the implementation of measures to promote cross-border trade in Kyrgyz agricultural products; and (ii) support for project implementation by the PIU, including through improved project management, monitoring and reporting, and strengthening the capacity of PFIs to develop and implement horticulture finance policies, procedures and loan products, provide staff training in horticulture subsector lending, conduct activities to reach clients to increase their awareness of PFIs' products and services, and strengthen the capacity of PFIs to develop an appropriate Environmental and Social Management System ESMS.

**2. Goals and objectives**

The project aims to develop activities that increase productivity and supply of fresh and processed horticultural products to domestic and international markets.

The project objective is to improve food security through sustainable horticulture value chains adapted to climate change.

1. **Scope of work and responsibilities**
2. Conduct a literature review to determine the number of small and medium enterprises operating in the country's horticulture sector;
3. Conduct business familiarization with the project objectives in specific areas in cooperation with PFIs located in that area;
4. INTERNAL. This information is accessible to ADB Management and Staff. It may be shared outside ADB with appropriate permission.
5. In close cooperation with the PFI, develop preliminary loan application forms that provide the PFI with the necessary information to facilitate the consideration of loan applications;
6. Create and maintain a network with value chain operators involved in the project implementation;
7. Assist value chain operators in assessing market opportunities and identifying potential investments to facilitate their access to target markets;
8. In close cooperation with other specialists of the MWRAPI, identify incentives for the necessary aspects of the business of value chain operators in horticulture, test them and disseminate information on successful cases for further expansion;
9. Provide training topics for business development and improved financial management;
10. Collect data to support project achievements, which will be recorded in the project's monitoring and evaluation system. Conduct a review of existing marketing practices for the selected fruit and vegetable products, identifying areas of interest to both parties – the producer and the buyer;
11. Conduct a focus group discussion on the benefits of contract manufacturing of priority products identified by borrowers under the project's credit line;
12. Based on field discussions with farmers and value chain operators, propose contractual supply mechanisms between the parties and discuss these concepts with stakeholders;
13. Develop preliminary contracts suitable for use in the project target areas for priority horticultural crops and present them to both parties for discussion;
14. Pilot contracts in three representative locations/cultures and evaluate effectiveness from both sides' perspectives, noting areas where modifications are needed;
15. In close cooperation with other specialists of the APIU, identify incentives for fruit and vegetable producers and value chain operators to enter into long-term supply contracts based on timely delivery and quality standards developed in the contracts;
16. Facilitate the widespread adoption of successful contracts initially within the target project area and expand coverage as opportunities arise;
17. Collect contract performance information, noting the proportion of products delivered under the contract and the specified quality. Submit this data to the monitoring and evaluation specialist for inclusion in the project monitoring system to assess the achievement of DMF indicators;
18. Carry out a ‘knowledge, attitude and practice’ survey of those participating in supply contracts to assess their suitability under local conditions;
19. Perform other tasks as directed by the Director of APIU and the CRAVCD Coordinator.
20. **Reporting and approval procedure**

Agrobusiness DevelopmentSpecialist will report to the Project Coordinator and the APIU Director, who will evaluate the performance of the Specialist's duties.

1. **Qualification requirements**

Agrobusiness DevelopmentSpecialist must have:

* A university degree in agricultural economics, accounting or related fields from a recognized institution.
* He/she should have 10 years of experience in SME development, obtained in the private sector, government programs or multilateral funded development programs.
* He/she should be able to demonstrate strong analytical skills in the areas of market analysis, feasibility studies for private investments and their financing.
* He/she should be able to demonstrate the establishment and/or support of successful farmer groups seeking to aggregate perishable produce and supply value chain operators for processing or sale/distribution.
* He/she should be familiar with quality requirements in contract farming and the methods used to provide price incentives to achieve the desired product quality in a timely manner.
* The specialist should have developed similar contract supply agreements used in other Central Asian countries. Report writing and communication with the APIU Officers will be done in Russian and Kyrgyz, fluency in which is assumed.
1. **Work period**

The work period of the position will initially be 12 months, with the possibility of extension by mutual agreement of the two parties, with a probationary period of two months.