



**KANO STATE PROJECT IMPLEMENTATION
UNIT
OF
SPECIAL AGRO-INDUSRIAL PROCESSING
ZONES PROGRAMME**

REFERENCE NO:



TERMS OF REFERENCE (TOR) FOR VALUE CHAIN ANALYSIS FOR RICE, TOMATO, GROUNDNUT, AND SESAME IN KANO STATE

1. Introduction

The Federal Government of Nigeria has received a Facility from the African Development Bank (AfDB), International Fund for Agricultural Development (IFAD) and the Islamic Development Bank (IsDB) to finance the cost of the Special Agro-Industrial Processing Zones Program (SAPZ), and intends to apply part of the proceeds towards carrying out various consultancy services. The SAPZ Program is being implemented in the seven (7) States and the Federal Capital Territory (FCT). The States are Cross River, Imo, Kaduna, Kano, Kwara, Ogun and Oyo.

The overall development objective of the SAPZ programme is twofold: (1) Support the development of SAPZ in high food production areas to supply the domestic food market and create exportable surpluses; and (2) Capacitate smallholder farmers, small agro-processors and traders, and community-based service providers, including women and youth; to take advantage of the market demand created by the SAPZ to sustainably enhance their income, household food security and resilience to climate change.

The programme has four components namely:

➤ **Component 1:** Infrastructure Development and Management for Agro-Industrial Hubs (AIHs). Under this AfDB-led component, the programme will support the FGN in developing and setting up SAPZs in high potential states.

➤ **Component 2:** Agricultural Productivity, Production, Market Linkages and Value Addition in SAPZ Catchment Areas. Under this component, SAPZ's objective is threefold: (i) support smallholder farmers and small operators to increase their productivity/production and capacity to add value to raw materials on a profitable and environmentally sustainable basis; and (ii) link them to the additional market outlets offered by the Agro-Industrial Hubs (AIHs), off-takers supplying the local and national market who operate in the target area, and small processors/traders supplying the local markets, including primary processors operating in the Agricultural Transformation Centres (ATCs); iii) enhance the resilience and adaptive capacity of smallholder farmers to climate change..

➤ **Component 3:** Policy and Institutional Development Support. The objective of component 3 is to support the development of enabling policies, legislation, and regulation for SAPZs in Nigeria to create a conducive business environment for private sector investment and to address inefficiencies and market failures in agricultural value chains.

➤ **Component 4:** Programme Coordination and Management. This component will ensure that the programme is efficiently and effectively managed to achieve expected results.

This Terms of Reference (ToR) outlines the consultancy services required to conduct an in-depth value chain analysis of these four priority commodities across selected Local Government Areas (LGAs) in Kano State.

2. Objective of the Consultancy

The overall objective is to conduct a detailed value chain analysis that will:

- i. Map the value chains for rice, tomato, groundnut, and sesame, identifying key actors, functions, and linkages.
- ii. Assess production, processing, and marketing challenges faced by smallholder farmers and processors.
- iii. Identify constraints and opportunities for improving value addition, processing efficiency, and market access.
- iv. Evaluate the policy and institutional environment affecting value chain competitiveness.
- v. Provide actionable recommendations to strengthen value chain governance, market integration, and private sector participation.

3. Scope of Work

The consultant(s) will undertake the following tasks:

- A. Value Chain Mapping: Identify key actors in the value chains (producers, traders, processors, aggregators, input suppliers, exporters, etc.). Map the supply chain from farm to market, including transportation and storage infrastructure and assess the

role of cooperatives, farmer groups, and private sector players in the value chains.

- B. Production and Processing Analysis: Analyze current production systems for rice, tomato, groundnut, and sesame, including farm practices, input use, and mechanization levels, assess processing capacity and efficiency at different value chain stages (e.g., rice milling, tomato processing, oil extraction for groundnut and sesame) and identify key post-harvest losses and storage constraints.
- C. Market and Price Analysis: Assess local, national, and international market demand for each commodity, analyze price trends, price volatility, and factors influencing farm-gate prices and identify key buyers and market linkages, including processors, wholesalers, and exporters.
- D. Value Addition and Competitiveness: assess opportunities for product differentiation, branding, and quality improvement, identify barriers to entry for value-added processing (e.g., regulatory challenges, certification requirements, financing constraints) and evaluate Kano State's competitive position in these value chains compared to other producing regions.
- E. Recommendations and Action Plan: Develop specific, actionable recommendations to improve value chain efficiency, competitiveness, and market access, provide policy and investment recommendations for public and private sector engagement and identify potential areas for PPP (Public-Private Partnerships) interventions in the value chains.

4. Methodology

The assignment shall involve meetings and direct engagements of key value chain actors. This requires that the consultant travels around the selected 16 LGAs viz Kura, Bagwai, Dawakin Tofa, Bichi, Bebeji, Gezawa, Garun Mallam, Dambatta, Dawakin Kudu, Makoda, Kumbotso, Tofa, Gabasawa, Minjibir, Shanono and Gwarzo.

5. Deliverables

The consultant(s) shall deliver the following reports:

- i. Inception Report: Detailing the methodology, work plan, and timeline for the value chain analysis.
- ii. Draft Value Chain Analysis Report which shall consist of value chain mapping, production and processing analysis and market and price analysis.
- iii. Final Market Analysis Report: A comprehensive final report that includes all findings and recommendations, as well as an action plan for strengthening linkages and addressing identified barriers.

6. Consultancy Duration

The consultancy is expected to take ten weeks from the date of contract signing, with the following tentative timeline for deliverables:

- i. Inception Report: 2 weeks after contract signing.
- ii. Draft Value Chain Analysis Report: 8 weeks after contract signing.
- iii. Final Value Chain Analysis Report: 10 weeks after contract signing

7. Qualifications and Experience of Consultant(s)

The selected consultant or consulting firm must have:

- i. The lead consultant should have at least a Master's degree in Agricultural Economics, Agribusiness, Value Chain Development, Business Administration or Economics. Have at least 10 years of experience in value chain analysis, market systems development, or agribusiness consultancy. He/She must have strong knowledge of qualitative and quantitative research methodologies in value chain analysis and also proficiency in project management, stakeholder engagement and policy advisory.
- ii. The associate consultants should have academic qualifications or equivalent work experience in Agribusiness Development, Agricultural Economics, Extension and Marketing. He/She must possess at least 5 -8 years of experience in value chain analysis, market research or agribusiness development. Also, must possess proficiency in data analysis tools and have strong ability to conduct field research and stakeholder interviews.
- iii. Experience in conducting value chain studies in Nigeria, preferably in Kano or Northern Nigeria.
- iv. Strong knowledge of rice, tomato, groundnut, and sesame value chains.

- v. Experience working with government agencies, development partners, and agro-processing firms.
- vi. Excellent analytical, reporting, and stakeholder engagement skills.

The Evaluation Framework shall be Technical Capacity and Experience (40%), Qualifications of Key Personnel (25%), Approach and Methodology (20%) and Financial Proposal (15%)

8. Budget and Payment Terms

The budget for this consultancy will be agreed upon based on the consultant's proposal. Payments will be made in instalments upon the successful completion and approval of the following milestones:

- i. Milestone 1: Approval of Inception Report (25% of total fee).
- ii. Milestone 2: Approval of Value Chain Analysis Report (45% of total fee).
- iii. Milestone 5: Final approval of Value Chain Analysis Report (30% of total fee).

9 Responsibility of the Client (SAPZ KSPIU)

The SAPZ shall be responsible for the following:

- i. The State Rural Institutions Development Officer (SRIDO) shall be the Focal Person for the assignment.
- ii. SAPZ KSPIU shall allow the consultant access to past reports/documents that may be relevant to the assignment.

10 Responsibility of the Consultant

- i. The consultant shall be responsible for his/her accommodation and transportation expenses in the course of carrying out the assignment;
- ii. Bears cost of logistics (transport) for official movements for all staff related to this task;
- iii. Bear the cost of production of reports and related documents;
- iv. Bear the cost of all meetings and trainings.

- v. The Lead Consultant shall be the Focal Person of the assignment for the firm.

11 Procurement Method

The Procurement method for the consultancy is the Consultant Qualification Based Selection (CQS)

12 Reporting

The consultant shall report to the State Project Coordinator throughout the duration of the program. However, the State Rural Institutions Development Officer shall be the focal person.