

## Terms of Reference

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AGRICULTURE SERVICES PROGRAMME FOR INNOVATION,  
RESILIENCE AND EXTENSION (ASPIRE)

### **CONSULTING SERVICES**

For

**Study on Future Funding of Agriculture Extension Services**

Phnom Penh, June 2021



## 1. Background

The ASPIRE is a 7-year programme of the Royal Government of Cambodia. The programme became effective with the signing of the Financing Agreement between the Royal Government of Cambodia (RGC) and IFAD on 5th March 2015. The programme Implementation Date is June 2015 and was officially launched on 8-9 October 2015. The programme Completion Date is 31 March 2022 and the Financing Closing Date is 31 September 2022.

The overall development goal of the ASPIRE programme is to reduce poverty and to increase resilience of 144,000 poor and vulnerable smallholder farmers in Cambodia by increasing an average household agricultural production value by 20% and value of household assets by 25%. The development objective is to establish an “enhanced Cambodia model of agriculture services which is demonstrated as effective for assisting a diversity of smallholder farmers to contribute to broad-based economic growth through profitable and resilience farm businesses and is adopted as policy by 2021”.

The lead implementing agency of the ASPIRE programme is the Ministry of Agriculture Forestry and Fisheries (MAFF). The programme is divided into 4 components with multi-subcomponents. These components are; 1) Component 1: Evidence Based Policy Development; 2) Component 2: Capacity Development for Extension Services; 3) Component 3: Improved Extension Services and 4) Component 4: Infrastructures Supporting Climate Resilient Agriculture.

ASPIRE Component 3 is overseen and coordinated by the Programme Budget task force, jointly led by MAFF Department of Planning and Statistics (DPS) and Department of Accounting and Finance (DAF). Sub-programmes are implemented by Provincial Departments of Agriculture, Forestry and Fisheries (PDAFF) in 24 Provinces. Through the Programme Budgets of the PDAFF, ASPIRE funds extension services to Cambodia’s smallholder farmers to develop their farms into resilient and profitable businesses. DPS and DAF also conduct policy studies under ASPIRE Component 1.

ASPIRE Component 2 is managed by the Department of Extension for Agriculture, Forestry and Fisheries (DEAFF) and the General Directorate of Agriculture (GDA). In particular, ASPIRE supports implementation of the Policy on Agriculture Extension in Cambodia (PAEC).

In line with the PAEC, ASPIRE supports extension services that are demand-driven, diverse and pluralistic. ASPIRE Provincial Sub-Programmes support five broad models of extension service delivery: (1) direct service delivery by PDAFF staff; (2) service delivery by contracted service providers; (3) public-private partnerships; (4) support to agriculture cooperatives and (5) farmer-to-farmer learning.

With the current phase of ASPIRE due to end in 2022, MAFF intends to conduct a review of the future funding of extension services in Cambodia, taking account of lessons learned from ASPIRE. Therefore, DPS and DAF will conduct a Study on Future Funding of Agriculture Extension Services, with the intention of completing the study by the end of 2021.

For the purposes of this study, “agriculture extension services” is taken to mean advice and technical assistance to farmers to encourage adoption of improved technologies and practices in the production and marketing of crops, livestock and aquaculture products. It does not cover services related to wild capture fisheries or to conservation and management of natural forests.

## 2. Rationale

Agriculture productivity linking to markets is a key point to add value to farmer revenue; for supporting this case, agriculture extension services play a key role to disseminate technology of agriculture sciences, good agriculture practices including climate resilience and sustainable resource management and linkage to market. Extension services are diverse and include services funded by central government (using budget revenues and assistance from development partners) but may also be funded by non-profit organisations, by the private sector or by farmers themselves. The amount and type of funding for extension services is linked to policy objectives which include improving the livelihoods of poor, near-poor and vulnerable smallholder farmers. MAFF (DPS/DAF) intend to conduct a study of the future funding of extension services from all sources, and to develop recommendations to maximise the effectiveness of extension services in relation to RGC's broad policy objectives for the agriculture sector.

The study will be carried out through wide-ranging consultation with all relevant stakeholders. As defined in the PAEC, these stakeholders include MAFF and PDAFFs, other Government agencies and sub-national governments, development partners, NGOs, research and educational institutions, input suppliers, private companies, community-based organisations (CBOs), farmers, farmer promoters, farmer cooperatives, consultants/agriculture agents and possibly religious institutions.

As concerned, MAFF/ASPIRE program had conducted the Review of Agriculture Extension Policy in Cambodia last year (2020) found several challenges on limited budget to provide extension services for smallholder farmers in Cambodia. The review also identified some general recommendations to address the issues of limited resources due to increasing extension services for livestock, forestry, and fisheries sub-sectors. [Add to this, poor linkage financial management reports between budget entities and financial managing entity<sup>1</sup> in term of implementing the program budget in the MAFF.](#)

[DAF, which oversees the management of public financial flow for MAFF, endeavors to ensure compliance of the agriculture fund flow and management. It is currently intending to develop an outline of MAFF financial management manual for internal use, especially in support of future funding for agriculture extension services in Cambodia.](#)

The study term of reference (ToR) is prepared to contract the services of a consulting firm to conduct the study of future funding of agriculture extension services and prepare the report including policy recommendations for RGC, development partners and other stakeholders; [and to conduct desk assessment of MAFF's public financial management to notify fund flow on agriculture extension services in subsectors expenditure; such as crop, livestock, aquaculture and agriculture education subsectors and then prepare an outline for input to public financial management manual<sup>2</sup> for MAFF \(PFMM/MAFF\) internal use.](#)

The consulting firm's main activities also will include the collection of information on current funding modalities which will provide a guidance policy direction for better future funding of extension services in Cambodia agriculture sector.

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<sup>1</sup> Article 5 of the Prkas No. 1282 MEF, dated October 27, 2016 issued by Ministry of Economic and Finance

<sup>2</sup> MAFF intend to develop PFMM/MAFF by year 2022 in accordance to the RGC Public Financial Management Reform Program at phase 3 plus 2 or CAP3+2/MAP3+2.

### 3. Objective of the Study

This study is intended to achieve 3 key objectives:

- (1) Review current funding of agriculture extension services from all sources (including RGC budget, private sector, development partners, civil society organisations and farmers). Estimate the amount of funding of each type and how well the funding contributes to the achievement of RGC's policy objectives<sup>3</sup>;
- (2) Estimate expected future trends in each type of extension funding.
- (3) Present policy recommendations to maximize the effectiveness of extension funding from all funding types.

The consulting firm will work under the supervision of the ASPIRE Programme Budget task force Manager and DPS Director. The consulting firm will work in close collaboration with the ASPIRE Programme Budget Coordinator. The consulting firm will cooperate and consult with a wide range of stakeholders and experts to gather information and prepare the draft and final reports for ASPIRE PB task force management.

The report will be prepared by showing evidence-based information and data collection through field works, meetings, discussions and consultations with all related stakeholders including government institutions, development partners, and private sectors and farmers.

### 4. Tasks of Study

The consulting firm will carry out the following specific tasks;

- a) Study and understand the PAEC. Study and understand the Programme Budget funding model for extension services used in ASPIRE. Collect and study available reports and data on funding of agriculture extension services in Cambodia in the past 5 – 10 years.
- b) Develop a typology of different funding sources for extension services. The typology is likely to include, but may not be limited to, the following types:
  - RGC budget funding through the Department of Agriculture Extension and other national Directorates / Departments of MAFF.
  - RGC budget funding through the Provincial Departments of Agriculture, Forests and Fisheries.
  - Development partner financing of agriculture extension services.
  - Civil Society Organisation / Non-Governmental Organisation funding of agriculture extension services.
  - Private sector extension services provided free to farmers to support marketing of inputs or to ensure a supply of quality produce (e.g., in contract farming schemes);

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<sup>3</sup> Policy objectives is taken to include, but not be limited to, increasing agriculture productivity, promoting climate resilience and sustainability, promoting Good Agriculture Practices (GAP), improving the livelihoods of poor and near-poor or vulnerable small farmers, and meeting the policy objectives of the Policy on Agriculture Extension in Cambodia (PAEC).

- Extension services provided for payment by the farmer.  
For each type identify and characterize the delivery mechanism for last-mile service / outreach to farmers / farmers organizations (groups, cooperatives): who are the front-line staff involved in service delivery to farmer.
- c) Draft an appropriate methodology for primary data collection and develop data collection tools (e.g. research study methodology, interviews with stakeholders, key informant interviews) in order to collect the following information for each type of funding according to the typology:
- The total size / amount of funding of each type.
  - The main agriculture commodities supported by each type of funding (e.g., rice, horticulture, livestock etc);
  - The type of farmers who benefit from each type of funding (e.g., large commercial farmers, small farmers, cooperatives, etc);
  - The extent to which smallholder farmers benefit from each type of extension funding.
  - If available estimate costs of service delivery in each case and cost-benefit analysis of extension / advisory service delivery
  - Inclusiveness of extension services: what are the mechanisms that could ensure extension services are accessed and made affordable for vulnerable farmers (women, poor households, etc.)
  - What are the feedback mechanisms: what are the channels through which extension services customers (farmers) can provide feedback on the services they receive and ensure feedback loop for further improvement of the service?
  - The likely future trend in funding amount (will funding of this type of increase, stay the same or decrease in the future)?
- d) Present an Inception Report detailing initial desk research findings, the typology of extension funding and the proposed research methodology. Discuss the Inception Report with stakeholders and refine the research methodology based on comments received. Finalise the Inception Report based on approval of MAFF management.
- e) Conduct the research and data collection based on the agreed methodology. Research should include consultations with stakeholders including Ministry of Economy and Finance, MAFF, PDAFFs, DPs, private sector, CSOs, cooperatives and farmers. Consultations with farmers will be arranged through the Business Cluster groups supported by ASPIRE. Consultations with farmers should include an assessment of the efficiency and effectiveness of extension services they received.
- f) [Assessment on public financial management within MAFF for notify fund flow on agriculture extension services and prepare an outline MAFF public financial management manual for internal use and especially support for future funding of agriculture extension services of in Cambodia;](#)
- g) Based on confirmed data, materials and other information collected, conduct thorough data analysis and develop recommendations for a future policy approach that can integrate the different types of agriculture extension funding to maximize effectiveness in boosting agriculture productivity, promote adoption of Good Agriculture Practices (GAP) and achieve the policy objectives of the PAEC.

- h) Prepare the summary report on key findings with the institutions which the study was conducted and the recommendation for future funding of agriculture extensions services. Present the summary report for the ASPIRE PB task team, DPS Director, and DEAFF Director for additional comments and inputs;
- i) Coordinate with the ASPIRE PB task team, DPS Director, and DEAFF Director to conduct consultations with relevant stakeholders on (1) preliminary result findings to get additional comments and inputs (2) finalize the report on Future Funding Approach for Agriculture Extension Services.

The consulting firm is required to produce all reports and make presentations in both languages: Khmer and English.

## 5. Deliverable Outputs

The consulting firm must deliver the outputs and follow the time schedule as below:

| Outputs # | Deliverable Outputs  | Estimated time required | % of deliverable outputs |
|-----------|--|-------------------------|--------------------------|
| 01        | Inception report demonstrating satisfactory completion of tasks (a), (b), (c) and (d)            | 6 weeks                 | 25%                      |
| 02        | Research findings presented to MAFF in summary form on completion of task (e)                    | 8 weeks                 | 25%                      |
| 03        | Draft report including recommendations presented to MAFF on completion of tasks (f), (g) and (h) | 4 weeks                 | 25%                      |
| 04        | Final report integrating the findings of stakeholder consultations on the draft                  | 6 weeks                 | 25%                      |

## 6. Consulting Firm's Staff

The Consulting Firm will deploy staff including a Team Leader / Agriculture Extension Policy Expert and a Public Financial Management Expert. Other professional and support staff to be deployed by the Consulting Firm will be specified in the Consulting Firm's proposal.

The **Team Leader / Agriculture Extension Policy Expert** will report directly to the Programme Budget task force (DPS/DAF). He or she will be responsible to develop the research methodology, organise and oversee research and data collection and develop policy recommendations. He or she will have a post-graduate degree in a relevant subject and at least 12 years' professional experience in agriculture development in least developed or lower-middle income countries, preferably in the Southeast Asia region. He or she will have substantial experience in providing consulting services in agricultural research studies, agricultural sector analysis related to issues, challenges, technology innovation, productivity and opportunities for developing the agriculture sector including the preparation of policy framework and project monitoring and recommendations.

The **Public Financial Management Expert** will be responsible to study and analyse the amount, type and policy impacts of current funding for extension services, primarily (though not exclusively)



within MAFF and the PDAFFs. He or she will have a post-graduate degree in a relevant topic and at least seven year-professional experience in public financial management reform in least developed or lower-middle income countries, preferably including previous experience in the Southeast Asia region.

Additional desirable qualifications of the Consulting Firms staff include:

- ✓ Good communication with the Government institutions, relevant agriculture researchers, and other stakeholders who worked in support to improve agriculture sector.
- ✓ Understanding and knowledge of current agriculture practices as well as technology innovation in Cambodia and other countries in regions will be an asset.
- ✓ Demonstrated publications record, covering research, technical, and policy areas.
- ✓ Excellent networking skills with private and public sector institutions.
- ✓ Excellent analytical of agriculture and communication skills in both English and Khmer languages.

#### **7. Criteria for the Consulting Firm**

- ✓ Consulting Firm must be registered in Cambodia for at least 05 years;
- ✓ Consulting Firm should have demonstrated financial soundness system and knowledge of Cambodian Public Financial Management Reform Programme;
- ✓ Consulting Firm must have its own office in Cambodia.

#### **8. Working location and travel arrangement**

- ✓ The Consulting Firm will work at its own office and be responsible for travel arrangement of the team; but will be expected to consult widely with other stakeholders.

#### **9. Application Process**

Eligible Consulting Firms which have the above qualifications, experiences, competencies and criteria are invited to prepare their letter of interest and detailed Consulting Firm background and submit to ASPIRE Secretariat in Ministry of Agriculture, Forestry and Fisheries by ..... 2021.