



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

**TERMS OF REFERENCE**

**FOR THE PROVISION OF LONG-TERM SERVICES  
RELATING TO THE DEVELOPMENT OF INTEGRATED AGRO-FOOD PARKS**

**DATE: 16 MAY 2024**

## SECTION 1

### **Organizational Context**

The United Nations Industrial Development Organization (UNIDO) is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability. The mission of UNIDO, as described in the Lima Declaration adopted at the fifteenth session of the UNIDO General Conference in 2013, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States. The relevance of ISID as an integrated approach to all three pillars of sustainable development is recognized by the 2030 Agenda for Sustainable Development and the related Sustainable Development Goals (SDGs), which will frame United Nations and country efforts towards sustainable development in the next fifteen years. UNIDO's mandate is fully recognized in SDG-9, which calls to "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation". The relevance of ISID, however, applies in greater or lesser extent to all SDGs. Accordingly, the Organization's programmatic focus is structured in four strategic priorities: Creating shared prosperity; Advancing economic competitiveness; Safeguarding the environment; and Strengthening knowledge and institutions.

Each of these programmatic fields of activity contains a number of individual programmes, which are implemented in a holistic manner to achieve effective outcomes and impacts through UNIDO's four enabling functions: (i) technical cooperation; (ii) analytical and research functions and policy advisory services; (iii) normative functions and standards and quality-related activities; and (iv) convening and partnerships for knowledge transfer, networking and industrial cooperation. Such core functions are carried out in Departments/Offices in its Headquarters, Regional Offices and Hubs and Country Offices.

Bidders are encouraged to familiarize themselves with typical UNIDO operations through [www.unido.org](http://www.unido.org) and UNIDO's Open Data platform containing all ongoing technical cooperation projects, on <https://open.unido.org>

### **Background**

Global agricultural supply chains are changing rapidly, yet developing countries still lag behind in terms of agricultural output and other key productivity measures. Achieving the Sustainable Development Goals, including Goal 1 on no poverty, Goal 2 on zero hunger, and Goal 8 on decent work and economic growth, will require the transformation of the agribusiness sector in developing countries. This transformation includes solutions for inadequate infrastructure, poor connectivity and integration of farmers with supply chains, and to respond to changing consumer demand created by an increasing global population and a shift in consumption behaviour.

While there has been a broad decline in poverty worldwide, both extreme and moderate poverty remain primarily rural, with 75 per cent of the world's poor living in rural areas where productivity is low, local economic activity is inadequately diversified, unemployment rates are high and jobs are insecure. Rural poverty has usually been reduced in contexts of rapid economic growth. However, it has persisted where policies failed to improve agro-industrial productivity and rural infrastructure as well as providing rural populations with access to social services. Integrated agro-food parks (IAFPs) are

proving a successful model to develop a robust agribusiness sector and tackle the sustainable economic transformation challenges facing many developing countries today.

The IAFP, a form of industrial park and sub-set of special economic zone, is increasingly viewed around the world today as a tool to support the growth of a robust agro-industrial sector. The United Nations Industrial Development Organization (UNIDO) defines IAFPs as “an agribusiness development corridor integrating value chain actors with high-quality infrastructure, utilities, logistics and specialized facilities and services to create economies of scale for sustainable market-driven agribusiness development and rural transformation. IAFPs also seek to generate spillover and multiplier effects in surrounding rural populations” (UNIDO, 2019). IAFPs typically comprise three distinct yet integrated components: agro-processing hub; rural transformation centres; and collection centres.

IAFPs function on a hub and spoke model where a central processing hub (also known as an agro-processing hub) is supplied by rural transformation centres. Agricultural inputs and knowledge flow out from the processing hub to the RTCs, and raw agricultural materials to specified standards flow back into the processing hubs. In this manner, smallholder farmers are integrated with regional and global value chains, addressing rural development, while providing agro-industries with the raw materials needed to grow.

Agro-processing hubs (APHs) are centrally managed clusters of agro-industrial and allied firms grouped to gain economies of scale and positive externalities by sharing utilities, common and specialized infrastructure, and taking advantage of opportunities for bulk purchasing and selling, and also business services. Multiple functions take place in APHs, such as final processing, storage, packaging, marketing and distribution. The APHs house purpose-built shared facilities to enable processors and distributors to operate in the same location, thus reducing transaction costs and sharing services for increased productivity and competitiveness. APHs are supported by adequate infrastructure, logistics and specialized facilities and services required for agro-industrial activities (including electricity, water, cold chain facilities, laboratory and certification services, business services, ICT and waste treatment, among others).

The second component is the rural transformation centre (RTC). Each APH is served by a network of such centres, which link producers to the agro-industries at APHs. Each centre comprises a physical complex of facilities that serves as an aggregation point where agricultural produce from farming communities or collection centres is collected, sorted, stored and may undergo primary processing (according to product-specific need), before onward transport to the APH, or direct marketing to consumers (as may be the case for fresh fruits and vegetables). Beyond their primary functions, rural transformation centres also provide farmers with microfinance services, market information and extension services, along with training and other social amenities such as health care services. Rural transformation centres serve as both primary processing hubs and storage points, and as centres for capacity-building, knowledge dissemination, market intelligence and other rural services. For most producers, the centres are the main point of contact with commercial agricultural value chains.

Collection centres, the third component, are located in villages close to the source of production, within feeder catchment zones, to ensure a steady supply of raw materials to regional transformation centres and APHs. Such centres are village-level small-scale aggregation points with basic infrastructure used to consolidate produce from large numbers of small-scale suppliers.

The three components together can cover thousands of hectares surrounding the APH, and the wider catchment area, sometimes called an agro-crop procurement zone. The IAFP comprises the APH, rural transformation centres and collection centres and covers the full area that supplies the APH with raw materials. The agro-crop procurement zone (IAFP catchment area) can range in size depending on several factors, including the processing capacity of the site, total raw material requirements and productivity of the land.

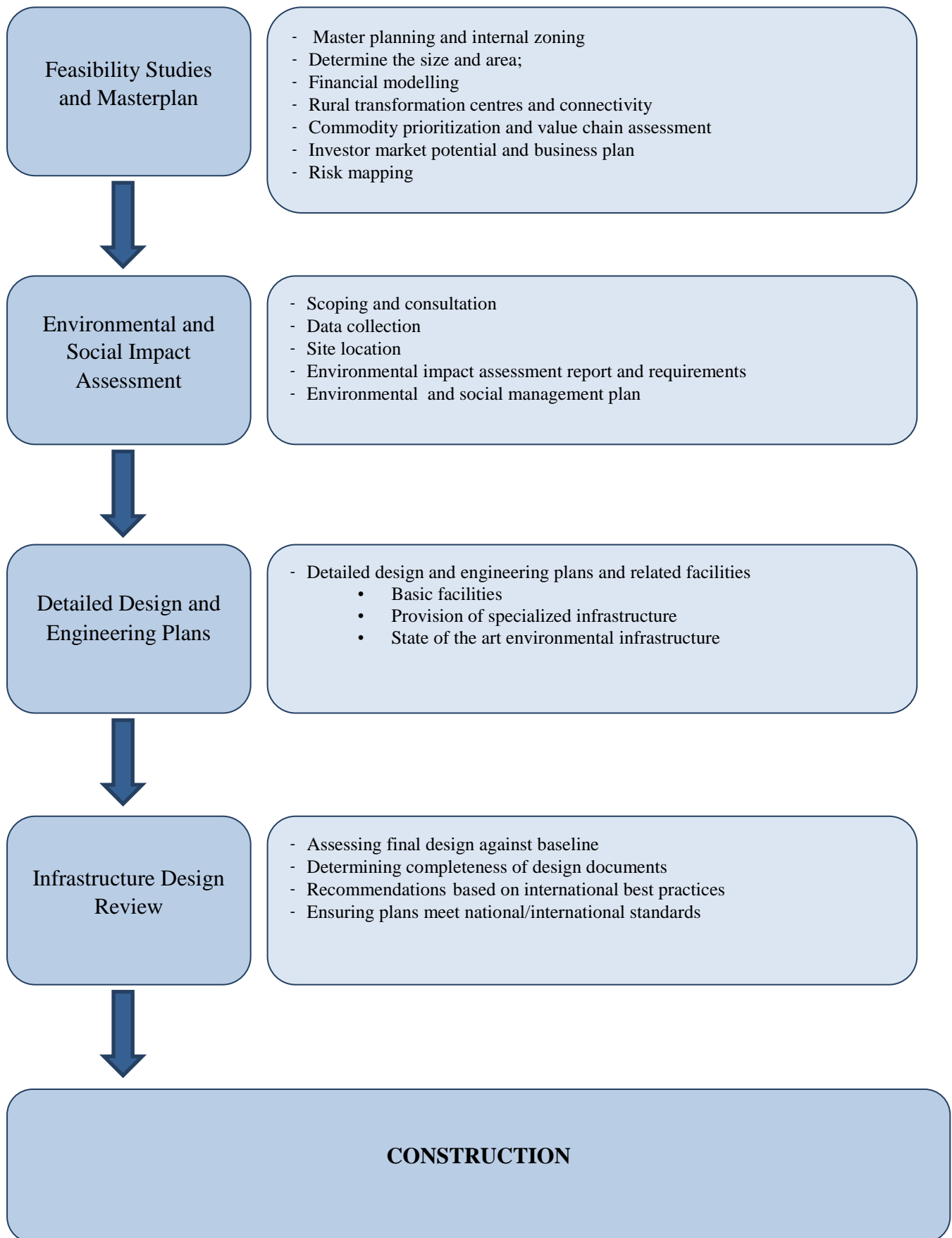
The primary objective of IAFPs is to create investment opportunities in agribusiness. This is facilitated through increased scale and lower costs, stronger supply chain linkages and higher quality produce, by clustering firms through the provision of infrastructure and agribusiness related services. Confined to geographical limits, agro-food parks allow governments to pilot new policies for agro-industrialization that cut across sectors, including agriculture, industry, finance, environment, labour, investment and research and development, among others.

IAFPs have the potential to have a transformative impact by promoting innovation, contributing to climate-smart agricultural production, processing and marketing, while further integrating rural producers in regional and global supply chains, thus supporting rural development.

The integrated agro-food parks (IAFPs) are expected to trigger investments and spatial development in rural areas by promoting the commercial development of agriculture and agribusiness through the provision of essential infrastructure, desirable policy support, efficient regulatory and institutional arrangements, and capacity-building aimed at skills and entrepreneurship development.

UNIDO has provided technical assistance to its Member States for the development and operations of industrial parks since the 1980s. IAFPs are often known by similar names, such as agro-parks, integrated agro-industrial park, agropoles, special agro-processing zones, among others, but the basic premise is unchanged. UNIDO is presently supporting the various stages of IAFP development and operations of over 20 parks around the world.

The development of IAFPs involves careful planning and oversight. As part of its IAFPs development technical assistance, UNIDO performs a number of pre-investment studies and works. These are divided into four broad services:



## SECTION 2

These Terms of Reference will be used for the preparation of proposals for the provision of consultancy services related to integrated agro-food park development. Companies interested in providing the services to UNIDO may submit proposals covering all or parts of the services grouped in the following packages:

**Package A:** Preparation of Feasibility Study and Master Plan of Integrated Agro-Food Parks and Related Facilities including RTC

**Package B:** Preparation of Environmental and Social Impact Assessments

**Package C:** Preparation of Detailed Design and Engineering Plans for the Integrated Agro-Food Parks, including Rural Transformation Centres

**Package D:** Design Review of Detailed Design and Engineering Plans for Integrated Agro-Food Parks, including Rural Transformation Centres

The proposals should contain a detailed description of the services under the package(s) to be provided and the key experts/personnel to be assigned for execution of the services. All deviations from the Terms of Reference should be clearly indicated in the proposal.

Bidders are also encouraged to put forward recommendations, solutions, proposals and potential in-kind or other contribution in their proposals for UNIDO to consider.

The APH range in the following sizes (Hectare):

**10 – 50 Ha**

**50 - 100 Ha**

**100 - 250 Ha**

Bidders are to consider these ranges in preparing their proposals and costs.

### **Time Schedule**

Package A: 6-9 months

Package B: 6-9 months

Package C: 7-9 months

Package D: 3-4 months

### **Expected Demands in the Coming 3 (+2) Years**

<b>LTA Requirements</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Grand Total USD\$</b>
	Estimate USD\$	Estimate USD\$	Estimate USD\$	
<b>Package A:</b> Feasibility Study	500,000.00	1,000,000.00	1,000,000.00	2,500,000.00
<b>Package B:</b> Environmental / Social Impact Assessment (E/SIA)	450,000.00	750,000.00	1,000,000.00	2,200,000.00

<b>Package C: Engineering Design</b>	0	1,250,000.00	1,000,000.00	2,250,000.00
<b>Package D: Engineering Design review</b>	0	750,000.00	1,000,000.00	1,750,000.00
NTE Total USD:				8,700,000.00

**Language requirements for ALL packages**

The working language of this assignment will be English. All documentations should be prepared in English.

**SECTION 3**

**Long-Term Agreement(s) – LTA(s)**

UNIDO intends to enter into a LTA with one or more successful bidder for one or more services described in Section 2. In the event that UNIDO will sign a LTA with selected service provider, the following shall apply:

- The LTA shall be valid for initially three (3) years from the date when both parties have signed the agreement with an option for further extension of additional two (2) years subject to satisfactory performance of the service providers and at UNIDO’s discretion;
- UNIDO will not commit to purchase any minimum quantity of the services, and purchases will be made only if and when there is an actual requirement. UNIDO will not be liable for any cost in the event that no purchases are made under any resulting LTA;
- The LTA will be signed on a non-exclusive basis. UNIDO shall have no limitation on its right to enter, concurrently, into additional contract(s) with other companies for same and/or similar services.

The proposed budget for all the activities indicates approximately USD 8.7 Million and will form the Not to Exceed Amount (NTE) of associated Long-term Agreement (LTA) for the successful bidder. In the future the NTE may be increased by UNIDO accordingly.

Under the established LTA, call-off contract(s)/Purchase Order(s) will be issued by UNIDO’s Project Manager. In case UNIDO opts to establish a LTA with more than one service provider, UNIDO may opt to carry out an additional competition exercise (secondary bidding) among the selected service providers at its own discretion depending on the required scope and complexity of the respective call-off contract(s)/Purchase Orders(s).

**LTA call-off procedure**

In general, subject to the specific project requirement(s), a call-off contract/purchase order under a LTA should follow the processes described below:

- Selected service provider(s) receive a ‘request for offer’ based on Terms of Reference for specific project requirements for services from the Project Manager/project team and/or Procurement Services.
- Within a requested time period (to be specified in the LTA, but generally no more than 1 to 2 weeks), service provider(s) shall submit an offer to the UNIDO Project Manager and/or

Procurement Services, based on the established terms and conditions of the LTA, followed by clarification Q&A whenever necessary.

- Upon receipt of the proposal(s) the Project Manager/project team in coordination with Procurement Services, if and as applicable, conducts a review of the proposal(s) and determines if it meets the requirements in terms of technical, operational, personnel capacity and other relevant requirements.
- Once a technically acceptable lowest cost bid has been identified, the Project Manager, or Procurement Services can send a call-off purchase order/contract to the service provider for its countersignature. Services are to be provided in line with the offer [e.g. in terms of actual efforts (personnel time & costs), travel arrangements, timelines, etc.] for the specific call-off as well as the overall terms and conditions of the LTA.

## SECTION 4

### CONTENTS OF PROPOSALS

Bidders are requested to submit both technical and commercial proposals and accompanying technical and commercial bid forms. Bidders are furthermore requested to indicate which of the packages they will offer. **Partial bids per Package will be accepted.** Bidders will be evaluated on the Packages as offered in the proposal.

For Qualification Requirements and Evaluation Criteria please refer to Appendix 2.

As part of the technical proposal review UNIDO may request an interview with key personnel/representatives of the bidders.

**Technical Proposal** (To be submitted **in separate envelope** according to the instructions stated in the Instruction Letter)

Bidders may structure their proposal as desired but as a minimum, proposals must include details on the following items:

1. Organisation(s) profile
  - 1.1. Organization, structure and overall facilities
  - 1.2. Facilities and resources available for this contract
  - 1.3. Proposed sub-contracting in connection with obtaining additional resources (if applicable)
  - 1.4. Adequacy of management organization and plan to satisfy requirements
2. Relevant experience in, referencing to projects of a similar nature:
  - 2.1. General
  - 2.2. Package A/B/C/D
3. Proposed methodology/approach
  - 3.1. Approach
  - 3.2. Geographic coverage: detailed information relating to its geographic or regional coverage including information about its offices or network of experts
  - 3.3. Time schedule
4. CVs of key individuals



4.1. Package A/B/C/D. Certifications of key engineers for packages C and D.

Language proficiency of its experts/personnel in English (mandatory) and any other additional language skills which can be provided.

**Commercial Proposal** (to be submitted **in separate envelope** according to the instructions stated in the Instruction Letter.

The below table displays the format of the commercial bid form (Appendix 7b). Each packages includes a list of area of expertise and years of experience needed for the personnel. The daily rate can be submitted for one or more regions. The bidder is welcome to submit partial bids per packages and regions. UNIDO reserves the right to conclude more than one LTA for a region with due consideration to the interest of the Organization.

Package	Title	Area of expertise / Specialization	Years of experience	All-inclusive price for daily rate (8 hours per day) in USD				
				Geographic regions				
				Europe	Africa	Central and South America	Middle East	Asia/Oceania
X	Package Title							

**Expert fees**

All-inclusive cost per day depending on the level of expertise (please see Commercial Bid Form Annex 7b). The all-inclusive cost per day per level of expertise shall also include the overhead fees (management and other administrative fees) as well as any other cost.

**Other cost**

Travel costs and daily subsistence rates (DSA), if applicable: Ticket costs for travels and DSA costs shall be provided in the offer/cost breakdown for the specific call-off (please refer to call-off procedure indicated above).

## **ANNEXES**

- Appendix 1a: Terms of Reference Package A
- Appendix 1b: Terms of Reference Package B
- Appendix 1c: Terms of Reference Package C
- Appendix 1d: Terms of Reference Package D
- Appendix 2: Qualification Requirements and Evaluation Criteria
- Appendix 3a: Model Contract LTA
- Appendix 3b: General Conditions of Contract
- Appendix 4: UNIDO Financial Statement and Certification
- Appendix 5: Acknowledgement Form
- Appendix 6: Mandatory Statements and Confirmations
- Appendix 7 a: Detailed Technical Proposal Sheet
- Appendix 7 b: Detailed Commercial Bid Form
- Appendix 8: Statement of Confirmation Form
- Appendix 9: UNIDO Bank Information Form