



**Annex I**  
**TERMS OF REFERENCE**  
**(TOR)**

**Study and Training of Local Handicraft to Produce and Market  
in Kerman and South Khorasan Provinces**

**I. BACKGROUND / RATIONALE**

Soil erosion including wind and water erosion is considered as one of the most important elements of land degradation in Iran. Of the total land area in Iran, approximately 75 million ha are exposed to water erosion, 20 million ha to wind erosion, and the remaining 5 million ha to other types of chemical and physical degradation. This has resulted in endangering 2 million ha to infertility, 2 million ha exposed to salinity and 1 million ha threatened by other types of degradation

The main threats to land and forest resources in Iran are the overexploitation of pastures, forests, biodiversity and soils caused by unsustainable agro pastoral practices, inappropriate policies and management responses to the increasing pressure on natural resources caused by a combination of natural and human factors, such as increasing population pressure and climate change impacts. Other threats include inadequate alternative livelihood options, lack of economic incentives for conservation, and inadequate access to markets and lack of marketing policies to support alternative products.

This project aims to support local communities in the production of many local handicrafts through provision of training workshops, developing marketing strategy, access to market and funding support, to enable the setup of an alternative livelihood.

Similar projects have been implemented on this topic and a wide range of experience and knowledge have been gathered in improving the livelihood of local communities, while reducing the negative impacts on natural resources. This kind of projects concentrate on local community potential and their identity. At the same time, the work focuses on environmental, cultural and socio-economic aspects.

**II. OBJECTIVES OF THE SERVICE / WORK**

**Objectives:**

**Project Outcome 2. Status of forests and range improved, severity of wind erosion decreased and natural resources managed sustainably on 75,000 ha of land.**

This outcome will be achieved mainly through the implementation of participatory integrated watershed and village level plans (resulting from component 1 of the project). This component involves the major physical and field works of implementing the elaborated VLPs and WLPs combined with training on technical and practical management, conservation and restoration issues.

**The outputs** to be realized in the project sites under this component are the following: 2.1. At least 30 pilot villages (20 in Rigan and 10 in Se Galeh) implementing the village level and watershed level plans; 2.2. 30% decrease in erosion in pilot villages (baseline to be established in year 1); 2.3. 75% of rangelands rehabilitated of projected 19,100 ha in pilot sites; 2.4. 2,250 hectares of farm and rangeland in selected villages restored with drought and salinity resistant plants; 2.5. 25% recovery in globally important wild species and species of



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importance/used as Non Wood Forest Products (baseline to be established in year 1); 2.6. At least 5 sustainable alternative livelihood initiatives are developed with demonstrated benefits to environmental services.

**The activities** to achieve in this outcome and outputs include; activities on sustainable agriculture and alternative livelihoods. Success of these activities depends heavily on enhanced capacity to plan and adopt alternative and sustainable livelihoods which meet the local socio economic needs and ecological challenges. Detailed alternative livelihoods options specific to the selected villages will emerge from the baseline and rapid assessments. These findings will be integrated into the WLP and VLPs. Communities will be empowered through increased awareness to avail loans through the Rural Development Funds to be established through the project to encourage adoption of alternative livelihood options. In selected pilot villages, alternative livelihoods can be garnered from enhancement of existing amenities and rural homes to encourage ecotourism.

### III. SCOPE OF THE SERVICE / WORK

Service Provider shall study and investigate the area very carefully and deeply. During the field study through several trips and consultation of local community, the Service Provider shall assess the current situation and identify gaps, complemented by desk research work through submission of the Current Situation Report including Need Assessment Report. In the next step the Service Provider will help the communities to improve and interpret their handicraft and will help them to access the market through the tools including but not limited to the marketing strategy that has have been introduced in Annex I. One of the requirements is ability to create market and market access. The Service Provider shall develop a market strategy for the handicrafts produced or under production.

- Purpose and Overall Task

1. How Handicraft-based livelihoods are supported by beneficiaries

Following the formation of village funds, planning to strengthen the capacity of the committees on the effective management of alternative livelihoods was undertaken. Series of training & consultative workshops on the principles for management of alternative livelihoods were organized. The main objective for this kind of workshops was providing training and supporting the committee's members on how to draft a guideline for sustainable production and marketing of handicrafts.

2. Focus on local handicrafts

One of the main alternative livelihoods setup in the pilot sites (Kerman and South Khorasan Provinces), was production and marketing of local handicrafts. Local handicraft comes from people's culture and shows rich cultural diversity and identity of locals. Currently, with increasing foreign goods, the importance of traditional goods are highlighted and needed more than ever. Considering this fact, the project supports communities in the production of many local handicrafts through provision of training workshops and funding support, to enable the setting up an alternative livelihood.

3. The Exit Strategy

- ✓ Sustainability of handicraft activities as an alternative livelihood through establishment of marketing strategy and community driven committees;



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- ✓ Showing handicraft of the area as a sample and special art through securing and facilitating the participation of the local communities in exhibitions and related conferences;
- ✓ Arranging a special conference to introduce local handicraft value with participation of stakeholders.

#### 4. Targeted beneficiaries

- ✓ Local communities in pilot sites in Kerman and South Khorasan Provinces;
- ✓ Members of VRMDCs, SCDFs, and cooperatives;
- ✓ District and provincial level agencies due to attaining participation of local communities made empower them to run more initiative based on organizational objective.

#### 5. Type of Handicraft

The Service Provider will focus on the original and ancient handicrafts that local women/men are familiar with and also revive the traditional handicraft of that area/village. Recognizing new potential in addition to the existing capacities, is a very important part of the need assessment which will be carried out through the following steps:

- ✓ Coordination between the local facilitators and representatives of the project;
- ✓ Building trust between the project and the local community;
- ✓ Gathering information about local community potentials;
- ✓ Find motivated and talented people;
- ✓ Identify crafts available;
- ✓ Library study;
- ✓ Finding other stakeholders;
- ✓ Make way for their participation and their sense of belonging;
- ✓ Studying and designing of new products;

Service Provider/Consultancy Firm should help local communities to improve their handicraft with new style based on the market needs and introduce the new products to market.

#### 6. The timeframe/sequence of activities

The whole timeframe of the service is foreseen for 6 months. For sequence of activities please refer to workplan, please note that the duration for each activity will be announced by the potential service provider in the proposed methodology.

#### 7. Quality Criteria

Based on the indicators defined in the logframe and workplan the quality of the deliverables will be verified by the project team and the provincial experts, according to the related national/ provincial regulations

### **V. METHODOLOGY / APPROACH OF THE SERVICE (WORK)**

The Service Provider must provide a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

The TOR aims to achieve the following outcomes through the most appropriate methodology which is to be proposed by the potential service provider by applying the below executive elements  
Outcomes:



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- Current Situation Report including Need Assessment Report
- Report on new products
- Educational/training tool
- Report on Training Workshops
- Marketing Strategy
- Participate in minimum 2 conferences
- Participate in minimum 4 exhibitions
- Establishment of linkage through organizing meetings and sessions
- Labeling and advocacy of local handicrafts produced in the project
- Develop a manual on the rules and standards of local handicraft of the project and quality control
- Develop a video clip on the project process
- Booklet of original handicraft design of the area
- Album of selected pictures ( both digital and hard copies)
- Final and progressive reports
- Study tour report for both pilots (at least 30 participants)

### Executive Elements:

- Participatory approaches

The methodology will be proposed by the potential firm to be based on the above description during the selection process.

- To improve the livelihood status of local communities using economic approaches.
- To promote & strengthen public participation in sustainable rural development.
- Number of targeted people to be trained; It is completely dependent on real condition in the villages and women/men participation. The Service Provider needs time to answer this question, but based on other experiences usually in every village the number of attendance are 15 to 30 persons per village, based on their motivation and social and cultural situation.  
The Service Provider should have real outcome, each and every step will be part of the process progress.

### VI. Duration

- Duration of the TOR is **6 months** starting **mid-June 2017 till mid- December 2017.**
- The rate of the activity, study and training on handicraft production, will be implemented by the consultancy during 6 months.

### VII. LOCATION, DURATION AND TIMEFRAME OF THE WORK /DELIVERABLES/OUTPUT

- The contract is expected to start from mid-June 2017, for the period of 6 months, to be completed by December 2017.
- The activities will be implemented in two project sites in Kerman and South Khorasan. The detailed activities will be based on the approved proposal by the selected service provider.
- Each month the provincial experts assigned by the national counterpart will review and approve the progress report prepared by potential service provider. The progress report should include but not limited to the below topics:
  - ✓ Narrative report of the activities conducted during the month
  - ✓ Progress in achieving the set milestone for reporting period
  - ✓ Status report including challenges, deviation, alternate solution, new initiatives

### Detailed Deliverables:



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Project Site: two provinces, Kerman and South Khorasan

No.	Indicator/Deliverables	Activity
1	Current Situation Report including Need Assessment Report	Field Study
		Coordination & Preparation
		Data collection and planning
		Preparations for related groups
2	Report on new products	Study and design of new products
3	Educational/training tool	Preparation of training materials, relevant equipment and workshop related raw materials for training purposes
	Report on Training Workshops	Training programs/workshops
4	Marketing Strategy	Marketing
	Minimum 2 conferences	
	Participate in minimum 4 exhibitions	Introduction of the activities and products
	Establishment of linkage through organizing meetings and sessions	
5	Labeling and advocacy of local handicrafts produced in the project	Advocacy materials
6	Develop a manual on the rules and standards of local handicraft of the project and quality control	Documentation
	Develop a video clip on the project process	
	Booklet of original handicraft design of the area	
	Pictures	
7	Final and progressive reports	Reports
8	Study tour report for both pilots (at least 30 participants)	Knowledge Sharing

*Please see Annex I for detailed list of deliverables.*

**VII. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS**



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- The provincial experts from the project provincial offices will directly supervise the service provider work. Representation will receive, review and clear the reports submitted by the project office in Tehran.
- In addition to the monthly reports, the service provider will submit the deliverables outlined in the workplan
- FRWO, DAB, , FRWO Provincials, all the stakeholders involved in the project at national and provincial level, all the Community Based Organizations and other related organizations such as Heritage, Cultural and Tourism Organization
- All the promotional, educational, advocacy, publication, multimedia, printing, labels and books needs to be approved by the Communication and Advocacy Unit prior to printing and dissemination.
- The service provider is responsible for all the facility required and the logistics for the expected service

### Provisions for monitoring and evaluation of performance

Each month the provincial experts assigned by the national counterpart will review and approve the progress report prepared by potential service provider:

The progress report should include but not limited to the below topics:

- Narrative report of the activities conducted during the month
- Progress in achieving the set milestone for reporting period
- Status report including challenges, deviation, alternate solution, new initiatives

### **VIII. PAYMENT MILESTONES AND AUTHORITY**

As full consideration for the services performed by the Service Provider/Consultancy Firm under the terms of the agreement, the shall pay the Contractor the total offered, verified, and accepted amount upon certification by the project office that the services have been satisfactorily performed and submission of approved monthly progress reports and according to the payment installment indicated below

Installment of Payment/ Period	Deliverables or Documents to be Delivered	Timeline	Percentage of Payment
1 <sup>st</sup> Installment	Field study plan (agenda and preparation plan)	2 weeks after the contract is signed	10 %
2 <sup>nd</sup> Installment	<ul style="list-style-type: none"> <li>• Current Situation Report including Need Assessment Report</li> <li>• Action/Work Plan</li> </ul>	6 weeks after the 1st installment and upon submission of the Situation Report and Action / Work Plan	40%
3 <sup>rd</sup> Installment	<ul style="list-style-type: none"> <li>• Reports of Training Workshops</li> <li>• Submission of educational/training tools</li> <li>• Manual on standards and rules of local handicraft of the project and quality control</li> <li>• 2 Conferences for introduction of local handicraft value</li> </ul>	3 months after the 2nd installment and upon submission of the mentioned deliverables related to the 3rd installment	40 %



Installment of Payment/ Period	Deliverables or Documents to be Delivered	Timeline	Percentage of Payment
	<ul style="list-style-type: none"> <li>• Participation of local community in at least 2 handicraft exhibitions</li> <li>• Coordination of a knowledge sharing tour to successful project site</li> <li>• Sample of advocacy materials produced (logo, brochure, label ...)</li> <li>• Pre-final version of booklet on original handicraft design of the area</li> <li>• Pre-final version of film</li> <li>• Pre-final version of market strategy</li> </ul>		
4 <sup>th</sup> Installment	<ul style="list-style-type: none"> <li>• Final version of booklet on original handicraft design of the area</li> <li>• Final version of film</li> <li>• Marketing strategy</li> <li>• English project summary Report</li> <li>• Final Report</li> <li>• Participation of local community in at least 2 handicraft exhibitions</li> </ul>	Performance guarantee; one month after satisfactory completion of all tasks mentioned in 4 <sup>th</sup> installments and approval of related authorities.,	10 %

- ❑ Total offered amount is expected to cover travel costs, communication costs, costs of typing and preparing the soft and hard copies of required documents and any other relevant costs regarding this activity
- ❑ All envisaged travel costs (including, ticket, accommodation, transportation, etc.) must be included in the Offeror's financial proposal.
- ❑ Each payment will be made in Iranian Rials(IRR) within two weeks from receiving NPD/NPC's verification and payment request by .
- ❑ Each payment will be transferred by through Electronic Fund Transfer to the account number of the contractor introduced through an official letter indicating full banking information.
- ❑ The Contractor shall not do any work, provide any equipment, materials and supplies or perform any other services which may result in any cost in excess of the above mentioned amounts.
- ❑ NPD/NPC's final approval is a pre-requisite for verification and releasing each payment.

## **IX. MINIMUM ORGANIZATION AND CONSULTANCY TASK FORCE REQUIREMENTS**

### **9.1 Minimum Organization Requirements**

The prospective Service Provider is expected to meet the following minimum requirements:

- Expertise of the company / organization submitting the proposal:
  - Minimum 3 years of work experience in related field work, i.e branding, i.e handicraft, marketing strategy, introduce new handicraft, experience working with UN or other international organizations is beneficial.
  - Experience of work with local communities.
  - Participatory work.
  - Proof of successful accomplishment of the contract with the similar nature, minimum of three reference letters.
  - Officially registered suppliers.
  - Track record and working knowledge of a particular region or the country;



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- Team of Experts:  
Minimum of **three** highly qualified experts to perform the services required;
- Proposed work plan, methodology and approach  
To be in accordance with Annex I – detailed work plan

### X. CRITERIA FOR SELECTING THE BEST OFFER

Upon the advertisement of the Procurement Notice, qualified Consultancy Firm is expected to submit both the Technical and Financial Proposals. Accordingly; the firm will be evaluated based on Cumulative Analysis as per the following conditions:

- Responsive/compliant/acceptable as per the request for Proposal ( RFP), and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. In this regard, the respective weight of the proposals are:
  - a. Technical Criteria weight is 80% (only offerors who received 800 scores out of 1000 will be eligible for opening of their financial offer)
  - b. Financial Criteria weight is 20%

Criteria Category	Weight	Maximum Points
Expertise of the company / organization submitting the proposal	35%	350
Team of Experts	40 %	400
Proposed work plan, methodology and approach	25%	250
<b>Total</b>		<b>1000</b>

**NOTE: Only Applicants receiving 800 scores will be eligible for evaluation of financial offers.**

### XII. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL

- For purposes of generating proposals whose contents are uniformly presented and to facilitate their comparative review, a Service Provider is given a proposed Table of Contents, Annex II (technical proposal form) to filled by the service provider.

### XIII. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The consultants shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy or the Government without prior written consent. Proprietary interests on all materials and documents prepared by the consultants under the





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assignment shall become and remain properties of FAO. This assignment will be administrated by the Food and Agriculture Organization of the United Nations (FAO), and all relevant rules, policies and procedures will apply.

The use of logo for any items/events/Labeling must be coordinated with FAO Iran and the written approval must be obtained prior to any use.

### **Others**

All data gathered and produced under this contract and all deliverables of this contract are to be considered of propriety nature. The use, copy, publication and distribution of the entire or any portion of such deliverables without the expressed written consent of Iran is forbidden.

### **XIV. ANNEXES TO THE TOR**

Existing literature or documents that will help Offerors gain a better understanding of the project situation and the work required should be provided as annex/es to the TOR, especially if such literature or documents are not confidential.

**Annex II – Detailed work plan**

**Annex III- Technical Proposal Form**

**Annex IV- Financial Proposal Form**