



## FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

### Terms of Reference for Consultant Category B \*

<b>Name:</b>	
<b>Job Title:</b>	Governance Expert – Namibia Agricultural Development Fund
<b>Division/Department:</b>	FAO SFS
<b>Programme/Project Number:</b>	TCP/SFS/3704
<b>Location:</b>	Home base
<b>Expected Start Date of Assignment:</b>	<b>Duration:</b> 30 days over a 4-month period
<b>Reports to:</b>	<b>Name:</b> Farayi Zimudzi <b>Title:</b> FAO Representative in Namibia

\* Please note: If this TOR is for Consultant / PSA.SBS contract, the minimum relevant experience required **for the assignment** is as follows:  
 1 year for a category C; 5 years for a category B; 12 years for COF category A; 15 years PSA or COF category A (World Class Expert);

\*\* Please enter a short title (max 25 chars) for this assignment.

#### GENERAL DESCRIPTION OF TASK(S) AND OBJECTIVES TO BE ACHIEVED

##### Background and context

The agriculture sector plays a very important role in the livelihoods of the Namibian population with about 70% of the population depending directly or indirectly on agriculture for their livelihood. The sector also employs a third of the formal work force and contributes about 4.1% to the Gross Domestic Product (GDP). Despite its importance to the country's economy, the sector is experiencing various challenges such as farmers' access to markets, insufficient private sector investment, inefficient use of inputs and limited agricultural financing. Furthermore, Climate change is increasingly becoming one of the most serious agricultural threats facing the country and the sector in particular.

FAO in support of Government agricultural programmes is currently implementing the Country Programming Framework (CPF) 2019 – 2023 in partnership with relevant Government ministries and development partners. Within the CPF, the Ministry of Agriculture, Water and Land Reform (MWALR) with the support of FAO is in the process of developing a National Agriculture Investment Plan (NAIP) which is aimed at transforming the agricultural sector landscape through a more focused, prioritized and robust investment plan with emphasis on multi-sectorial linkages for a holistic and structured delivery of results aimed at meeting the zero hunger and poverty reduction agenda. The NAIP is thus important to position the agricultural sector among the major contributors to employment creation, attaining food security and nutrition and reducing poverty levels as aspired in the Sustainable Development Goals (SDGs). The NAIP will seek to have more targeted investments taking into consideration the different agro-ecological zones, commodity value chain profiles at national and decentralised levels taking into cognizance comparative advantages. Structures, tools and instruments for linkages with industries, financial institutions, risk averment agencies etc as well as promoting a robust public – private partnership (PPP) settings would be created for more effective implementation.

One instrument that could facilitate the successful implementation of the NAIP is an Agricultural Development Fund (ADF). This consultancy is to support the development of proposals for the establishment of an ADF in Namibia focusing on sustainable funding mechanisms and institutional set up of such a Fund.

### **The Agricultural Development Fund**

The Agricultural Development Fund (ADF) is a financing mechanism that supports and accelerates the implementation of the Namibia Agricultural Investment Plan. The ADF is expected to be incentive-based, for the purposes of lowering operational costs and leveraging both public and private sector investment into agriculture. Furthermore, it will allow for effective coordination and harmonisation of the implementation of the Namibia Agricultural Investment Plan. In addition, the ADF will provide clear entry points for donor/development partner/inter-departmental or organisational inputs to support agricultural growth in the country thereby also enforcing the principles of partnership, inclusivity, participation, coalitions, and aid harmonisation, among others.

Through this consultancy, and in collaboration with MAWLR, FAO is supporting the development of proposals for the establishment of the ADF in Namibia.

### **Objectives and tasks of the consultancy**

Under the overall leadership of the FAO Representative in Namibia, technical guidance by FAO Project Lead technical officer, and the Sub-Regional Agro-Food Systems and Investment Policy Support Specialists, and in close collaboration with designated officials from MAWLR, and working closely with the ADF Finance consultant, the ADF Governance consultant will perform the following tasks:

- i. Through desk review and extensive stakeholder consultations, evaluate and analyse experiences in setting up innovative de-risking and risk sharing financing mechanisms and funds at national level in the country, Africa and elsewhere as appropriate (,ex: NIRSAL in Nigeria, Stop order system in Zimbabwe, tobacco grow bond Zambia, the Green Morocco Program, etc) and synthesize the evidence and detailed lessons where you describe:
  - a. relevant existing innovative funds, their funding mechanisms, architecture, management and how they operate;
  - b. lessons learned from existing experiences, including governance and operational challenges encountered and how they were addressed
  - c. how these experiences and approaches suit the realities in Namibia in the context of opportunities, challenges and risks in the country
- ii. Design consultation instruments and checklists and consult with Government, Agro- Industry associations, selected value chain payers, the private sector (including SMEs, farmers, farmer organizations, and financial service providers), bilateral and multilateral development partners (including donors such as DFID, EU) to gauge governance requirements for potential investment
- iii. Define the most appropriate overarching regulation mechanisms for the ADF (identifying or proposing the appropriate regulation required to establish the ADF and a roadmap for its adoption)
- iv. Based on (i, ii, and iii) above develop a draft governance system for the establishment of an ADF for Namibia, including the following:
  - a. Structure (set-up/architecture of the fund, including fund size, ownership of the fund, management, monitoring arrangements, transparency and operations including internal control and compliance mechanisms),
  - b. List and description of potential fund managers, with a recommended Fund Manger, specifying roles
  - c. Benefit sharing mechanism with a defined system of fund allocation framework.
  - d. Fund Application and approval processes
  - e. General provisions (processing of applications, processing time of applications, deadline to submitting the applications to the one-stop-shop, monitoring, and reporting, etc

- v. Present the draft proposals for technical validation with selected stakeholders, presenting and discussing extensively the governance proposal for setting up an ADF in Namibia
  - a. Validation workshop in which the technical officials from institutions directly proposed in the ADF, and relevant representatives of all other stakeholders including farmer organizations, financial institutions, and fund managers will participate (including Government, DFIs, MFIs, FIs, representatives of private sector, representatives of MSMEs, small holder farmers, youth and women and potential fund managers)
  - b. Prepare a report of the event and incorporate results from this meeting to finalize the document.
- vi. Define the rollout plan for the ADF and the disbursement mechanism
- vii. Develop awareness building materials on the ADF development and experiences and submit it to FAO for approval
- viii. Build awareness of the relevant stakeholders in Namibia on the ADF set up, functions and experience from the Region

#### **Minimum requirements**

- ix. Master's degree in Law, Finance, Economics, Agricultural Economics, Agribusiness, or closely related fields.
- x. Ten (10) or more years of concrete experience in Public Finance sector in Namibia, (and with African/Global context)
- xi. Experience and strong knowledge of the food and agriculture sector and rural development in Namibia.
- xii. Knowledge of the working modalities and funding opportunities of Development Partners in Namibia

#### **KEY PERFORMANCE INDICATORS**

Expected Outputs:	Required Completion Date:
i. Inception report	14 <sup>th</sup> July 2021
ii. Summary report of review of relevant governance and operational mechanisms of similar Funds in the country and other countries	28 <sup>th</sup> July 2021
iii. Draft ADF governance proposal	31 <sup>st</sup> August 2021
iv. Report of validation workshop	21 <sup>st</sup> September 2021
v. Final ADF Governance proposal (with annexes on awareness building)	7 <sup>th</sup> October 2021
vi. Awareness building reports	21 <sup>st</sup> October 2021
vii. End of assignment report	30 <sup>th</sup> October 2021