

EU-Nepal Trade-Related Assistance TIP

Consultancy: Central coffee collecting and processing centres infrastructure support analysis

Project Background

This 4-year programme, funded by the European Union (EU) and launched in February 2020, assists the Government of Nepal to achieve sustainable and inclusive economic growth and poverty reduction by increasing trade and participation in regional and global value-chains. It aims at enhancing the capacities of the Ministry of Industry, Commerce and Supplies (MoICS) and the Trade and Export Promotion Centre (TEPC) to formulate trade policies, negotiate trade agreements and effectively implement them. A toolbox to facilitate trade and export policies is being developed. Furthermore, the project provides assistance to the sustainable and inclusive development of Nepal's coffee and pashmina value chains, with focus on export development. These efforts build on the successfully completed Nepal Pashmina Enhancement and Trade Support (PETS) project, the recently launched national coffee sector strategy, and the recommendations of the Nepal non-tariff measure survey, all three developed with ITC's assistance. The project is also closely aligned with priorities of the Nepal's 15th Periodic plan and the Nepal Trade Integration Strategy (NTIS) 2016, and in line with the EU's Multiannual Indicative Programme (MIP) 2014-2020 for Nepal, the European Consensus on development priorities "Prosperity", "People" and "Planet", and the UN 2030 Agenda for Sustainable Development

Increased capacity throughout Nepal's coffee value chain

Part of the project will concentrate on building the capacities of coffee enterprises to trade on local and international markets, with a focus on specialty and niche markets. Activities will include providing training on: Coffee processing for optimisation of quality, traceability and efficiency; Coffee quality assessment skills; Marketing and communication skills, branding and packaging; Private Voluntary Standards (certifications) management; and Linkages to Market. In order to refine these activities and to ensure they are targeted at the correct enterprises, meeting their competitiveness requirements, an assessment of the enterprises will take place. This assessment is meant to examine enterprises according to the type of business, drawing out information as to their size; focus area and type of products and other parameters but more importantly; area of constraints related to operations and trade which the project will analyse and incorporate into the design and delivery of assistance packages.

Central coffee processing units and coffee quality

A recent draft study conducted by ITC amongst international coffee buyers on their perceptions of Nepalese coffee quality found that while they do have an in in the coffee, they report that the quality of the coffee is inconsistent and does not really reach levels above 82-83 Q score. Buyers consider specialty coffee to be anything above 85 with some considering a minimum of 88 and above. The buyers put this down in part because of the comparative low altitude of coffee production but mainly because of the seemingly comparative (to other producing countries) developing level of knowledge on production and processing practices for the optimisation of quality, the fragmented processing system predominantly being small single drum type (hand or mechanized) pulpers. The Nepal national Coffee Sector Export Strategy 2017-2021 found similar and recommended the development of centralised wet processing centres primarily but also to consider centralized dry milling centres. The issue of quality inconsistency is also linked to the current processing methods and equipment used as mentioned in the NTCDB "national strategic and capacity development plan for coffee sub-sector development, 2018-2022" report which also recommends in the strategic plan to support the development of wet processing centres. As a consequence, limited support to the supply and construction of a small number of central wet pulping centres will be organised under the project.

Consultancy:

The supply, construction and installation of the central wet pulping centres will be backed up by training and operation. The supply, construction and installation will be implemented through a tender as per the ITC procurement guidelines. This tender will amongst other points:

- define the number of central wet processing units to be supplied;
- the specifications and types of machinery;
- the beneficiaries and their locations;
- the timelines for supply and installation;
- protocols for operation to be provided; training, assistance and backup support for first operation

In order to arrive at these specifications, it will be necessary to in advance, for a Nepal based expert, to work with ITC experts, Nepal coffee sector stakeholders (NTCDB, NCPA, NARC etc) and external experts (such as Coffee Quality Institute) in defining what a central wet pulping centre should constitute in terms of equipment with the objective of achieving optimal quality as per buyer expectations but balanced against available budget and project timelines. This consultant will also have to provide recommendations on the intended beneficiaries, the ownership structure of the units as well as the staffing for operation. To also be taken into account is supply of coffee linked to processing capacity and logistics; new technologies linked to buyer demand for particular processing types (fully washed, honey, natural etc types); water usage and waste management. The profile of this consultant therefore should be someone who has practical application knowledge of processing linked to buyer demand and should be trained in coffee quality assessments and preferably be a CQI Q grader. Detailed tasks for the consultancy will be designed in in coordination with the project Working Group.

The TIP project seeks an individual expert for a short-term consultancy to perform the central coffee collecting and processing centres infrastructure support analysis. While Detailed Terms of Reference and timelines will be defined after the selection of the successful candidate and upon discussions about the scope of work, the purpose of the consultancy will be to work with the TIP project advisor and coffee sector stakeholders to:

1. Define the analysis objectives, methodology and expected output in coordination with the ITC TIP advisors and Nepal coffee sector stakeholders (NTCDB and NCPA)
2. Implement the analysis according to the agreed process and outline, interviewing key actors and potential beneficiaries
3. Produce a report on findings and recommendations including but not limited to: intended beneficiaries, ownership and management structure; number of farmers and volume of coffee associated with sites; potential pulping centre design, type of equipment and infrastructure existing and required; financial and management capacities; estimated costs of equipment purchase, construction, installation and training.
4. Report presented and discussed with ITC advisors and project Working Group members for finalisation.

Requirements:

1. Must be Nepali, based in Nepal
2. Minimum 7 years of experience in the Nepali coffee industry, demonstrated knowledge and understanding of the Nepali coffee industry
3. Minimum Masters level studies in business, economics, finance or agri-business management related areas.
4. Experience working within, managing or owning a coffee enterprise including a coffee pulping station in Nepal will be highly advantageous
5. Undergone training in coffee quality- a Q Arabica grading certificate will be highly advantageous.
6. Experience in conducting assessment, interviews, analyses and reports highly desired.

Applications:

Please send your expression of interest and CV's with the subject line "Nepal TIP: Coffee Pulping centres Consultancy" to Nick Watson nwatson@intracen.org and Audrey Gavard-Lonchey gavard-lonchey@intracen.org. The expression of interest should describe in short, your insights on the business and trade related challenges faced by coffee enterprises in Nepal. Applications to be made before 30th September 2021. More information about ITC and the TIP project can be found at <https://www.intracen.org/Nepal-TIP/>