



## B.1. TERMS OF REFERENCE

Service market entitled:

### **Study on the bottlenecks affecting the competitiveness and sustainability of Ethiopian horticultural exports**

**Ref: COLEAD/AO/251386**

## **1. GENERAL INFORMATION**

### **1.1. Contracting authority :**

Comité de Liaison Entrepreneuriat-Agriculture-Développement « Committee Linking Entrepreneurship Agriculture Development » (COLEAD).

### **1.2. Background to the services market**

#### *1.2.1 COLEAD*

COLEAD is a non-profit interprofessional association created in 1973. Its purpose is to facilitate and implement all actions allowing, directly and/or indirectly, to increase the contribution of the agricultural sector, and horticulture in particular, to the achievement of the Sustainable Development Goals (SDG).

From an operational perspective, COLEAD is organised into several departments corresponding to COLEAD's internal areas of expertise: Technical Assistance, Training, Research and Innovation Brokerage, Market Insights, Information and Communication, Regulation and Standards, Access to Finance, and Networking and Alliances.

#### *1.2.2 MAHEBER programme*

### **MAHEBER - Mobilizing Horticulture Stakeholders for Entrepreneurship and Strengthening Ethiopia's Resilience**

In March 2025, the EU and COLEAD signed a five-year grant contract, "*MAHEBER - Mobilizing Horticulture Stakeholders for Entrepreneurship and Strengthening Ethiopia's Resilience*", with a total budget of €6 million funded through the Delegation of the European union to Ethiopia.

The MAHEBER programme is part of the Green Business Development for Sustainable Agro-Food Systems in Ethiopia initiative, funded by the European Union under the NDICI–Global Europe instrument and included in the Multi-Annual Indicative Programme (MIP) for Ethiopia 2024–2027. It directly supports the ambitions of the second phase of the Home-Grown Economic Reform Plan (HGER 2.0 – 2024–2026) and aligns with the Ethiopian Government's Ten-Year Development Plan (2021–2030), which positions agriculture as a central pillar of national development. In this context, the programme reinforces the Horticultural Transformation Agenda and contributes to the shared goals of the government and development partners in promoting sustainability, inclusiveness, and green growth.

The overall objective of MAHEBER is to strengthen the contribution of Ethiopia's horticulture sector to economic growth, food security, nutrition, and sustainable development by enhancing the competitiveness, resilience, inclusiveness, and sustainability of the country's horticultural value chains. The programme's specific objective is to build and ensure the capacity of public and private horticultural stakeholders to adapt to evolving sanitary and phytosanitary (SPS),



commercial, social, and environmental requirements in local, regional, and international markets.

### *1.2.3 Other projects implemented by COLEAD (at the date of launch of this call for tenders)*

As part of its drive to diversify its sources of funding, COLEAD is involved in implementing other national or multinational programs financed by various donors. In addition to the MAHEBER programme, COLEAD is currently involved in the implementation of several technical assistance programs/projects in line with the association's mission:

- *"AGRINFO - Towards a fair, healthy and environmentally friendly food system: Examining compliance with EU regulatory and non-regulatory measures"* (FOOD 2021/427-777) funded by the EC for a total budget of 7 million euros. The AGRINFO program focuses on identifying and monitoring EU policies, regulatory and non-regulatory measures, standards and market trends that have a potential impact on competitiveness, market access and trade dynamics at national, regional and international levels for agricultural operators in partner countries and the EU.
- *"Fit for Market Plus: Mitigating the impacts of the COVID-19 pandemic by strengthening the sustainability of the ACP horticultural sector"* (FED 2021 425-374), funded by the EC through the 11<sup>th</sup> EDF for a total budget of €25 million. The overall objective of FFM+ is to contribute to poverty reduction and improved food security and nutrition, by supporting the construction of a fairer, safer and sustainable agri-food sector in OACPS member countries. Despite a disrupted landscape, the first specific objective is to support smallholders, farmer groups and MSMEs to maintain and improve access to national, regional and international horticultural markets, while adapting to changes in the operating environment due to the COVID-19 pandemic. Simultaneously, in a context of accelerated change and paradigm shift, the second specific objective is to enable smallholders, farmer groups and MSMEs in the horticultural sector to seize new market opportunities through the development and adoption of safe and sustainable practices, skills and technologies.
- *"EDFI-AgriFI"*: COLEAD was retained in July 2024 by EDFI Management Company (EDFI MC) for consulting and technical assistance services on the AgriFI facility. The overall aim is to provide technical assistance to private sector companies active in agri-food value chains in low- and middle-income countries. The technical assistance services provided by COLEAD, among others, should thus enhance the performance and resilience of AgriFI's investment portfolio, and contribute to the facility's sustainability and long-term impact, through improved risk management, portfolio diversification and financial returns.
- *"PASA - Programme d'Appui à la Sécurité des Aliments pour la République de Côte d'Ivoire"*, funded by the European Union (DUE Côte d'Ivoire), aims to strengthen the contribution of the Ivorian agri-food sector to economic growth, food security and sustainable development in Côte d'Ivoire by improving the competitiveness, resilience, inclusiveness and sustainability of agri-food value chains.

The list of other programs/projects is not exhaustive. Indeed, COLEAD is involved in the implementation of several national and regional technical assistance programs/projects, in partnership with donors working towards inclusive and sustainable agri-food production and trade. Please refer to the [COLEAD website](#) to find out more about its interventions.



### 1.3. Gender equality

As part of COLEAD's mission and commitment to sustainability, all interventions carried out in partner countries are expected to raise awareness of the importance of gender equality as a cornerstone of sustainable development. The 2030 Agenda for Sustainable Development Goals (SDGs) places the empowerment of women at the heart of its framework, recognising their critical role as drivers of progress across all goals and targets.

Women make a substantial contribution to agriculture and the rural economy worldwide. However, persistent barriers continue to restrict their access to economic opportunities, particularly in leadership, finance, and decision-making. COLEAD is strongly committed to promoting women's economic empowerment in the agricultural sector – particularly within horticulture – as a means to foster inclusive growth, innovation, and improved programme effectiveness.

In line with this commitment, bidders who demonstrate a strong institutional engagement with gender equality will be awarded additional points during the evaluation process. Specifically, proposals will receive extra credit if:

- The service provider has an institutional gender equality plan or policy that is actively implemented; and/or
- The proposed team is composed in majority of women experts.

These criteria are explicitly reflected in the technical evaluation grid and will be considered in the scoring of the proposal. Bidders are therefore encouraged to highlight their organisational commitments to gender equality and provide clear evidence where applicable.

## 2. PROCUREMENT INFORMATION

### 2.1. Type of procurement

This call for tenders relates to the provision of support services for the technical implementation of the MAHEBER programme specifically.

The successful tenderer will be offered a **service agreement**, which will specify the names of the selected experts and the maximum daily fee per expert. In certain cases, and following evaluation of the proposed CVs, the fees mentioned in the contract may differ from the fees proposed in the tenderer's financial offer.

### 2.2. Contract value

The maximum value of this invitation to tender is €60,000.

The contracting authority reserves the right not to allocate all available funds.



## **2.3. Description of the services**

### **2.3.1. Context and rationale**

Ethiopia, Africa's second-most populous nation with over 126 million inhabitants, is experiencing sustained economic growth, yet remains among the world's poorest countries. Agriculture is the backbone of the economy – contributing 40% to GDP, representing 80% of export earnings, and employing 75% of the population. Within this domain, horticulture is an increasingly strategic sector, led by floriculture and expanding fruit and vegetable value chains.

Despite facing major external and internal challenges – including the COVID-19 pandemic, conflicts in northern Ethiopia (Tigray, Amhara, Afar), unrest in other regions (Oromia), and geopolitical disruptions such as the Ukraine and Red Sea crisis – the horticulture sector has shown resilience, recording a 5% income growth in the past fiscal year. Ethiopia is now the second-largest flower exporter in Africa and ranks ninth among Sub-Saharan countries for fruit and vegetable exports to the EU.

However, the sector's full potential remains largely untapped due to persistent systemic barriers. Chief among these is the low uptake of best practices and quality management throughout the value chains, which affects productivity, consistency, and competitiveness. This issue is rooted in a broader context of limited expertise, inadequate perception of horticulture as a viable commercial activity, and a lack of visible industry role models, particularly for new and existing MSMEs. The sector continues to be perceived predominantly through a subsistence lens, which hampers entrepreneurial innovation and investment.

MSMEs and cooperatives – vital actors for inclusive growth, employment creation, and rural transformation – face several interrelated obstacles such as (non-exhaustive list):

- High post-harvest losses
- Limited value addition capabilities;
- Mismatch between supply and demand, often leading to lost opportunities;
- Infrastructural and logistical inefficiencies, especially concerning internal transport and high-cost, low-reliability air and sea freight routes;
- Insufficient trust and collaboration across the value chain, exacerbated by poor data systems and market information;
- Limited adoption of Good Agricultural Practices (GAP);
- Inadequate irrigation infrastructure and unreliable water management;
- Poor access to quality seeds, planting materials, and inputs (e.g., fertilisers, pesticides);
- Weak institutional capacity
- Restricted access to flexible and affordable financial services suited to the sector's needs;
- Market access limitations, including both non-tariff and tariff barriers;
- Regulatory bottlenecks impeding both production and export.



In parallel, there are emerging opportunities that remain underexploited:

- The rise of domestic and regional markets with growing demand for quality horticultural produce;
- Country branding strategies that could elevate and sustain Ethiopia's horticultural profile internationally;
- Increasing global interest in climate-resilient and sustainable value chains, aligning with Ethiopia's agroecological strengths.

Given the strong forward and backward linkages between agriculture and the broader economy, unlocking the potential of horticulture is critical to Ethiopia's inclusive recovery, climate adaptation, and long-term development. To do so, strategic interventions are needed to promote technical know-how, improve value chain integration, foster public-private partnerships, reduce environmental and logistical costs, and strengthen policy and regulatory frameworks.

### **2.3.2. Objective of the assignment**

The overall objective for this assignment is to contribute to inform key national public and private stakeholders, as well as donors, on key policy decisions to take and resources to allocate in order to circumvent the main structural and cyclical bottlenecks affecting the sustainability, and resilience of Ethiopian horticultural exports in the short, medium and long term and to enable to seize new market opportunities.

The specific objectives of this assignment can be articulated as follows:

- Diagnose key structural and cyclical bottlenecks affecting the competitiveness and sustainability of the Ethiopian horticultural sector (short, medium, and long term).
- Formulate pragmatic recommendations to address each of the bottlenecks (indicating what has been done before and by whom) and inform strategic decisions by Ethiopian public authorities, private sector stakeholders, and development partners.
- Promote public-private coordination through targeted policy engagement and capacity building to address trade, regulatory and infrastructural challenges.
- Identify and leverage market opportunities for the Ethiopian horticulture sector through branding, macro- and micro-marketing, and exposure to international market requirements.

This assignment is part of Expected Result 3 (R3) of the MAHEBER Programme, "*Bottlenecks affecting the competitiveness and sustainability of Ethiopian horticultural exports are addressed through enhanced policy dialogue and public-private collaboration*".



### 3. METHODOLOGY

To deliver the objectives of this assignment, the selected service provider is expected to apply a robust, participatory and evidence-based methodology. This approach should combine analytical rigour with strong stakeholder engagement to ensure that recommendations are both technically sound and widely endorsed by the sector.

The first step will consist of a **comprehensive desk review** of relevant documentation, including similar studies conducted in Ethiopia and the region. This will include an analysis of existing policies, laws and strategies that have a bearing on the competitiveness, resilience and market access of the Ethiopian horticultural sector. Key documents to consider will include the Integrated Agro-Industrial Parks Strategy, the Contract Farming Law, the Ethiopian Horticulture Development Strategy, the Agricultural Extension Service Proclamation, and other national policies related to food safety, plant health, environmental and organic standards, taxation, trade and agriculture.

The desk review will also examine the impact of recent reforms and shocks – such as COVID-19, regional conflict, foreign currency shortages, and global logistical disruptions – on the sector's performance. Furthermore, attention will be paid to the donor landscape, including existing and planned interventions by the EU and other development partners, and to the broader commercial, geopolitical, and climate environment. Special emphasis will be placed on logistics and transport infrastructure, including the cost, availability, and reliability of air and sea freight, and the implications of Ethiopia's landlocked status.

In parallel to the desk review, the assignment will include **structured surveys targeting key public and private stakeholders**. These surveys will serve to gather first-hand quantitative and qualitative data on the operational and strategic challenges faced by actors across the horticulture value chain – from producers and MSMEs to exporters, service providers, and regulators. The surveys will also be extended, where feasible, to buyers and partners in key destination markets, in order to capture import-side perceptions, constraints, and emerging requirements. This will help triangulate data from Ethiopian stakeholders and better anticipate market trends and expectations. These surveys should aim to quantify critical variables such as compliance costs, service gaps, logistical burdens, and perceptions of business risks and investment barriers.

Complementing the surveys, a series of **semi-structured interviews** will be conducted with senior representatives of relevant ministries and public agencies (including the Ministry of Agriculture, the Ministry of Trade and Regional Integration, the Ethiopian Agricultural Authority, the Ethiopian Export Promotion Agency, and the Ministry of Foreign Affairs), as well as with industry bodies such as the Ethiopian Horticulture Producers and Exporters Association (EHPEA), donors, exporters, cooperatives, logistics firms, financial institutions, researchers, and standard-setting bodies. These interviews will help contextualise findings from the desk review and surveys, shed light on institutional dynamics, and surface potential opportunities for reform and collaboration.



The service provider will also be expected to conduct a **thorough analysis of available market intelligence and statistical data**, with the support of COLEAD's Market Insights department. This includes trade and production data from national sources, international databases, and project-specific sources. The analysis should benchmark Ethiopia's position against key competitors in the region and globally, examining market shares, cost structures, compliance performance, and buyer perceptions. Where possible, the data analysis should distinguish between high-performing and underperforming sub-sectors or operators, and consider disaggregated insights by crop, geography or market destination.

To ensure stakeholder ownership and enhance the relevance and quality of findings, the methodology must include a continuous validation and quality management process. This should involve **targeted consultations and workshops at key stages of the study**, including inception, interim findings, and final recommendation phases. Close coordination with EHPEA and relevant taskforces or coordination platforms will need to be foreseen. Stakeholder engagement formats may include bilateral meetings, focus group discussions, online consultations, and national validation workshops, depending on the profile and availability of participants. This participatory approach is essential to ensure alignment with national strategies and the acceptance of the final recommendations.

The analysis will ultimately lead to **pragmatic and in-depth recommendations** on how to best address the structural and cyclical bottlenecks identified. These recommendations should include specific short-, medium- and long-term actions for public and private actors, and be framed in a way that informs policy reforms, investment priorities, and capacity-building efforts.

In addition, the study should identify tangible opportunities to strengthen the Ethiopian horticulture sector, including branding and marketing strategies to promote the Ethiopian origin on domestic, regional and international markets; pathways to expand value addition and formal market access; and innovative approaches to enhance compliance, sustainability and productivity. Proposals for pilots or proofs of concept may also be included where relevant.

As part of the methodological design, the service provider will provide a detailed plan describing how the information will be collected and analysed. This will include a list of the key studies and sources to be reviewed, a clear outline of the number and types of interviews and surveys to be conducted, and the databases and tools to be used for market intelligence and benchmarking.

Finally, the service provider will be asked to suggest a draft table of contents for the final study report, which should be logically structured and aligned with the objectives and scope of the assignment. This may include sections on the methodological framework, sector overview, bottleneck analysis, market dynamics, stakeholder perspectives, comparative benchmarking, and a final set of prioritised recommendations.





#### 4. LOGISTICS AND SCHEDULING

Based on the methodology described above, the service provider is required to develop a comprehensive assignment workplan, accompanied by explanatory notes. This workplan should detail the composition of the proposed team of experts, their individual roles, responsibilities and level of effort, the overall allocation of working days, and a provisional schedule for the implementation of activities. It should also outline all logistical aspects relevant to the delivery of the assignment, including foreseen field missions, consultations, and validation events.

A detailed chronogram shall be included as part of the initial workplan, clearly specifying the key phases of the assignment in a logical sequencing– such as inception, data collection, fieldwork, analysis, reporting, and validation. For each phase, the chronogram should indicate proposed start and end dates, the number of working days allocated per expert, key milestones for coordination and internal validation by COLEAD, and tentative dates for workshops or stakeholder consultations. The final version of the chronogram will be reviewed and, if necessary, adjusted during the inception phase in close consultation with COLEAD to ensure alignment with field realities and stakeholder availability.

The assignment is expected to involve both desk research work and in-country activities. Field missions in Ethiopia will be essential to conduct stakeholder interviews, facilitate workshops, and collect contextual information first-hand. Depending on the evolution of circumstances and needs, visits to COLEAD's offices – particularly in Nairobi – may be requested for briefing, coordination, or dissemination purposes.

The selected service provider will be mobilised following the signature of a service agreement with COLEAD. This agreement will outline the overall technical and financial terms governing the assignment. Once the service agreement is signed, the mobilisation of experts will be organised in close coordination with COLEAD's technical team to ensure the timely and efficient execution of the activities described in the workplan.

#### 5. FINANCIAL PROPOSAL

Bidders are required to submit a detailed financial proposal using the Excel template provided (“[D.8. Financial offer]”).

This financial offer must reflect the total cost of delivering the services described in the present Terms of Reference and be fully aligned with the proposed methodology, team composition, and workplan.

**The proposal must be submitted in euros (EUR), exclusive of VAT, and must not exceed the above-mentioned maximum contract value. Any financial proposal exceeding this limit will be automatically disqualified.**

The financial offer must be completed directly in the Excel template provided and include the following key elements:

- The “Financial offer” worksheet which provides a summary table presenting the total financial offer and the cost breakdown by expense category. This overview is separated in two sub-sections:





1. **Human Resources**, which provides the proposed daily rate in euros and the total number of working days for each expert proposed in the list of key experts. The total number of working days must match the proposed allocation in the workplan submitted as part of the technical proposal.

It is important to note that the final service agreement may reflect a maximum daily rate per expert that differs from what was proposed, depending on the evaluation of CVs. The contracting authority reserves the right to make such adjustments to ensure alignment with internal benchmarks and donor compliance requirements.

2. **Travel expenses and per diem**, which provides an overview of the expected logistical and reimbursable expenses required to implement the assignment. These expenses will be reimbursed strictly on the basis of supporting documentation, in accordance with the conditions specified below.

For *international travel*, bidders are instructed to use a fixed benchmark of EUR 2,000 for a round-trip economy class flight. This amount serves as a reference for comparison purposes only, and only economy fares will be accepted for reimbursement. Similarly, *regional flights* should be estimated at EUR 1,000 and *national (domestic) flights* within Ethiopia at EUR 500. While these rates are used to facilitate the evaluation of offers, actual reimbursements will be based on real costs for economy fares incurred and substantiated by valid travel documents (boarding passes, purchase orders, etc.).

*Transportation costs within Ethiopia* which are not included in per diem (cfr. below) – including car rental (including fuel), public transportation, and local transfers – should also be estimated and included in the proposal. These costs must be necessary for the performance of the assignment and will likewise be reimbursed against evidence.

Per diem allowances apply to non-resident experts travelling to Ethiopia, as well as to resident experts who will be working outside their usual place of residence or homebase. The maximum per diem rate applicable for Ethiopia is EUR 195 per day. In accordance with the standard practices of EU-funded grants and service contracts, the per diem covers all subsistence costs incurred by the expert during their stay away from their homebase. This includes, but is not limited to (i) accommodation, (ii) meals (breakfast, lunch, dinner, snacks), (iii) local transport (within the place of mission, such as taxis, public transport to/from meetings), and (iv) incidental expenses (such as communication, internet, and small daily expenditures directly related to the mission).

The per diem is a flat-rate daily allowance and no separate reimbursement for the individual components listed above will be accepted.

The "Other" category is intended to capture any additional costs required for the smooth execution of the assignment that do not fall under the previous categories. This may include expenses such as interpretation services, printing or reproduction of materials, communication costs, and other specific logistical items directly linked to the delivery of the assignment.

Costs related to the organisation of status update and/or validation workshops will be borne directly by COLEAD and should therefore not be included in the financial proposal.



- The “List of key experts” worksheet which needs to clearly indicate the last name, first name, place of residence, and date of birth of each expert proposed, along with any comments deemed necessary regarding their profile or relevance to the assignment. Each expert’s role must be clearly identified and aligned with the corresponding inputs and number of working days in the financial offer and workplan.

In addition, a Curriculum Vitae (CV) must be submitted for each expert listed, using the template included in the tender dossier. Each CV should be fully completed, highlighting the expert’s qualifications, professional experience, and relevance to the scope of work described in the Terms of Reference.

The proposal may include a maximum of six (6) experts in total:

- One (1) Team Leader, who will act as the main coordinator and responsible focal point for the assignment; and
- Up to five (5) additional key experts, whose expertise should be aligned with the technical and thematic needs of the study.

Proposals exceeding this number or lacking the required information for each proposed expert may be considered non-compliant and could lead to the rejection of the tender.

The structure and formulas in the Excel template must not be altered. The completed file must be submitted in its original format, properly filled in and clearly named.

Where applicable, a breakdown of additional costs, including field missions in Ethiopia, travel, accommodation, per diem allowances, logistical support, and costs related to workshops or stakeholder consultations. All such costs must be reasonable, necessary for the delivery of the assignment, and clearly justified in the methodology.

All financial proposals must consider the full transfer of intellectual property rights to COLEAD. No additional fees shall be due beyond the agreed financial envelope.

Incomplete or ambiguous financial offers may lead to disqualification. Bidders are encouraged to ensure that their proposal is clear, realistic, and directly aligned with the activities and outputs foreseen in the Terms of Reference.

## **6. MONITORING AND REPORTING**

The service provider’s work will be overseen by the Programme Coordinator of the MAHEBER programme, who will serve as the primary focal point throughout the assignment. Coordination will take place in close collaboration with other relevant COLEAD experts. The Programme Coordinator will be responsible for validating the initial workplan, monitoring the timely implementation of activities, and reviewing the quality, relevance, and coherence of all deliverables. Upon completion of the assignment, the service provider must submit two core outputs: (i) a comprehensive technical report and (ii) the final bottleneck study.

The technical report should provide a structured summary of the assignment, including the objectives pursued, the methodology applied, the activities conducted, key findings and recommendations, and any challenges encountered. Where applicable, interim progress reports may be requested at key milestones to support review processes and enable the disbursement of interim payments.



The final report package must be accompanied by the following annexes:

- A list of documents consulted during the desk review;
- A summary of market trends for the main horticultural export commodities analysed;
- A list of all individuals and stakeholders interviewed;
- Survey tools used for data collection, including templates and anonymised datasets;
- Attendance lists and summary outcomes for each workshop or consultation event;
- The complete bottleneck study, inclusive of its own annexes.

All documents, data, and materials produced under this assignment shall become the sole and exclusive property of COLEAD, with all intellectual property rights fully and irrevocably transferred upon payment for the services rendered. The service provider acknowledges that the financial proposal submitted includes full remuneration for this transfer of rights, and that no additional compensation shall be due in this regard. The service provider shall ensure that complete and final versions of all deliverables, along with any supporting documentation, are submitted to COLEAD in a timely manner and in accordance with the agreed reporting requirements.

The final deliverables must be submitted together with the final invoice and original timesheets for each expert, one per month, individually signed by the expert, and clearly indicating the number of days worked, the nature of the work performed, and the corresponding dates. These timesheets are mandatory to support verification and approval of the final payment.