



LUTHERAN WORLD RELIEF

TERM OF REFERENCE RECURITMENT OF A CONSULTANT FOR POST MONETIZATION SURVEY

Sesame Marketing and Exports (SESAME in Burkina Faso) and Traceability & Resilience in Agriculture and Cocoa Ecosystems of Nigeria (TRACE in Nigeria)

USAD Food for Progress / Lutheran World Relief (LWR)

POST SURVEY MONETIZATION

Date: August 3, 2023

Application deadline: Please submit technical and cost proposals (including a cover letter and CVs) at procurement@corusinternational.org by **August 30, 2023**.

Background

Lutheran World Relief (LWR), a non-governmental organization headquartered in Baltimore, Maryland 21230 (United States of America) is seeking a qualified firm/person for a post monetization survey in Burkina Faso and Nigeria. These Terms of Reference (ToR) will guide the post monetization survey for the Sesame Marketing and Exporting (SESAME) and Traceability & Resilience in Agriculture and Cocoa Ecosystems of Nigeria (TRACE) projects funded by the United States Department of Agriculture (USDA) and implemented by LWR. The post monetization survey will take place from ... to ...

The Food for Progress department (FFP) of the United States Department of Agriculture's (USDA) has funded development activities in Burkina Faso and Nigeria. These activities will be supported by proceeds realized from the local market sale (monetization) of U.S. agricultural commodities donated to implementing partners that have been awarded Food for Progress (FFPr) grants.

Purpose

The primary objective of the post monetization assessments is to document the effects of monetization in in Burkina Faso and Nigeria to determine whether monetization sales caused any adverse market impacts. Adverse impacts may include displacing commercial trade and discouraging local food production. The assessments will be conducted by independent, third-party evaluators.



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Assessment

Selected third party evaluators will conduct in-depth assessments of the impact of monetization on a country's local economy, including both desk-based and in-country studies. Data should be collected from both primary and secondary sources of information, and the assessment should use a mixed-methods approach that applies qualitative and quantitative techniques and triangulates information from different methods to enhance the reliability of the findings.

Outside of third-party evaluation, LWR will regularly monitor markets as part of standard practices to understand their operating environment. Monitoring markets during project implementation could include identifying any unduly negative effects attributable to monetization, as well as tracking and recording local prices at regular intervals and at relevant marketing points (please see price/time series data template below). This data should be made available to the third-party evaluator.

Types of questions to be answered.

Examples of the questions the evaluator should answer:

- To what extent did monetization affect local production and consumption in the short- (few months after monetization), medium- (marketing year¹ after monetization), and long-term (subsequent marketing year)?
- To what extent did monetization displace commercial trade in the short- medium-, and long-term?
- Are there any substitute commodities for the selected commodity? If so, did the monetization of the selected commodity impact production/marketing of substitute commodities?
- Was the timing and volume of the sale appropriate?
- Did sales occur as intended or was there a lag because of unforeseen conditions in the market?
- What were the initial PVO estimates for price and quantity? What were the actual prices and quantities of the commodities sold?
- To what extent was in-country storage utilization affected?
- Was the transportation infrastructure affected?
- Were buying patterns of local and international actors affected? If so, what was the magnitude and length of the change?
- Was there an effect on prices? If so at what level? Do they reflect global trends?

¹ USDA uses local marketing years in official estimates in the Production, Supply, and Distribution (PSD) database. Marketing years differ by country and by commodity. For more information on definitions related to the PSD database please see <https://apps.fas.usda.gov/psdonline/app/index.html#/app/about#G10>



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- What happened to local and international prices during this time period? (Sudden change higher or lower than was unusual)?
- Do price fluctuations follow global/regional patterns?
- Were there any other market factors that could have impacted prices during that time? (For example, adverse weather affecting production, the one corn processor had their mill damaged/prolonged power outage and stopped buying corn (which may cause lower local prices for farmers), etc.)

Market information that would be helpful to discuss in the analysis would include the following:

- Market context – how the commodity is produced, consumed/processed, traded, marketed generally in the context of this particular country/region. This would also include a discussion of relevant country policies and regulations that impact the market dynamics of the commodity.
- Prices (in country- (ideally farm gate prices if the commodity or substitute commodity is produced locally, prices where the commodity is being used) and international) –if prices are in the local currency, there should be some discussion as to what is happening to the currency vs the U.S. dollar over the time period.
- Commodity supply and demand balance sheet for a few years prior and current year (i.e. similar to USDA's PSD or Production, Supply, and Distribution) for the commodity and country. Evaluators may use USDA PSD balance sheets for a commodity and country if they are available. USDA PSD estimates should be cross checked with local market analysts and discrepancies should be noted and discussed in the Market Assessment. A supply and demand balance sheet includes estimates for the following and balances (i.e. Supply equals Demand):
 - Supply:
 - Beginning Stocks (this is different than storage capacity)
 - Production (including estimates of acreage planted and harvested AND yield)
 - Imports
 - Demand:
 - Consumption (human, for feeding animals (if applicable), residual)
 - Exports
 - Ending stocks



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Category	Date	Data Item 1	Details Data 1	Data Item 2	Data Item 3	Data Item 4	Data Item 5	Notes
Price and Sales Data	Date of transaction and/or date of data collection	Price of monetized commodity	Distribution Price	Currency (local vs. USD) Currency	Quantity	Location	Organization Name	Please note timeframe (weekly/monthly)
		Price of commodity, commercial trade	Farm gate/ Wholesale/ Retail price					Any complaints/comments should be added here, including comments on market factors and price volatility.
		Price of substitute commodities	Farm gate/ Wholesale/ Retail price					Opinions on whether the timing and volume should be recorded as well.
Transport cost	Date	Total Cost						

Table1: Example of Price and Sales Data collection (Time Series)



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Market Data	Date		3-year USDA PSD Estimates			Comments	Interviewee/ Data Source	Notes
Country	Commodity 1	Attribute 1 (Production)						Anecdotal evidence or information on substitutes will be useful. Reactions to project or other related governmental policies should be collected as well.
		Attribute 2 (Imports)						
		Attribute 3 (Exports)						
		Attribute 4 (Food Consumption)						
		Attribute 5 (Feed Consumption)						
		Attribute 6 (Stocks)						

Table 2: Example of Market Data collection (PSD Market Intelligence)



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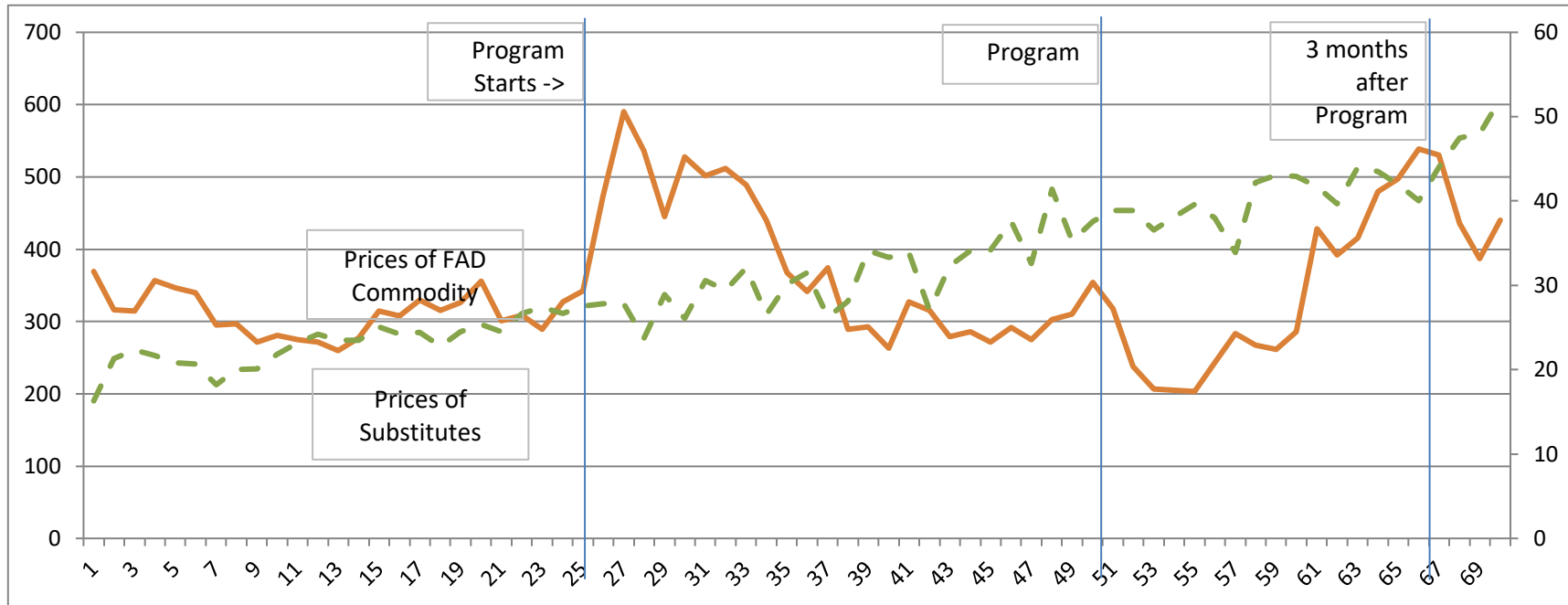


Chart 1: Example of Time Series Data (Price or Quantity)