

Request For Proposal (RFP)

Study on the agricultural and agro-processing sectors in Cambodia

I. Background Information

a. Partner organizations

EuroCham was established with the objectives of promoting the interests of European businesses operating in Cambodia, facilitating the entry of European companies into the market, assisting existing European businesses and creating an extensive support network among corporate and individual members alike.

UK Trade and Investment (UKTI) Cambodia and the British Chamber of Commerce Cambodia (BritCham Cambodia) provide support and advice to UK companies doing and seeking to do business in Cambodia.

With these objectives in mind, EuroCham, UKTI, & BritCham wish to conduct a study aimed at providing current and prospective exporters and investors with extensive and relevant information on the agricultural and agro-processing sectors within Cambodia.

The study will provide an assessment of the current state of the industry in Cambodia (market overview, main players, main products, growths areas) as well as give insight into demand and industry trends that are likely to persist in the near-to-medium future.

a. Contracting Authorities

EuroCham Cambodia, UK Trade & Investment Cambodia & BritCham

b. Country background

Cambodia has recorded two decades of consistent economic growth with average annual GDP increases of 7%. With a booming services sector, a blossoming retail and wholesale trade, and growing levels of real estate and tourism-related services, most economists expect Cambodia to sustain this level of growth over the coming years.

Agriculture has long been one of the most important industries for Cambodia and today accounts for 33.5% of national GDP and, as of the last collected data in 2012, employs 51% of the working population.

c. Current situation in the sector

Despite the vital role that the agricultural sector plays within the Cambodian economy, development in this area has been held back by a lack of investment in infrastructure and limited technical knowledge. The Royal Government of Cambodia has identified the agricultural sector as a key driver for the growth of the country's economy over the coming years. This prioritization is reflected in the National Strategic Plan for Development 2014-18, which stresses the need to improve agricultural productivity and diversification.

The sector clearly has high levels of potential to serve both the domestic market and boost the Kingdom's exports. Contracting Authorities perceive considerable opportunities to be realized by European investors and exporters in the Cambodian agricultural sector yet recognize the lack of extensive up-to-date research into this field and therefore would like to invite applications for the implementation of the proposed market study.

II. Objective, purpose and expected results

a. Overall objective

The overall objective of this study is to provide a comprehensive understanding of existing and emerging business opportunities within agricultural sectors in Cambodia.

Specifically, the report is to include:

- Executive summary shall be clear and concise covering all major points of the study.
- A detailed overview of the current status of the industry, including details of recent developments (structural transformation, types of investment, government strategy).
- Analysis of Cambodia's agricultural produce within product categories and subcategories specified, including information about domestic and export markets for these products.
- Analysis of input products into agricultural industry specified below, including information on the domestic supply and imports.
- Analysis of agro-processing industry in Cambodia and how it is likely to change in the future, including key obstacles to the sector's development and possible remedies.
- Analysis of agricultural machinery and agro processing equipment market in Cambodia and future trends.
- Recommendations based on the findings of the study with focus on opportunities for European investors and exporters into these sectors.

b. Purpose

The purpose of the study is to provide a comprehensive understanding of the agricultural industry, agro-processing industry and agricultural machinery sectors to current and prospective investors and exporters in Cambodia. The data and commentary provided will facilitate the development of business plans and investment proposals within the Kingdom.

III. Scope of work

a. Description of the assignment

The contractor, based on its expertise and human resources, is free to determine the most suitable approach for collecting the relevant data and information to effectively analyze the Agricultural industry within Cambodia. However, the analysis should include at least:

1. A robust methodology (5%)

A clear and detailed methodology for the study will be developed by the contractor and will be presented in detail in the proposal.

2. Executive summary (5%)

Clear and concise covering all major points of the study.

3. Agriculture sector overview (25%)

- Role of agriculture in the Cambodian economy covering such data as share in GDP and employment in the sector.
- Agricultural growth and transformation
 - Brief description of sector's growth over the last decade as well as structural transformation the sector has been undergoing (taking into consideration employment, urbanization, mechanization).
 - Future trends

- Agricultural production in Cambodia with a breakdown by product type, gross production and share in total production, including specific products that fall under the following categories:
 - Crops
 - Fruits and vegetables
 - Livestock and poultry
 - Milk and dairy production
 - Fisheries
- Variation in agricultural production by province
- Import & Export
 - Detailed breakdown of agricultural export in following subsectors: crops, fruits and vegetables, livestock and poultry, milk and dairy products, fisheries.
 - Detailed breakdown of agricultural import in abovementioned subsectors.
- Policies and legal framework
 - Legal framework currently in place including food quality standards
 - Currently developed policies
 - Economic land concessions
- Farmland
 - Land availability
 - Farmland rental rates
- Investment in agriculture
 - Foreign investment in agriculture
- Organic agriculture
 - Overview of organic agriculture production
 - Certification process

4. Agro processing industry overview (20%)

- Agro-processing industry in Cambodia including breakdown by commodities produced
- Investment into agro-processing industry both domestic and foreign.
- Import & Export data
- Distribution channels
- Future trends
- Contact List of major agro-processing companies in Cambodia with brief descriptions of their activities

5. Overview of modern agriculture inputs market (15%)

- Overview and current trends of use of modern agriculture inputs in Cambodia's agricultural sector in each of the listed categories:
 - Seeds
 - Fertilizers
 - Herbicides
 - Insecticides
- Import data and domestic supply. Import duties and customs procedures.
- Distribution channels
- Future trends
- Contact List of major Importers / Distributors of seeds, fertilizers, herbicides and insecticides in Cambodia with brief descriptions of their activities

6. Machinery and equipment for agriculture and agro processing sectors (20%)

- Agricultural machinery market
 - Types of agricultural machinery used by medium and large farms. Trends and future prospects.
 - Investment into agricultural machinery in medium and large farms.

- Import data. Import duties and customs procedures
- Distributions channels
- Contact List of major Importers/Distributors of agricultural machinery in Cambodia with brief descriptions of their activities

- Agro processing equipment market
 - Types of machinery currently used. Trends and future prospects.
 - Investment into agro processing machinery.
 - Import data. Import duties and customs procedures. Distribution channels
 - Contact List of major Importers /Distributors of agro-processing equipment in Cambodia with brief descriptions of their activities.

7. Recommendations (10%)

- Identified growth spots and sector opportunities for investors
- Identified business opportunities for exporters

b. Geographical area to be covered

The bidder shall present a sample fitting the purpose of current research questions. This should include selection of provinces, districts, communes and villages so that the production of agricultural products as well as agro processing in Cambodia is widely covered.

IV. Specifics tasks

Specific tasks will include:

1. Building a detailed methodology:
 - Bidders are expected to propose a comprehensive methodological approach that they will adopt to collect information and conduct required analysis for this study.
 - Research must employ both qualitative and quantitative data collection methodologies.
 - The research project should include consultation with a wide range of relevant participants including industry players, suppliers, subject matter experts.
 - The research must result in analysis that is representative of the entire country.
2. Preparing an outline of the study
3. Conducting research according to approved methodology
4. Drafting the findings in a report of minimum 50-60 pages in length
5. Study shall be completed within 4 to 6 weeks from signing the contract
6. The report shall be comprehensive but practical in delivering the data, insights and findings in an intelligible and dynamic way. The report should therefore include case studies and insights from companies and entrepreneurs already active on Cambodian market as well as consumers.

V. Proposal Format

Contractor must submit the proposal in the format explained in this tender. Any proposals submitted that do not comply with the above will be rendered invalid.

All proposals are requested to be submitted in electronic version and contain the following items:

- **Cover letter:** Including official name of the proposing firm, the address, phone number and e-mail of the firm, as well as the name(s) of the principle contact person. The cover letter must be signed by a person(s) authorized to bind the proposing firm
- **Table of Contents:** Include an index listing all contents and any included attachments

- **Contractor firm Background:** This section should include a brief description of the firm as well as experience and qualifications of the person(s) who will be performing the services. This section should include a general overview of the firm’s services as well as the extent to which the firm has experience in completing compensation studies within the past years
- **Proposal:** This section should include the approach, means, methods and procedures to be employed to gather the data, analyze findings and develop recommendations as requested
- **Cost/budget:** A breakdown of the firm’s rates, fees and charges for services, by phase and for total project, and a proposed payment schedule
- **Additional Services (Optional):** Any other related and recommended services not specified in this RFP which may be considered by the Contracting Authorities. These services should be quoted separately from above
- **Schedule of work:** An estimate of time required to complete the project and a proposed timeline of work tasks, with the date of final completion of the project
- **Key personnel with consultant profiles**
- **References:** Include a description of work performed, company names, addresses, telephone numbers, and contact persons for two references for whom studies were rendered in the past years
- **Other relevant details**

VI. Proposal Evaluation

The Contracting Authorities shall be the sole and exclusive judge of quality and compliance with Proposal specifications in any of the matters pertaining to this RFP. The Contracting Authorities reserve the right to award the contract in any manner it deems to be in their best interests.

All proposal information will be evaluated according to the criteria listed herein, and the Contractor selected will be chosen on its apparent ability to best meet the overall expectations of the Contracting Authorities:

- Related experience and job references of the firm and key staff with similar studies
- Ability to meet and exceed the requirements set forth in the Scope of work, the quality of the proposed service, and the ability meet the required timeline
- Overall quality and completeness of proposal
- Performance History (References)
- Fee of the services; (i.e., price proposal)
- Other relevant information as submitted

VII. Proposal Submission

Companies wishing to submit proposals should do so by **no later than 6:00pm, February 18th 2015** by sending their proposal and any company brochures, pamphlets and/or materials indicating the company’s qualifications to each Contracting Authorities.

Late arrivals with postmarks after to the deadline will not be accepted. All expenses for preparation of the proposal package are the responsibility of the respondent.

Completed proposals must be submitted electronically to: director@britchamcambodia.org, ringaile.saviciene@fco.gov.uk, e.barria@eurocham-cambodia.org and director@eurocham-cambodia.org

VIII. Tentative Schedule

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| - RFP sent to potential candidates | February 4 th , 2016 |
| - Deadline for submission of tenders | February 18 th , 2016 |
| - Internal review of tenders | February 19 th to March 1 st , 2016 |
| - Presentation from selected bidders | March 2 nd to March 4 th , 2016 |
| - Notification of selected Contractor | March 7 th , 2016 |
| - Completion of Work | Expected by beginning of April 2016 (To be discussed) |

IX. Ownership of Materials

All materials developed, data collected, or reports prepared under the terms of this project agreement become the property of the Contracting Authorities. The Contracting Authorities reserve the non-exclusive rights to copy such material and to publish, disseminate, and otherwise use the materials developed under the terms of this agreement in print or electronically. Use of summary findings for additional research, including articles and presentations by the contractor must be negotiated under separate agreement with the Contracting Authorities.

X. Contacts

Questions about this RFP may be directed by **email only** to:

BritCham Cambodia

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EuroCham Cambodia

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