

## **Terms of Reference (TOR): Consultant for Developing Digitalization Plans for Pilot SPOs (SPOs) in China**

### **About Fairtrade NAPP**

Fairtrade NAPP supports and empowers Fairtrade certified farmers and workers across the Asia Pacific region. The producers share a 50% ownership of the Fairtrade system and have an equal voice in all decisions that affect them. Currently, NAPP has 300+ Producer Organizations across 21 countries in Asia and the Pacific Region, supporting more than 260000 farmers and workers. Fairtrade strengthens the position of farmers and workers in the value chain. By offering an alternative approach to trade, NAPP supports producers in securing better markets, contributing to greater sustainable development in the Asia Pacific region under Fairtrade – Network of Asia and Pacific Producers (NAPP).

To know more about NAPP & Fairtrade visit: <https://www.fairtradenapp.org>,  
<https://www.fairtrade.net>

### **1. Background:**

In a remarkably short timeframe, China has emerged as one of the world's foremost digital economies. With nearly one billion internet users as its foundation, China witnessed its ecommerce sales soar to \$1.7 trillion in 2020, equivalent to 30 percent of all retail sales in the country. However, in this swiftly evolving digital landscape, businesses face the daunting challenge of keeping pace with rapid changes. Those adept at leveraging cutting-edge digital methods for operations, promotion, customer engagement, and business growth hold a distinct advantage. Conversely, disadvantaged businesses, such as farmers' cooperatives, risk being further marginalized, hindering rather than enhancing their inclusion in the digital realm.

Fairtrade NAPP is dedicated to supporting and empowering Fairtrade-certified farmers and workers across the Asia Pacific region, strengthening their position in the value chain. By championing an alternative approach to trade, NAPP assists producers in accessing better markets, thereby contributing to sustainable development in the Asia Pacific region under Fairtrade – Network of Asia and Pacific Producers (NAPP). Presently, NAPP collaborates with 29 small producer organizations (SPOs) in China, providing support to thousands of farmers, predominantly involved in tea, peanut, and coffee production.

Despite their critical role in the Fairtrade ecosystem, these SPOs encounter significant hurdles in adopting digital technologies. A recent NAPP study on Chinese SPOs revealed multifaceted barriers hindering their digital transformation, including entrenched reliance on traditional business models, limited digital vision and awareness, and shortages of expertise and talent. A tailored approach becomes imperative, one that meticulously considers the intricate nuances of their distinctive business ecosystems.

The imperative for digitalization within the social purpose sector has never been more pronounced, as it offers avenues to enhance operational efficiency, expand audience reach, and magnify impact. To facilitate this transition, Fairtrade NAPP seeks a qualified consultant to develop digitalization plans for five selected SPOs. These plans will entail tailored strategies to effectively leverage digital technologies, catering to specific needs such as live streaming for coffee producers, e-commerce solutions for tea producers, and traceability systems for other tea producers.

## **2. Objectives:**

The primary objective of this consultancy is to assist the selected SPOs in developing comprehensive digitalization plans aligned with their organizational/business development goals and operational contexts. Specifically, the consultant will:

- Collaborate with each SPO to assess their current digital capabilities, identify key challenges and opportunities, and determine strategic digitalization priorities within limited resources.
- Develop customized digitalization plans for each SPO, outlining clear objectives, strategies, action steps, and resource requirements to enhance their digital capabilities and achieve desired outcomes, for instance, e-commerce, traceability system
- Provide guidance and support to SPOs in implementing the digitalization plans, including capacity building, stakeholder engagement, and monitoring progress towards digitalization goals.

## **3. Scope of Work:**

The consultant's scope of work will include, but not be limited to, the following tasks:

- Conducting initial consultations with each of the five selected SPOs to understand their organizational objectives, operational processes, and digitalization needs.
- Assessing the current digital infrastructure, skills, and resources available within each SPO, as well as any existing barriers or limitations to digital adoption.
- Collaborating with SPOs to define digitalization priorities and develop tailored strategies and action plans to address identified needs and objectives.

- Facilitating knowledge-sharing sessions and capacity-building workshops to enhance digital literacy and skills among SPO staff and stakeholders.
- Providing ongoing support and guidance to SPOs throughout the implementation of digitalization plans, including troubleshooting, resource mobilization, and performance monitoring.
- Documenting and sharing best practices, lessons learned, and success stories from the digitalization process to inform future initiatives and promote knowledge exchange within the social purpose sector.

#### **4. Deliverables:**

The consultant will be expected to deliver the following outputs:

- Individual digitalization plans for each of the five pilot SPOs, including detailed strategies, action plans, and resource requirements.

#### **5. Duration and Timeline:**

The consultancy is expected to commence on mid April and conclude on August 1, with a total duration of 3.5 months. The timeline for key activities and deliverables will be finalized in consultation with the selected consultant and participating SPOs.

#### **6. Qualifications and Expertise:**

The ideal candidate for this consultancy should possess the following qualifications and expertise:

- Demonstrated experience and expertise in digitalization, technology adoption, and capacity building, particularly within the rural and agricultural sector in China.
- Proven track record of developing and implementing digitalization strategies, including e-commerce platforms, live streaming initiatives, and traceability systems, experience in working with small producers and their cooperatives will be an asset
- Strong facilitation, communication, and interpersonal skills, with the ability to engage diverse stakeholders, build consensus, and foster collaborative partnerships.
- Familiarity with the specific challenges and opportunities facing SPOs, particularly in the context of digital transformation and innovation.
- Fluency in English and Mandarin.

## **7. Budget**

Budget Availability -3,000 Euros (please note that these are tentative budget availability and are not actual figures).

## **8. Submission of Proposals:**

Interested consultants are invited to submit their proposals, including a detailed methodology, work plan, budget, and CV highlighting relevant experience and qualifications, to Jun Zhao at [jun.zhao@fairtradenapp.org](mailto:jun.zhao@fairtradenapp.org) and copy to [produerfund@fairtradenapp.org](mailto:produerfund@fairtradenapp.org) no later than April 20<sup>th</sup>,2024. Proposals will be evaluated based on the consultant's qualifications, experience, proposed approach, and cost-effectiveness.

## **9. Evaluation Criteria:**

Proposals will be evaluated based on the following criteria:

- Relevance and clarity of proposed methodology and approach.
- Demonstrated experience and expertise in digitalization and capacity building within the social purpose sector.
- Alignment with the objectives and scope of the consultancy, including the ability to deliver high-quality outputs within the specified timeline and budget.
- Cost-effectiveness and value for money.

## **10. Selection Process:**

Shortlisted candidates may be invited for an interview or additional discussions to further assess their suitability for the consultancy. The final selection will be based on the overall quality of the proposals and the consultant's ability to meet the requirements of the TOR.

## **11. Confidentiality:**

All information provided by the participating SPOs and Fairtrade NAPP shall be treated with the utmost confidentiality and used solely for the purpose of this consultancy.

## **12. Contact Information:**

For inquiries or further information, please contact Jun Zhao at [jun.zhao@fairtradenapp.org](mailto:jun.zhao@fairtradenapp.org).

Fairtrade NAPP reserves the right to accept or reject any proposal received without providing reasons for its decision.