**REQUEST FOR PROPOSAL: CASE STUDY ON DRIP POOL PROGRAMME, GUJARAT**

[C&A Foundation](http://www.candafoundation.org) is looking for an organization to develop case studies to document the learnings from the Drip Pool Programme for Cotton in the Saurashtra region of Gujarat, India.

**Completed proposals must be submitted to** sustainablecotton[@candafoundation.org](mailto:i.sinha@candafoundation.org) **by 05.30 PM, Thursday, 15 December 2016.** More details are given below.

# **Background**

[C&A Foundation](http://www.candafoundation.org/who-we-are/about-us/) is a corporate foundation, affiliated with the global clothing retailer, C&A. We are working to transform the apparel industry by helping to build more sustainable business models that respect the rights of workers, improve livelihoods and conserve the environment. We work together with key partners to achieve the best results and greatest long- term impact. From farmers to factory workers, we help build strong and resilient communities in all the countries we touch. We catalyse positive, lasting change by:

* Demonstrating self-sustaining models and methodologies to transform businesses and supply chains
* Strengthening platforms and institutions to enable industry-wide change
* Advocating for policy and behaviour change though the value chain, from supplier to consumer

The Foundation has key programmes related to accelerating sustainable cotton, improving working conditions, eradicating forced labour and strengthening communities.

# **Drip Pool Programme**

Cotton is the largest natural raw materials used in the apparel industry. It is majorly grown in developing countries; primarily by smallholder farmers. However, conventional cotton cultivation practices are largely unsustainable due to incorrect and under-regulated use of chemicals and poor water management. Smallholder farmers especially are vulnerable to both the health and environmental risks of unsustainable cotton farming practices as well as economic risks due to fluctuating cotton prices. The Foundation is working with cotton farmers through its various programmes on improving their livelihood and reducing the environmental impact of cotton farming. Its largest portfolio is in India which is also the world’s largest cotton producing country.

Gujarat is the largest cotton producing state of India. While average cotton productivity in the region is highest in the country, however, water is a major constraining factor for productivity growth. The rainfall pattern in the state is highly erratic; with repeated droughts followed by a few years of heavy rainfall resulting in flooding. This variance leads to over dependence on ground water for cultivation which in turn results in large tracts of farmland turning saline. Prevalence of traditional irrigation practices e.g. flood irrigation results in wastage of water and high labour cost. In addition to this, farmers’ over dependence on chemical fertilizers and pesticides further leads to deterioration of soil quality. This results in high input cost and shrinking farmer incomes.

Micro-irrigation projects –such as drip irrigation can play a crucial role in addressing the issues mentioned above by reducing water and chemical intake by the farm. A study by INCID, shows that drip irrigation can lead to water savings of about 60 percent. While government schemes promote micro irrigation systems, these have a high initial installation cost and are beyond the reach of the average farmer in the region. To address this, the Gujarat Green Revolution Company (GGRC) – a special purpose vehicle of the Government of Gujarat has been set up that provides subsidy of up to 60% of the total cost of the drip irrigation unit to farmers. However, majority of the farmers benefiting from this scheme are medium and large farmers (about 58 % as per the GGRC MIS data). These are farmers who have more than 5 acres of land.

To expand the reach of drip irrigation units to small holder farmers in Gujarat in 2010, the C&A Foundation through its partner CottonConnect funded Aga Khan Rural Support Programme India (AKRSPI) – an agency of the Aga Khan Development Network (AKDN), to manage a revolving loan fund. The fund provides interest free loans as gap funding to cotton farmers, who can’t take advantage of the exiting GGRC subsidy. The loan covers 40% of the cost of the drip irrigation unit. The balance 40% of the cost is funded through GGRC and the remaining 20% is borne by the farmers themselves. The total capital requirement for installation of drip in one acre of land is about INR 50,000 (686 Euros). The loan from the revolving fund is provided for a maximum land area of 2 acres.

The first phase of the programme ended in 2015 and covered 1,352 farmers in Surendranagar district. The second phase of the programme started in April, 2016 and has till date provided loans 1,500 farmers to install drip irrigation unit. In this phase the programme aims to provide loans to 9,750 cotton farmers in Surendranagar, Rajkot, Morbi and Botad districts by 2020. Additionally, this phase, will also focus on institution building by creating Farmer Producer Companies (FPC) that will manage the operations of the fund in the future. As farmers repay the loans to the FPCs, these funds will be further rotated thereby creating a corpus for further loan disbursement to additional smallholder cotton farmers.

The uptake of the drip irrigation revolving loan fund has led to significant improvement in productivity, reduced water usage and cost of production. In phase 1, the yield of cotton has increased by 12.6 percent and water usage in the cotton farms has reduced by 26 percent for the beneficiary farmers. The weeding cost in these farms was 29.9 percent lesser than the comparison farms where farmers practice flood irrigation[[1]](#footnote-1).

The model has been successful in contributing to the achievement of GGRC micro irrigation scheme. Small and marginal farmers who usually couldn’t benefit from subsidy schemes such as this due to unavailability of fund for their own share are benefiting from this. These are famers with less than 5 acres of land. Usually, there is a lack of access to formal credit for these farmers. Banks and other formal financial institutions are averse to giving loans to them due to their higher risk rating. The fund has led to increased uptake of GGRC subsidy by small and marginal farmers (about 70 percent of the beneficiaries in phase -1. There has been no default in loan repayment between 2010 and now. Many farmers have repaid the loan before the loan term of two years. This is a model that can be adopted by governments, international organizations, banks and private sector organizations and replicated in other geographies.

# **The purpose of the case study**

Through this case study, the Foundation intends to highlight the successes and challenges of the programme. The case study should demonstrate the results of this unique model of promoting sustainable cotton cultivation improving access to smallholder farmers. The dissemination of this study should have a catalytic effect in bringing like- minded organizations to invest and scale up water saving initiatives. The Foundation is also open to organizing dissemination workshops to share the learnings of the case study.

# **Key learning themes**

The programme since its inception has addressed many key issues related to cotton farming. Some of the themes which the case study should explore are as follows:

1. *Enhancing Environment Sustainability:* Highlight the achievements of the programme in enhancing environment sustainability of cotton farming in the project location.
2. *Leveraging the Government Machinery:* The programme has been able to leverage existing government subsidy scheme. This model should be studied and its replicability in other Indian states can be explored.
3. *Building Institutions*: The mandate of the programme is to build institutions that are financially self-sustainable. The case study should explore the viability of this model and analyse the success factors behind model’s operational controls that have ensured no defaults by a section considered not credit worthy by traditional financial institutions.
4. *Taking Farmers Beyond Water Saving:* In addition to the water savings and reduction in chemical usage, the study should explore the change in net farm income due to drip irrigation.

It is to be noted that these are only a suggestive list of themes. The organization should visit the field and conduct consultations with the programme implementers and C&A Foundation before finalizing the themes for the case study.

# **Stakeholders to be consulted**

The organization should clearly map all the key stakeholders and consult them during the data gathering phase. Some of the important stakeholders of the programme are:

1. Program team from AKRSPI and Cotton Connect including field level workers responsible for mobilization.
2. Beneficiary farmers, both male and female
3. Farmer Groups
4. Officials of GGRC
5. Experts and academicians working on sustainable agriculture and water management
6. C&A Foundation staff

# **Resources Available**

The secondary data that is available currently are as follows:

1. MIS data
2. Baseline and end line studies, as applicable
3. Impact assessment study

# **Qualification criteria for the Organization/Team**

The Consultant/Team should have the following experience:

**Mandatory qualifications**

* Previous experience of drafting case studies for Multilateral organizations, Global Foundations, International NGOs and Bilateral Aid Agencies
* Strong background and experience of conducting research studies on agriculture
* Previous experience of publishing case studies in internationally renowned journals or as published academic articles is desirable
* Experience of presenting data and insights in a visually appealing manner (infographics, charts, pictures). Please attach samples of previous work
* The organization or its partner organization should have presence in India
* The organization should have a minimum five years of operational history.

**Desirable qualifications**

* Experience of working on water conservation techniques especially micro irrigation systems
* Sound understanding of the textile and cotton sector in India

# **Evaluation Methodology and Criteria**

The proposals will be evaluated based on a cumulative analysis. A two-stage procedure will be utilized in evaluating of the proposals;

**Technical Proposal** will be evaluated with a minimum pass requirement of **70%** of the obtainable points assigned for technical proposal. A proposal shall be rejected at this stage if it fails to achieve the minimum technical threshold of 70% of the obtainable score points prior to any price proposal being opened and compared.

The technical proposal will be evaluated based on the following criteria:

|  |  |  |
| --- | --- | --- |
| **S.No** | **Criteria** | **Points** |
| 1 | Understanding of the ToR | 15 |
| 2 | Work Plan and Methodology | 30 |
| 3 | Expertise of the Organization | 20 |
| 4 | Experience of the Team Leader | 15 |
| 5 | Experience of the Team Members | 10 |
| 6 | Presentation of the past credentials and its relevance | 10 |

**Financial Proposal** will be opened only for those entities whose technical proposal achieved the minimum technical threshold of **70%** of the obtainable score.

In this methodology, the maximum point of **30** will be allocated to the lowest price proposal. All other price proposals receive points in inverse proportion.

A formula is as follows:

**p = 30 x (μ/z)**

Where:

p = Points for the financial proposal being evaluated

μ = Price of the lowest priced proposal

z = Price of the proposal being evaluated

**Final selection-** The total score will be calculated using the following formula

**TS = p + (70% of the Technical Score)**

Where:

TS = Total Score

*The contract shall be awarded to the proposal obtaining the overall highest score after adding the score of the technical proposal and the financial proposal.*

# **Format of the Technical Proposal**

The technical proposal should be submitted in the following format:

1. Understanding of the ToR
2. Expertise of the Organization
3. Proposed work plan and approach
4. Team Structure, Key Personnel and Resource Plan (This section should clearly state the roles and responsibilities of the team and any change in the team at a later date should be notified with reasons)
5. Annexure (CVs, Credentials, Sample of previous work- The credentials should be given of 5 most relevant completed projects. Please also attach brief samples of previous work)

# **Format of the Financial Proposal**

The financial proposal should be prepared as a separate file. It should contain the following heads:

1. Name of the personnel, per day rate and professional fees
2. Out of pocket expenditure with detail breakdown of cost
3. Milestones for payment
4. This should be accompanied by 1-page narrative on how the organization will ensure value for money for the services provided

# **Timeline**

The expected timeline for the study is as follows:

|  |  |
| --- | --- |
| **Evaluation Process/ Deliverable** | **Deadline** |
| Selection and contracting of consultancy | 7th January 2017 |
| Inception report (Should include the final methodology, structure of the report and work plan) | 24th January 2017 |
| Presentation on Work in Progress and feedback from the Foundation | 14th February 2017 |
| Draft Report | 6th March 2017 |
| Comments on the draft report | 10th March 2017 |
| Final Report | 21st March 2017 |

**Note:** It is expected that the team will visit the project location and meet the programme staff and the beneficiaries during the inception and implementation phase of the assignment. The field planning should also be clearly stated in the proposal.

# **Proposal Submission Requirements**

* The technical and financial proposals to be submitted separately by 05.30 PM (IST), Thursday, 15th December 2016 to sustainablecotton[@candafoundation.org](mailto:i.sinha@candafoundation.org). Proposals received after the deadline will be rejected.
* Questions should be sent to the same email by 10th December, 2016.
* The technical proposal should not be more than 10 pages. The CVs, credentials and brief samples of previous work can come as an annexure.
* The financial proposal should give the break-up of the cost for both professional fees and out of pocket expenditure

1. Cotton Connect End line data from pPhase-1 (2015) [↑](#footnote-ref-1)