**TERMS OF REFERENCE FOR IMPLEMENTATION OF SOIL HEALTH SERVICES PILOT (2025-2026)**

# **Background**

## Background Information

Malawi’s economy is highly dependent on agriculture, 80% of those involved live in rural areas, and smallholders account for 80% of agricultural production and 70% of agricultural GDP. However, the farm sector faces several challenges as most farmers practice subsistence farming coupled with low output and the inability to scale to commercialization. Furthermore, most farms are small, and farmers use traditional practices and technologies. Subsequently, the sector depends on rainfall and has limited access to modern farming technologies. As a result, agricultural growth has stagnated. Among the smallholder farmers, less than half a million farming households are net sellers of agricultural products. With less than 1 hectare (0.7 ha) to farm, on average, the bulk of farmers engage in low-productivity agriculture and have virtually limited access to markets. The use of outdated technologies and a lack of the means to upgrade their operations, the inability to utilize inputs optimally, limited farming knowledge or access to data-driven advice, limited irrigation and drainage infrastructure, land degradation, climate change, and weak rural infrastructure exacerbate the problem.

Consequently, farming households require more food and cash to satisfy their basic needs. In Malawi, agricultural production generally cannot meet growing demand from domestic and export markets. Unfortunately, agricultural commercialization, especially in rural areas, is hampered by inadequate infrastructure, limited access to relevant services, insufficient service provision, inconsistencies in policy, and market dominance by a few large firms. Trade costs are high due to high tariffs, non-tariff barriers, regulatory fees, cross-border challenges, and high transport costs.

The Ministry of Agriculture in close collaboration with the Ministry of Industry and Trade (MoIT) is implementing the Malawi Food Systems Resilience Program (MFSRP) for Eastern and Southern Africa Phase 3 (P177816). MFSRP is the second phase of the Agricultural Commercialization (AGCOM) Project (P158434). This project is being funded through IDA grant financing, the Global Agriculture and Food Security Program (GAFSP) and the Mult-Donor Trust Fund.

The project builds upon many years of successful experience implementing AGCOM (1.0). While the Malawi FSRP introduced new elements, it is scaling up many of the successful interventions and approaches of the AGCOM project, including pursuing the main objective of AGCOM, which is to increase the commercialization of primary and value-added agricultural products as a means of enhancing national and regional food systems resilience. The MFSRP will also build food systems resilience by helping to develop climate-smart farming and irrigation systems, including through investments in research, extension, and infrastructure, and by building the capacity of pivotal public institutions to undertake resilience-enhancing policy reforms. The project is organized around six components, in keeping with the structure and sequencing of Phase 3 of the Multiphase Programmatic Approach (MPA), these include component 1: Building Resilient Agricultural Production Capacity, Component 2: Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes, Component 3: Getting to Market, Component 4: Promoting a Greater Focus Security Resilience in National and Regional Policymaking, Component 5: Contingency Emergency Response (CERC) and Component 6: Project Management and Coordination.

## Brief Description of Assignment

The Government of Malawi intends to use part of the funds acquired from the International Development Association (IDA) grant to finance a pilot that has the objective of enhancing soil health that leads to higher productivity, better farmer incomes and greater food and nutritional security. In this regard, MoA is seeking the services of a firm to implement the pilot for the 2025-2026 growing season.

## Project Development Objective

This work is part of a much larger project where the Project Development Objective is ***“*to increase the resilience of food systems and the country’s preparedness for food insecurity in project areas and, in case of an eligible crisis or emergency, to respond promptly and effectively to it.*”***

## Specific Objectives

The specific objectives include enhancing the Affordable Input Program (AIP) which is a critical project component. Two alternative input subsidy schemes have been designed and are being piloted in the 2024-25 season. They need to be continued in the 2025-26 season, and then evaluated. The two schemes deploy different mechanisms and design elements. Both will use an e-voucher delivery system. The more flexible input subsidy scheme (“fully-flexible e-voucher scheme”) will allow farmers to configure their own input bundle, selecting at least one option from a range of options in each of three categories (soil and water conservation, soil nutrient management, diversification), while the less flexible input subsidy scheme (“semi-flexible e-voucher scheme”) will allow farmers to select among a narrower set of bundled technology packages covering the same categories as the fully-flexible scheme. All the inputs and options will have been preselected and vetted for their potential to support soil health and be accompanied by tailored extension services. Input costs will be subsidized. The fully-flexible scheme will offer farmers an incentive payment for implementing the agreed soil health practices. This is a form of payments for environmental services (PES).

The two schemes will be piloted for at least two growing seasons (2024-25 and 2025-26) across six Agricultural Development Districts (ADDs) covering a minimum of 12,000 beneficiary households for each scheme. A “control group” of 12,000 households would also be identified; these being households which are beneficiaries of the AIP. For an impact evaluation a smaller sub-sample will be used for each of these three groups, with baseline, midline and endline surveys planned.

# **Justification**

For the country's agricultural production levels to improve and the project to meet its objectives, it is imperative that soil health decline and soil degradation be reversed. Inorganic fertiliser use efficiency has declined significantly as a result of soil acidification and other forms of soil degradation, to the point where using inorganic fertiliser makes little economic sense – the returns to the costly inputs do not justify use. However, soil health decline can be reversed, through, for example, using lime, organic matter, including more legumes in the production system and implementing soil and water conservation measures. The pilot will test ways in which soil health can be improved and analyse how these impact social, economic and environmental outcomes.

# **Objective of the assignment**

The objective of the assignment is to implement and manage all technical, operational, and analytical aspects of the Soil Health Services Pilot for the 2025-2026 growing season.

# **Scope of work**

The assignment will be carried out in six ADDs in Malawi (excludes Salima and Lower Shire ADDs where water scarcity is a more severe issue than soil health). The assignment includes learning lessons learnt from the 2024-25 season using the data collected by the Service Provider that established and implemented the pilot in the first year, conducting a refresh trainer of trainers course, conducting refresh training of frontline extension staff, overseeing and implementing the training of 24,000 farmers, registering farmers for the 2025-26 season, holding focus groups and conducting a sensitization campaign, tracking and ensuring the delivery of subsidised inputs, implementing the monitoring of farmer practices through trained extension officers, collecting data on farmer actions in terms of soil health practices, recommending which farmers complied with their obligations and should receive incentive payments, and providing a summary report based on lessons learnt, including recommendations for further actions and policy for soil health improvement.

The successful firm will be responsible for undertaking the following activities:

1. Review the data and lessons emerging from the first year of implementation (2024-25), including through interviews with key stakeholders involved in the 2024-25 season, and prepare a lesson learnt document that sets out directions for implementation in the 2024-25 season, makes proposals for the structure and process for the 2025-26 season, and makes proposals for course corrections in terms of the digital components of the pilot (e-vouchers, payment systems, centralized data depository).
2. Review the beneficiary lists and make recommendations as to whether additional participants need to be selected given dropouts from the 2024-25 season.
3. Provide advice and feedback to the service provider that undertook the baseline survey, focusing on what needs to be done for the midline (mid-2025) and endline surveys (mid-2026).
4. Prepare a Plan of Action and updated Field Implementation Guidelines based on the agreed structure and process for the 2025-26 season.
5. Update the Soil Health Trainer of Trainees Manual
6. Conduct Trainer of Trainers refresh courses and training of frontline extension workers
7. Conduct sensitization activities with ADD and district officers.
8. Organize refresh training of 24,000 farmers and undertake the registration of the farmers for the 2025-26 season.
9. Working closely with the Project Implementation Unit (PIU) of AGCOM2, and based on the inputs selected in the registration process, prepare documents for prequalification of input suppliers.
10. Implement four rounds of monitoring activities by the extensionists, whereby extensionists firstly check that the agreed soil conservation practices are applied in the dry season (which triggers the sending out of e-vouchers) and secondly, that the agreed soil health practices are applied during the growing season. Monitoring is also to cover feedback from farmers on the practices they are applying.
11. Monitor and ensure the availability and accessibility of inputs to farmers by conducting spot checks to identify and address any bottlenecks or challenges.
12. Prepare a final report based on data collected and lessons learnt activities, including recommendations for further actions and policy for soil health improvement.
13. Provide capacity building to government frontline staff (Agriculture development extension officers and extension agents) to enhance future initiatives focusing on soil health and farmer productivity.

# **Critical conditions and compliance requirements**

1. **Obtaining Necessary Permits or Clearance for undertaking the assignment**

By the time of implementation, the firm is expected to acquire all the necessary permissions for implementing the pilot scheme from the relevant Government and other appropriate legal authorities as required by laws and statutory provisions of the country. The firm is also expected to adhere to local laws and regulations, such as taxation and labour laws, and obtain health and accident insurance policies for its employees as necessary.

1. **Detailed Plan of Action and Field Implementation Guidelines**

The firm must prepare a Plan of Action and Field Implementation Guidelines to be shared with the Client MoA and PIU for information and concurrence. The Plan of Action and Field Implementation Guidelines will include methodology, broad timeframe and work plan, data/information management, and reporting plan. It will also explain how training, registration and monitoring will be conducted.

# **Deliverables**

The following are key deliverables for the assignment:

1. **Inception report** detailing the understanding and interpretation of the ToRs
2. **Lessons Learnt document** based on 2024-25 season that sets out directions for implementation in the 2024-25 season, makes proposals for the structure and process for the 2025-26 season, and makes proposals for course corrections in terms of the digital components of the pilot (e-vouchers, payment systems, centralized data depository).
3. **Plan of Action** and **Field Implementation Guidelines**
4. A **Training of Trainers manual** (refreshed from the 2024-25 season)
5. **Report on the training of extensionists and the registration of farmer**s for the 2025-26 season.
6. **Monitoring reports (2).** After the first round of monitoring in the dry season, and after monitoring in the mid rainy season, provide a short report summarizing the data.
7. **Final report** summarizing all monitoring data, implementation challenges, lessons learnt and recommendations for policy and action around soil health.

**SUMMARY OF KEY ACTIVITIES, DELIVERABLES AND TIMELINES**

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| No | Activities | Deliverables | Timelines |
| 1 | Submit an Inception Report, detailing the understanding and interpretation of the TORs; the proposed methodology, work plan and implementation schedule; and risk management and communication plans. | Draft Inception Report (including evidence of clearances, insurances, and permits for undertaking the assignment). The firm will be required to present the inception report to the client for review. | Within two weeks from contract signing (expected in the first half of 2025). |
| 2 | Conduct an inception meeting with PIU and WB team, and finalize inception report | Draft inception report presented at meeting; Revised **Inception Report** | Meeting no later than two weeks from contract signing; finalized inception report no later than one week thereafter. |
| 3 | Analyze the successes and challenges from the 2024-25 season and prepare a lessons learnt document that sets out directions for implementation in the 2024-25 season | **Lessons Learnt document** | Completed no later than 6 weeks after contract signing (expected in the first half of 2025). |
| 4 | Prepare for the implementation of the 2025-26 season by preparing all the necessary plans and guidelines | **Plan of Action;** updated **Field Implementation Guidelines;** updated **Training of Trainers manual** | By at least June 30th 2025 |
| 5 | * Conduct ADD and district sensitization * Engage, train, and supervise trainers of trainers * Implement training of frontline extensionists * Implement farmer training and registration | **Report on the training of extensionists and the registration of farmers.** The report should summarize basic data (e.g. numbers of trainers and extensionists trained by gender, numbers of farmers selecting different inputs and practices). | By at least 30th July |
| 6 | Implement monitoring of soil conservation practices by targeted farmers, and ensure quality data is entered into the digital system | **Report on monitoring activities**. The report should summarize basic data available (e.g. numbers of farmers who don’t implement the agreed soil health practices). | By at least 30th August |
| 7 | Overseeing the delivery of inputs to farmers so as to identify bottlenecks that need solving. | Feedback to PIU and WB | By at least mid October |
| 8 | Implement monitoring in the growing season of soil health practices by targeted farmers, and ensure quality data is entered into the digital system. Four monitoring rounds are expected, from December to March inclusive | **Report on monitoring** after a mid-season monitoring round. The report should summarize basic data available (e.g. numbers of farmers who don’t implement the agreed soil health practices). | By mid January |
| 10 | Get input from staff at all levels on implementation challenges and obstacles and draw out lessons; Analyze data and lessons learnt. | **Final report** summarizing all monitoring rounds, implementation challenges and lessons learnt; and make recommendations for future actions and policy for soil health improvement. | By 30th March 2026 |

# **Reporting Modalities terms and condition**

The selected Firm will work under the overall supervision of the Ministry of Agriculture, and PIU in consultation with relevant departments within the MoA.

# **Reporting**

The Firm, working closely with the Client, will be responsible for writing all reports. These will be formally submitted to MoA and PIU.

# **Required Qualifications and Experience of the Firm**

The selected firm must demonstrate the following:

* Prior experience in similar assignments – the firm must know local formalities, traditions, and customs
* Experience in agricultural development initiatives in Malawi is preferred.
* Experience in training of trainers, training of extensionists and extensionist approaches.
* Capacity and experience in planning and organizing farmer registration and monitoring, including through digital means.
* Have access to a good network of experienced extensionists, trainers, supervisors, and data quality assurance managers.
* References for recently (in the last ten years) completed similar assignments.

Note: Documentary evidence is required for all the above criteria

# **Qualifications and Experience Requirements of the Key Experts of the firm**

**Team Leader (1)**

The Lead Consultant of the firm should have a minimum of a Master’s degree qualification in Agricultural Development or a related field, with experience of not less than ten (10) years that includes experience of similar assignments at this scale of operation.

**Soil scientist/crop agronomist (1)**

The Soil Scientists/Crop agronomist must have a proven record of dealing with soil health problems and solutions and will have an appropriate Master’s in one of those subjects. Proven working experience of at least 5 years in southern African contexts is necessary.

**Climate Change and Environmental Scientists (1):**

The climate change and environmental scientist shall have a Degree in Environmental Science, Climate Studies, or related fields (Master’s or Ph.D. in climate change or environmental management is highly advantageous) and experience of about 5-10 years of experience working with climate-smart agriculture, carbon sequestration, and adaptation strategies for agriculture in response to climate change. Their role will be to provide expertise in developing and implementing climate-resilient agricultural practices, such as rainwater harvesting, agroforestry, and precision irrigation, considering both mitigation and adaptation to climate change.

**Extensionist (1)**

The Extensionist must have at least a bachelors degree in the topic and at least 5 years of experience in terms of training of trainers and extension approaches.

The consulting team is free to add other staff on top of the above required specialized fields if it is deemed necessary to efficiently and successfully deliver the assignment but will also be required to collaborate with government district and frontline staff to successfully execute this assignment.

1. **Specific Experience of Firm**

* The firm must have experience in working with the Ministry of Agriculture on agricultural development (***proof of evidence is required***)
* The firm must have a team of experts with a minimum of ten (10) years of demonstrable experience conducting similar consultancies for international development partners for complex development programs in food security in the African region (***proof of evidence is required***).
* The team must have at least 5 years of experience in undertaking training of trainers and extensionists (***proof of evidence is required***).
* Proven experience in data collection of farmers including through the use of digital approaches within a project in the last two (2) years.
* Excellent data presentation and visualization skills.
* Excellent technical writing and analytical skills.

# **Coordination**

The Ministry of Agriculture and PIU shall coordinate the implementing agencies of the project.

# **Client Inputs**

The Project will make available the required documentation and resources to facilitate the work of the selected firm.