**Annex A**

**suriname**

**Support to Agricultural Policy Analysis to improve Food Security, Competitiveness and Adaptation to Climate Change in the Caribbean Region**

**(RG-T2622)**

**Terms of Reference**

**PRODUCER SUPPORT ESTIMATES AND AGRICULTURAL POLICY ANALYSIS**

1. **Background**
   1. For most of the past fifty years, real agricultural commodity prices followed a downward trend punctuated by short-lived peaks that were not matched by equally pronounced and short-lived price falls but rather were separated by extended price troughs. Since around 2002 it appears that food prices have departed from this secular decline: prices have now been above trend for longer than at any time in the previous forty years and food price inflation has been faster than overall inflation in most countries. Prices have also become increasingly volatile with successively higher peaks in 2007-2008, 2010-2011 and, most recently, 2012. Given their geographical location and reliance on food imports, Caribbean countries are among the most vulnerable in the world to food price increases and climate change with a high incidence on rural poverty. The Caribbean countries also show the highest import tariffs. This situation is particularly worrisome given that, in addition to higher import tariffs, the shipping structures of the Caribbean islands provide for very little direct service and low connectivity, which in turn leads to higher ocean freight rates.
   2. The objective of the proposed Technical Cooperation (TC) is therefore to generate policy recommendations for a more efficient allocation of fiscal resources that could lead to reduced vulnerability to volatile food prices in Caribbean countries.
   3. To achieve this objective, the TC will finance studies in the following areas: i) trends in agricultural prices, production, trade and consumption; ii) structure and levels of support to the agricultural sector in a context of greater openness to trade in Barbados, Bahamas, Jamaica, Trinidad & Tobago, Guyana and Suriname (this will include 6 separate knowledge products with country specific recommendations which are also coherent at the regional level); iii) value chains analyses for the most relevant crops in the Caribbean countries, and iv) cost/benefit analysis of different forms of budgetary support including support to private beneficiaries vs. support for general public services such as: animal and plant health, food safety, innovation and infrastructure in irrigation and drainage, among others.
   4. The results will be disseminated through national workshops which will focus on addressing the specific structural/policy bottlenecks at the national level as well as one regional workshop which would ensure that the implemented national policy reforms are consistent for the region as a whole. The results will also propose policy reforms for public expenditure and policies aimed at achieving a more efficient allocation of fiscal resources and public goods investments in the Caribbean region.
   5. These Terms of Reference refer to the services of an individual consultant in order to promote the use of the PSE methodology, including supporting its application for agricultural policy analysis to improve food security, competitiveness and adaptation to climate change in the Caribbean Region.
2. **Consultancy Objectives**
   1. The objectives of this consultancy are:
3. To update, review and analyze Producer Support Estimates (PSE) and related indicators;
4. To conduct Value Chain Analyses for the same agricultural products analyzed with the PSE methodology, developing Nominal Rate of Protection (NRP) and Effective Rate of Protection (ERP) indicators for each of those products.
5. **Main Activities**
   1. The main activities of the consultancy will be:
6. Data Collection: Collect the data required to perform the PSE analysis following the OECD Manual. These information requirements include: (i) Domestic market information: Value and volume of production information for individual commodities and total agriculture at the farm gate level, Producer (farm gate) prices, Consumption data and Quantities of product used for feed use in the livestock sector, international prices and transportation costs; and (ii) Trade information: Values and volumes for both exports (FOB) and imports (CIF) of agricultural commodities and products and Tariff schedule for the country; iii) data on budget support: subsidies and other transfers across a range of the most significant supply chains both for domestic and export production, including information on preferential interest rates for estimation of support based on revenue foregone. Information should be collected on public expenditure for a) the most recent period available for the *executed* budget as well as b) the budget *approved* for the current period. Including current budget information will expedite updating the expenditure information for future years, and also is very important in identifying and adjusting current spending priorities to support key sector priorities, including potential IDB lending programs.
7. Calculate the Producer Support Estimates: (PSEs), Consumer Support Estimates (CSE) and other indicators following the OECD methodology, for the range of products selected. . Two steps will be followed: A) Preparation of the PSE indicators for the most recent year for which data is available, and B) Review and correct the PSE historical data and calculation of PSE and related indicators, according to updated information that may have become available on production, prices and expenditure levels.
8. Conduct Value Chain Analyses for the same agricultural products analyzed with the PSE methodology, developing Nominal Rate of Protection (NRP) and Effective Rate of Protection (ERP) indicators for each of those products.
9. Institutional Development and Dissemination: The consultant will be expected to work in coordination with RND staff and the Ministry of Agriculture, to clarify inconsistencies, gather accurate information and identify better ways to present the results. The consultant shall also disseminate PSE calculations for the region and incorporate these results into national and sector policy analyses.
10. PSE Country Technical Note: The consultant will prepare a technical note with information supporting the PSE indicators and results, including: a) the basis for the calculations to support the PSE indicators, b) reference to significant policy or programmatic changes during the year, and c) the main conclusions regarding the structure of support in the country. The Bank will provide the consultant with an outline to facilitate preparation of the final document.
11. **Reports/Outputs**
    1. The Consultant will be responsible for the following deliverables:
12. Work Program: A detailed work program to be presented to the Bank within 5 working days of the start date of the contract.
13. An Intermediate PSE Report including the following deliverables: (i) PSE calculations and a preliminary data base of the PSE, structured according to OECD methodology and IDB templates including updated information; (ii) an Intermediate Value Chain Analysis for all the products covered in the PSE analysis, with NRP and ERP for each of those products.
14. A Final PSE Report including the following deliverables: (i) final data base of the PSE, including updated information to be migrated to the IDB web system. The consultant will provide the final calculations of PSE and related indicators in OECD format to be migrated to the IDB web system; (ii) report to be uploaded in the IDB web system “Document Center” with the main conclusions and in publishable IDB format agreed with the Bank, activity 4; (iii) a Value Chain Analysis for all the products covered in the PSE analysis, with NRP and ERP for each of those products; and (iv) Information for Power Point presentation. The consultant will provide inputs for a power point presentation with the information required by IDB Team for a policy dialogue. All the final products will incorporate the comments and suggestions received by the IDB team on the basis of the intermediate reports.
15. **Schedule of payment**

* 30% of the contract’s value, upon acceptance of deliverable 1, specified in paragraph 4.1.a, detailed work program;
* 30% of contract’s value, upon acceptance of deliverables 2, specified in paragraph 4.1.b; and
* 40% of contract’s value, upon acceptance by the Bank of deliverables 3, specified in paragraph 4.1.c.

1. **Qualifications**

* An economist and/or agricultural economist with proven experience in the implementation of the PSE methodology (at least five country case studies in the past ten years).
* Language: Fluency in English
* Areas of expertise: Agricultural Policy Analysis.

1. **Characteristics of the consultancy**

* Consultancy Category & Modality: Products and External Services Contractual, Lump Sum.
* Contract duration: July to December, 2015.
* Place of work: Suriname and consultant’s residence.
* Coordinator: Paolo De Salvo, INE/RND [Desalvo@iadb.org](mailto:Desalvo@iadb.org). Environment, Rural Development Disaster Risk Management Division.

**Payment and Conditions of Employment:** Remuneration will be determined in accordance with Bank regulations and criteria.

**Consanguinity**: Individuals with relatives working for the IDB within, and including the fourth degree of consanguinity and the second degree of affinity are not eligible for employment as staff or contractual. Candidates must be citizens of a member country of the Inter-American Development Bank.

**Diversity:** The IDB is committed to diversity and inclusion and to providing equal opportunities in employment. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDs status. We encourage women, Afro‑descendants and persons of indigenous origins to apply.