



PSFM
Promotion of sustainable management of production forests
by forest companies in Vietnam

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TERMS OF REFERENCE (TOR)
for
National Expert for Business Planning for Competence Centre

Name of Expert:	National: International:	
Job Title:	National Expert for Business Planning for CC (Forest Economist)	
Project/Program:	PROMOTION OF SUSTAINABLE MANAGEMENT OF PRODUCTION FORESTS OF FOREST COMPANIES IN VIETNAM	
Duty Station:	<i>Truong Son, Dong Ha</i>	
Expected Start Date of Assignment:	Begin:	Duration: National: 20 days
Report to:	Name: Reinhold Glauner	Title: International Team Leader
Assigned direct counterparts	FSNC	Truong Son
Selected future trainer(s) to participate		

Background:

To promote sustainable management (SFM) of production forest by state forest companies (SFC) in Vietnam corresponding to the forest development strategy from 2006 to 2020, MARD, through Decision No.: 129/QĐ-BNN-HTQT of 11th February, 2017, approved the Investment Plan for the project „Promotion of Sustainable Forest Products Management for Forest Companies in Vietnam“ co-funded by the German Bundesministerium für Ernährung und Landwirtschaft (BMEL).

The overall project objective is to promote sustainable management of production forest of the forest companies in Vietnam in line with the forest development strategy from 2006 to 2020. The specific objectives of the project are:

- (i) to promote of sustainable management of production forests in one model state forest companies, which has been already endorsed by a sustainable forest management certification system according to international standards;
- (ii) to set-up a competence and training centre for sustainable forest management and certification; and



- (iii) to extent capacity to other (state) forest companies and organization in the whole country, through providing training courses on sustainable forest management and certification.

The main project outputs are:

- (i) The position of SFC Truong Son representing a certified model FMU (forest management unit) is further improved and stabilized;
- (ii) The competence centre at the Forest Science Centre for Northern Central Vietnam (FSNC) for sustainable forest management and certification is operational and contributes to capacity development in forestry;
- (iii) Experiences from SFM and certification are disseminated/upscaled to other state forest companies.

In the Decision No.: 129 /QĐ-BNN-HTQT the MARD decided that the Ministry of Agriculture and Rural Development (MARD) shall be project executing agency (PEA), The Vietnam Academy of Forest Science (VAFS) is the designated project owner (PO). The Forest Science Centre for North-Central Vietnam (FSNC) under VAFS and the Forest Industry One Member Limited Long Dai Holding (LDH) in Quang Binh, in particular Truong Son State Forest Company (TS-SFC) will be the project implementation agencies (PIA). The project duration is three years (from 2017 – 2019). From the German side, the project shall be supported by the consortium of Deutsche Forstservice (DFS) and Hessen Forst (HF), who act as implementing consultant (IC).

Based on the project plan, the Project should support FSNC to setup the Competence Centre (CC) for sustainable forest management and certification at the FSCNC.

The CC should:

- (i) be established newly;
- (ii) encompass two ownerships, i.e. FSNC and Long Dai Holding;
- (iii) have an appropriate legal structure to operate independently (e.g. LLC);
- (iv) currently serve as training centre mainly for SFEs (and ODA projects);
- (v) be operated independently and sustainably after project end.

It is of utmost importance that the CC is setup in such a way that it is considered as profit centre from the beginning. The ambiguous plan is to reach its self-sustaining capacity within the first project phase of three years. Thus, a market-oriented concept needs to be developed and critically assessed with regards to its feasibility. The business plan for the CC should be drawn up for a period of three years and should be reviewed annually. Opportunities for third party financing (donors, sponsors, etc.) need to be explored. The aim of this consultancy is to assist the CC to develop a best practice business plan for the duration until end of 2019. PSFM is aware that we have here the chicken-and-egg situation. However, the consultant needs to work under clearly described and documented assumptions.

This consultancy is implemented as a joint-mission of an international and a national consultant. The TOR are identical for both.

Mission Objectives:

Objectives of the mission are to assist the Implementing Agencies in the development of a business plan for the Competence Centre (CC) at the FSNC. The business plan shall consider that the CC is a training centre under a forest research centre. The legal structure shall be determined in due course.



Tasks of Expert:

The national expert shall be working closely with the international expert. Both experts shall put up a plan indicating the share of labour at the beginning of their assignment. The national consultant shall assist the international consultant in implementing the following:

- (1) Collection and documentation, as far as possible, of all cost-related activities for operation of a training centre, which
 - a. offers a certain curriculum (draft available);
 - b. has currently about 15 trainers (9 FSNC, 5 Long Dai, 1 Central Level);
 - c. has a certain amount / area of field plots / forest under management (FSC area, FSNC forest);
 - d. has a certain amount of training material, which is depreciated and has to be replaced (no inventory available yet);
 - e. should be able to serve as model for the country;
 - f. is currently set-up for SFEs and ODA projects only;
- (2) Elaborate the magnitude of course fees participants would have to pay under a clear set of assumptions (fees shall include payments for trainers, costs for organization of training course, and operational running costs of a training centre, Vietnamese cost norms, etc.) to operate at break-even point;
- (3) Assist the CC (respectively the current operators) to develop a best practice business plan for the period until end 2019 based on a Excel spreadsheet, which is simulating cash flows on a monthly basis and assumes a certain liquidity;
- (4) Conduct a course for the training of trainers concept during the first mission;
- (5) Develop the structure of a training manual for the respective topic.

Expected Outputs:

- (1) A jointly prepared best practice and bankable business plan for the CC has been developed (around 50 pages without annexes);

Proposed table of content (minimum*):

- a. Executive Summary
 - b. Business Description and Vision
 - c. Definition of the Market
 - d. Description of the Products and Services
 - e. Organization and Management
 - f. Marketing and Sales Strategy
 - g. Financial Management
 - h. Conclusion
- (2) A jointly prepared Training manual for business plan development;
 - (3) A jointly implemented 1-2 days training course for selected future trainers of the CC;
 - (4) A jointly prepared Mission report (max. 10 pages).



Qualification and Experience Requirements:

- (1) Having official University Degree or higher in forestry, economics, natural resource economics, or similar;
- (2) Proven experiences in business plan development for forest training institutions (candidate has to submit at least one example of her/his work);
- (3) Proven experiences in teaching at forest training centres/forest schools is an advantage;
- (4) Minimum of 2 years of relevant professional experiences in the field of business planning for forest companies/enterprises. A significant part of experiences should have been gained in international development projects and consulting of institutions of the public sector;
- (5) Willing to work in a team;
- (6) Able to work independently;
- (7) Fluently in speaking and writing in English (International/National) and Vietnamese (National). Particularly the Vietnamese report shall be assessed by the Project Owner if it meets publication standards.

*** Maximum variant:**

Title Page

Plan Summary

Table of Contents

Challenges

Business Description

Business Accomplishments

Marketing Plan

Sales Revenue Forecast

Profit and Loss Forecast

Capital Spending Plan

Cash Flow Forecast

Future Trends

Markets

Risks Facing Your Business

Competitors

Personnel Plan

- Business Personality
- Staffing Schedule
- Job Descriptions

Specific Business Goals

Background (Companies' strong and weak points, general and specific skills the business needs)