



## Terms of Reference

# “Action Research on SME Clusters and Value Chain Integration”

## National Researcher

(21 October 2012 to 15 February 2013)

### 1. Background

Mekong Institute with support from New Zealand Aid Programme is implementing a three-year project on “Integrating CLMV Economies into ASEAN Economic Community 2015”. The ultimate goal of this project is to contribute to the integration of CLMV economies into ASEAN Economic Community through five interrelated capacity building components – (i) Good Agriculture and Postharvest Practices, (ii) Cross-border contract farming management policies, (iii) SME Clusters and Export Network, (iv) FTAs and related trade and investment policies and (v) GMS-focused research by young GMS professionals. The Trade and Investment Division of MI is implementing the components on SME Clusters and Export Network, FTAs and related trade and investment policies.

### 2. SME Clusters and Export Network

For the component (iii) on SME Clusters and Export Network, a series of activities have been planned to assist SMEs. The first activity was conducted to assess the status of SMEs, SME export status, Free Trade Agreements and related issues in order to prepare SMEs of Cambodia, Laos, Myanmar and Vietnam (CLMV) to integrate into regional and global market.

### 3. Activities

The following activities are identified to achieve the objective of forming SME export Consortia to help and assist to integrate into regional and global value chain.

1. Needs assessment of SME status, SME export status and FTA utilization in CLMV.
2. Training on SME Cluster Development and Export Consortia.
3. Implementation of action plans in CLMV to conduct national workshops on SME cluster development and export consortia formation.
4. Provide coaching and hand holding supports by national teams to form SME Export consortia in CLMV.

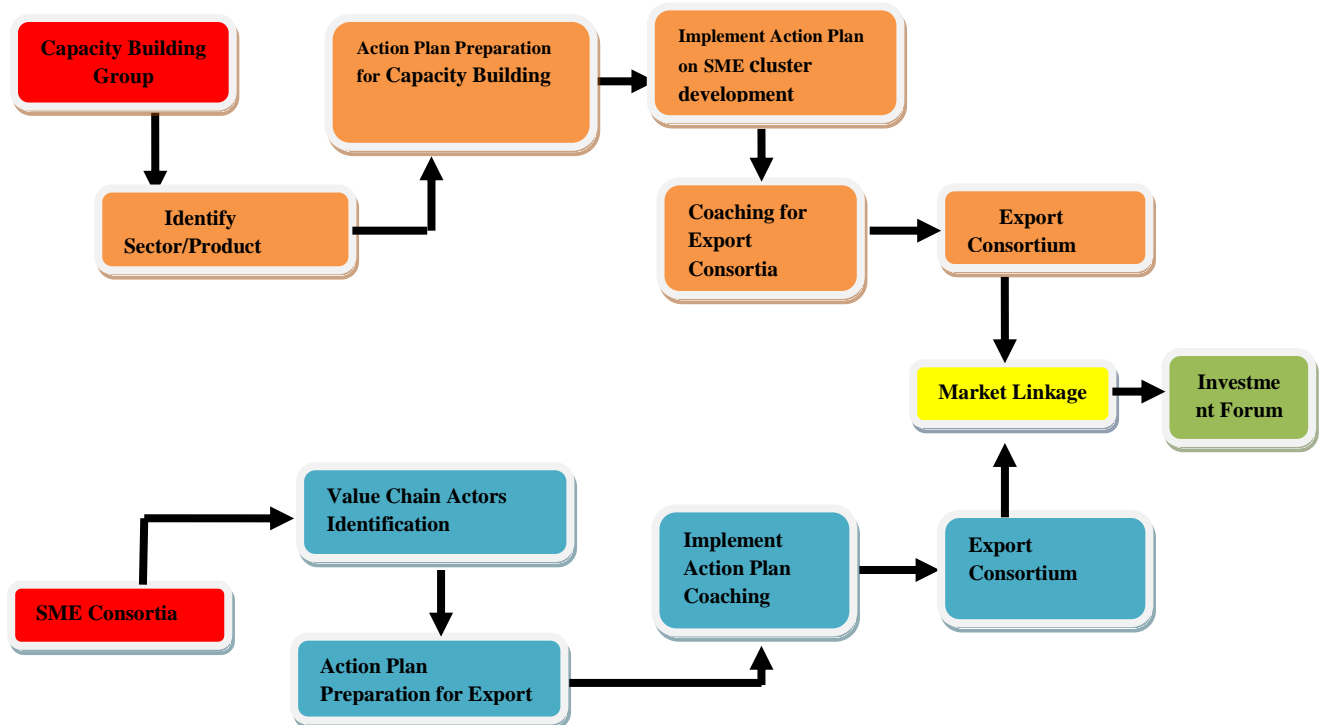


## 5. Investors Forum

Based on the needs assessment, a regional training was organized to provide SME exporters with the necessary knowledge and skills to develop SME clusters and promote entry into export market through formation of export consortia. The training was attended for 29 participants including SME entrepreneurs, senior government officials, and SME Associations, Chambers of Commerce and Industry and exporters from all of the five Greater Mekong Sub-region nations (Cambodia, Lao PDR, Myanmar, Vietnam, Thailand and P.R. China). The national workshop is designed in two modules including (1) SMEs and Cluster Development and (2) Export Consortia Formation plus the coaching plan to form teams for export consortia

The approach of promoting SME consortia follows the following framework:

### Conceptual Framework for Action Plan Implementation



The trainees representing Ministries, Chambers of Commerce, and Business associations were grouped as Capacity Development Group (CD) and the participants representing business or individual business were grouped as Consortia Group (CC).



## 4. Action Plans

The participants developed eight (8) action plans on capacity building on identified business sectors to promote SME clusters and assist in forming Export Consortia formation on organic milled rice in Cambodia, silk in Lao PDR, hydrated vegetable in Myanmar, coffee in Vietnam. Action Plans on coaching for formation of export consortia on instant noodle in Cambodia, furniture in Lao PDR, plastic in Myanmar and tea in Vietnam were developed for implementation.

## 5. Scope of Consultancy

The action research is aimed to document the process of SME cluster formation and the integration of the selected product into regional/global value chain. The action research will be conducted in each of the CLMV countries besides Korat Pork SME Cluster in Thailand. The Mekong Institute is seeking the services of a National Researcher to conduct the action research to deliver the following activities:

1. Attend one week training programme at Mekong Institute on “Action Research Methodology” during 22-26 October 2012 at Mekong Institute, Khon Kaen Thailand.
2. In consultation with the Lead Researcher, develop action research plan defining objectives, work plan and deliverables.
3. Conduct field action research and document process of the identified SME clusters and Export Consortia as per research plan.
4. Analyze data on SME cluster and export consortia formation on identified SME clusters.
5. Write report on each product cluster and present at Mekong Institute
6. Organize local workshop for dissemination of the results.

## 6. Team

The team will comprise of a Lead Researcher, one National Researcher in each of the CLMV countries and one Young MI researcher.

The national researcher will work under the overall guidance of the Lead Researcher. The Lead Researcher will provide the initial training on action research and will assist in developing research plans. During field research, the Lead Researcher will provide necessary guidance as and when required. The National Researcher will be assisted by a young researcher to coordinate the field activities.

The National Researcher will conduct the following activities:



## 7. Key Activities

| No of day | Key Activities   | Dates                            |
|-----------|--|----------------------------------|
| 5 days    | 1. Attend a five-day workshop on Action Research Methodology   | Oct 22 – 26, 2012<br>Khon Kaen   |
| 60 days   | 2. Conduct field action research and document process of the identified SME clusters and Export Consortia as per research plan | Oct 29 – Dec 31, 2012<br>In CLMV |
| 5 days    | 3. Analyze data on SME cluster and export consortia formation on identified SME clusters                                       | Jan 14 – 18, 2013<br>Khon Kaen   |
| 4 days    | 4. Write report on each of the product cluster and present   | Jan 19 – 22, 2013<br>Khon Kaen   |
| 1 day     | 5. Organize National Dissemination Workshop in respective CLMV   | Feb 5, 2013<br>In CLMV           |

## 8. Deliverables

1. Field data on identified SME Clusters and Export Consortia
2. Reports on Action Research on SME Clusters and Export Consortia
3. National Dissemination Workshop and Workshop Report

## 9. Payment Terms

Remuneration includes **USD 2,000** paid in lumpsum for indicated working days plus **USD 1,000** for local transport and other miscellaneous expenses during field research.

MI will provide a round trip by air from home country to Khon Kaen, local transport and other miscellaneous expense to attend the Action Research Training in October and for Data Analysis and Reporting in December 2012, plus free accommodation during his/her stay in Khon Kaen.

Payment is established in two installments: the first 50% to conduct the field research and the remaining upon the submission of all deliverables listed above.

**I have read and agree with the above TOR**

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**National Researcher**

**Dr. Suchat Katima**

Date.....

Date.....