



**THE CHARTER OF
VALUE-CHAIN CAPACITY BUILDING NETWORK**

Version 3.0

Bangkok, Thailand

November, 2018

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1. INTRODUCTION

The Value Chain Capacity Building Network (VCB-N) is a regional network that aims to provide professional advisory services and capacity building on Value Chain and Market Systems Development (VC & MSD) in Asia and Pacific Region (APR).

The VCB-N is pulling together expertise from seven countries (Bangladesh, China, India, Indonesia, Lao PDR, Myanmar and Vietnam) and 15 organizations in the region that specialize in professional training, capacity building and consultancy services for value chain and market systems development. A 4-year project was defined to facilitate the initiation of the VCB-N with the intention to build an economically viable capacity building network that continues to deliver services to IFAD and other donors and development projects with the components and mandates of pro-poor value chains and market systems development. As the VCB-N matures, new countries and members are expected to join in, subject to the approval and interest of the founding members and the network's steering committee, which is representing all members. This Charter carries information required by decision makers to approve and support the activities necessary for the management and the sustainability of VCB-N. It details the needs, scope, vision, mission, resource commitments and governance structure of the Network and its members. The VCB-N charter and the VCB-N Business Plan are the leading documents for the governance and further development of the VCB-N. Both are regarded as "living" documents that will be revised whenever the context and/or internal developments require so.

2. JUSTIFICATION

The VCB-N was in first instance founded to meet the demand for professional development of staff of IFAD funded and other projects in the area of Value Chains/Market Systems in the Asia and Pacific region. The professional development services to be provided by members are expected to improve the capacities of client projects to successfully scale-up pro-poor value chain development initiatives. This is in line with the growing interest of IFAD and other donors to invest in value chain interventions that are more inclusive, sustainable and scalable.

The network is also expected to contribute to development of curricula, to provide training and capacity building services and products that can contribute to common understanding on best practices for pro-poor value chain interventions amongst the practitioners and policy makers. In this context, the network is expected to contribute to evidence-based knowledge development and learning, capturing and disseminating lessons, evolving good practices and encountered challenges in the developing sustainable, inclusive and prop-poor value chains.

All members, referred to as Centres of Excellence (CoE) have track records on professional training and capacity building on VC & MSD. These - Centres of Excellence - are able to offer tailor-made capacity building and advisory services including development of training modules, and support for project implementation, documentation of case studies, value chain and policy analysis leading to positive policy changes. It is expected that the network will contribute to capacity development of more than 700 professionals working with IFAD funded projects and more than 1000 additional professionals working with projects having a similar mandate in the Asia Pacific Region.

As a network:

- The VCB-N provides access to a thriving network of qualified consultants / experts working on VC in the Asia Pacific Region
- The VCB-N offers 360 degree VC solution support to donors, development organizations, government agencies (Training, research, project design, implementation support, monitoring and evaluation)
- The VCB-N offers services to farmer producer organizations, i.e. farmer's cooperatives and agribusiness enterprises who are committed to benefit small and poor farmers, poor women, etc., to enhance their capacity to enlarge their access to new markets, increased sales and income, with adherence to standards and certification, business planning and management, etc.
- The VCB-N facilitates exchange and builds common knowledge and experience among professionals and organizations working in the Asia Pacific Region

3. SCOPE

3.1. Vision

The VCB-N envisions to become the leading network in the Asia Pacific region on sustainable, inclusive and pro-poor value chain or market systems development by building and making accessible a

knowledge base that supports practitioners as well as policy makers to capitalize on market development and opportunities which empower smallholder farmers and reduce poverty.

3.2. Mission

The VCB-N mission is to support projects and key stakeholders to efficiently and effectively design and implement value chain and market systems development initiatives by:

1. Becoming a self-sustaining member-owned and driven network which is able to provide capacity building services to clients and target stakeholders related to value chain development (VCD) and market systems development (MSD);
2. Assisting network members to create a platform for sharing VCD/MSD related knowledge, practical working tools, and academic resources;
3. Encouraging network members and their partners to engage in project consultancy services and policy advocacy at local, national and regional levels.

3.3. Overall Goal and Beneficiaries

The strategic goal of the network is to contribute to rural poverty reduction through pro-poor VCD training, project consultancy and governmental policy consultancy and fostering multi-stakeholder dialogue on sustainable, inclusive, pro-poor value chain and market systems development.

The final targeted beneficiaries of the VCB-N are poor smallholder farmers who need empowerment and support in accessing markets and gaining a profitable market position. The intermediate target group of the network are the governmental officials and project management staff.

3.4. Targeted Clients

Although initially focusing on the need for professional advisory services on VCD and MSD of IFAD projects and programmes in the region, the VCB-N will extend its client portfolio and aim at rendering professional services to multiple client segments including:

- Donors, development organizations, i.e. IFAD, World Bank, ADB and bilateral development organizations
- Farmer producer organizations
- Private companies
- Government agencies
- Other CoEs and training providers
- Development community in general

3.5. Major Services to be provided by VCB-N and its Members

For fulfilling the abovementioned mission and goals, The VCB-N aims to deliver the following External and Internal functions:

EXTERNAL: rendering services to a diverse client base:

A. VCD/MSD Training and Capacity Building

- Conduct institutional assessment and training needs analysis for identifying institutional capacity and staff competence and skills gaps in providing VCD and MSD related consultancy, and identifying their concrete demands on VCD/MSD training and VCD consultancy;
- Develop VCD/MSD Training Curriculum and VCD Field Work Manual for trainers, VCD facilitators, project staff and other appliers;
- Conduct VCD trainings for IFAD's executing partners and other in-need organizations;

B. VCD/MSD Consultancy

- VCB-N and its members will provide demand-driven consultancies to poverty alleviation and agricultural development projects funded by the governments and international donors, private sector including social entrepreneurs.
- Ideally, the consultancy service will be provided during the whole project lifecycle, for instance: (i) designing VCD component during project designing period; (ii) facilitating the VCD implementation and capacity building; (iii) Facilitating establishment and conducting M&E during implementation period; (iv) Independent mid-term and final evaluation of VCD components of agricultural and poverty alleviation projects;

C. VCD/MSD Policy Research and Governmental Consultation

- Conduct and facilitate VCD related policy research in the member countries for identifying policy gaps and constraints and making recommendations;
- Carry out VCD/MSD policy dialogues and consultation through workshops and conferences with governments and international donor organizations;
- Provide policy advice to governmental organizations for creating an enabling policy and institutional environment for pro-poor value chain development;

INTERNAL or Supporting Services: Strengthening the VCB-N and its functioning

D. Network Strengthening & Knowledge Management

- Create and sustain a VCD/MSD webpage and database as a knowledge pool to share information, knowledge and resources among network members and with other partner organizations and potential actors related to VCD/MSD;
- Compile and distribute newsletters to potential clients, international donors and governmental organizations;
- Compile and publish VCD & MSD Research papers and policy study reports for enhancing the academic and policy consultancy reputation and track-record of CoEs
- Network Management and member coordination
- Build and maintain a database of CoEs and experts, take stock and update work track records – become an accessible value chain knowledge hub for the region
- Develop Smart Boxes (tools, training modules, produces for service offering) and quality standards for its member base
- Promote, brand and market VCB-N and CoEs products and services
- Continuously track and identify business and learning opportunities

- Broker/liaise between clients and CoE(s) by proactively promoting the services of CoEs
- Regularly undertake capacity building activities (ToTs, regional workshops) for members to ensure service quality
- Build quality standards and operate quality assurance mechanisms
- Organize thematic regional and international conferences

4. NETWORK MEMBERSHIP

4.1. Membership

Network members as of November 2018 consist of capacity development providers from seven countries – Laos, Vietnam, Bangladesh, India, Indonesia and China, while the membership from Myanmar is currently vacant. These are in-country development agencies that are actively involved in the formal and informal teaching, research, action research, facilitation, promotion, and dissemination of knowledge on value chains and market systems development. All members are obliged to provide training and advisory services in the field of value chain and market systems development to IFAD or other clients.

The current membership countries and member CoEs of VCB-N are:

TABLE 1: MEMBER CENTER OF EXCELLENCE (COE) OF VALUE CHAIN CAPACITY BUILDING NETWORK

Country	Center of Excellence (CoE)
Bangladesh	<ol style="list-style-type: none"> 1. EDGE Consulting Limited 2. Innovision Consulting Private Limited 3. Palli Karma Sahayak Foundation (PKSF)
China	<ol style="list-style-type: none"> 1. College of Humanities and Development, Centre for Integrated Agricultural Development (CIAD), China Agricultural University
India	<ol style="list-style-type: none"> 1. Himalayan Action Research Center (HARC) 2. Institute of Livelihood Research and Training (ILRT)
Indonesia	<ol style="list-style-type: none"> 1. Center of Excellence for Applied Science and Technology Development, Arjasari Campus, Padjadjaran University 2. Center of Excellence Small Medium Enterprise Development, Parahyangan Catholic University 3. Indonesian Coffee and Cocoa Research Institute (ICCRI)
Lao PDR	<ol style="list-style-type: none"> 1. Enterprise and Development Consultants Co. Ltd. 2. The Faculty of Agriculture, National University of Laos

Myanmar	1. Vacant
Vietnam	1. Center for Agrarian Systems Research and Development (CASRAD) 2. Center for Technology Transfer and Services, Cantho University

Application for membership to the VCB-N is open to agencies (public agencies, private companies, civil society organizations/NGOs, farmer organizations, universities, research institutes) and individual consultants that **have a mandate for service delivery in the field of VCD/MSD and that commit to the charter of the VCB-N including financial and in-kind contributions**. Expected contributions as well as benefits for individual consultants will be decided upon by the VCB-N AGM and endorsed by the SC. Both, agencies and individual consultants should however be based in the Asia and Pacific region and be legally registered in one of the member countries of the VCB-N.

The current members, after expressing their interest to participate in the VCB Network, were examined by an evaluation board consisting representatives from IFAD, HELVETAS Swiss Intercooperation and Hivos before finally being recognized as ‘*Center of Excellence*’ for VCB-N.

VCB-N may subsequently open membership for other institutions or individuals either from the existing seven countries or from other countries in the region. The inclusion of additional countries shall be considered by the network’s Steering Committee. For additional members from existing countries after being nominated by other members or voluntarily propose to join the network, advice will be sought from existing members of the concerned member-country, whereafter the SC will consider and decide upon their acceptance.

Additional prospective members, being agencies or individuals, must express their interest in membership to VCB-N Steering Committee or PCU, after which they will be asked to provide relevant information on their organizations or individual consultant and a decision on whether to admit them as members will be made at a regular or extraordinary meeting of the Steering Committee. Signing of the Membership Agreement (see appendix 1 to this Charter) is a final condition in the admission procedure.

4.2. Replacement of the membership

There is no absolute number of member CoEs’ set per country. Yet it is believed to fully benefit from the network, a limitation of number of members per country (depending on size and foreseen market for VCD/MSD services) should be set per country by the VCB-N Steering Committee. Membership replacement will be looked at on a country-based manner. For one, a member that pro-actively decides to terminate its membership can propose a replacement which than will be considered by the Steering Committee (see above stipulations on new memberships). Also, the VCB-N can pro-actively look for replacement in case i) an existing CoE is not performing and/or complying with membership conditions

(financial or in-kind obligations) and/or ii) the mandate of the CoE has changed in such a matter that service provision as foreseen is no longer possible.

4.3. Termination of membership

Any member can pro-actively resign from the network by giving 3 months' written notice to the Steering Committee. For a resigning member annual membership fees owing will be prorated based on this notice period.

The network can also decide to end the membership of an existing member in case this member fails to comply with the obligations (financially or in-kind) stipulated in this chapter. The decision to do so lies with the Steering Committee. In the above case a three-month warning notice, providing arguments and justification for the action, will be submitted to the concerned member. In case the member does not respond or is not willing or able to show significant improvement in improving its performance with respect to member obligations, the termination will be actualized through a decision by the Steering Committee.

4.4. Benefits to Members

The VCB-N members identified three types of key resources for the VCB Network – intellectual, physical and human resources. The collective pool of experts and the collective customers' network are regarded as main assets of the VCB-N. The various Modules/Tools/Frameworks /Processes developed by the individual CoEs referred to as Smart Boxes, are part of the CoEs organizations' intellectual assets. For the moment, all members, newly admitted and existing ones, will have equal rights to benefit from mentioned services.

Membership of the VCB-N provides access to the following collective resources:

- Available and accessible pool of internal and external experts
- Member CoEs and their network
- Client base of CoEs in 7 countries
- Toolkits, learning modules, manuals – Smart Boxes
- Steering Committee – VCB-N steering
- VCU – VCB-N operational management and CoE coordination (gradual build up from 2019 onwards)
- VCB-N capital fund
- RTN human and financial resources (IFAD Grant Agreement with Helvetas/ Hivos) under transitional arrangements with the SC and project implementers (2018-2020).
- Charter and Business Plan

Based upon these collective resources the VCB-N members enjoy the following specific benefits from their membership:

- Receive support to identify clients for VCD trainings in their countries and abroad;

- Receive training from the network. Be invited as trainees to actively participate in: (i) VCD/MSD related training events financed by the network; (ii) policy dialogues on latest Value Chain Development; (iii) VCD/MSD methodology training, M&E and project management training;
- Operate under a recognized brand – the VCB-N or Value-chain Capacity Building Network;
- Participate on the bidding or proposal calls under the network brand as individual member or jointly with other members, partners
- Keep up with the evolving topics of VC/MSD;
- Be a part of research team on VC/MSD;
- Benefit from each other's and the project's curriculum development and training assessment as the project unfolds; and
- Participate in the VCB-N's annual meetings and policy dialogues.
- Having free of charge access to VCB-N webpage and database; Receiving newsletters and technical documents, training materials;
- Having full access to all knowledge management materials and tools developed through the VCB-N.

4.5. Obligations of Members

All VCB members, newly admitted ones as well as current members, will equally commit to the following obligations:

i) Financial obligations:

- Contribute the annual membership fee which is set at USD 750 annually per member organization and USD 400 for individual consultants. Membership fees are obligatory as per 2019.
- Pay 6.25% of the revenue for the work that is directly initiated/brokered by -VCU. The same percentage counts for organizations and individual consultants.

The annual membership fee as well as the percentage of 6.25% fee for brokering services can be reviewed and if found necessary modified, by the steering committee.

i) Non-financial / in kind obligations

- To accord, sign and live up to the VCB-N charter complemented by signing and living up to the Membership Agreement
- Participate in governance discussions around how the VCB-N should function sustainably;
- Share experiences, challenges and successes coming from various activities that the network shall engage with;
- Share training and other materials with other VCB-N members; and
- Any members mandated by other institutions for paid work, using VCB-N identity, are committed to pay royalty to VCB-N based on agreed norms issued by the Governing Body (e.g. Steering Committee).

- Ready to provide mutually agreed services and tasks and contribute academically to the capacity building of members as designated by VCB-N and Secretariat. These contributions and inputs will be rendered on a pro-bono basis.
- Promote the VCB-N and its services and advocate interests with national or international partners.
- Comply to quality assurance requirements determined by VCB-N governing body.

The actual amount of time a member contributes (on a pro-bono basis) is up to each organization, but notionally the minimum expected amounts per are:

- Member Organization: 10 person days per year
- Steering Committee Member: 5 person days per year (in addition to 10 days as regular member)
- Task Force Coordinator: 5 person days per year (in addition to 10 days as regular member)
- Task Force Member (other than Coordinator): 2 person days per year (in addition to 10 days as regular member)
- Alternative Point of Contact (for SC and TFs): 1 person day per year (in addition to 10 days as regular member)

If an individual member of the Steering Committee or Task Force cannot commit the above amounts of time **at a minimum**, it is his/her responsibility to remove themselves from their role by informing the Task Force Coordinator or Steering Committee Chair, as appropriate, as well as informing the Secretariat. If the Steering Committee feels any member of the SC or a TF is consistently not providing the expected time commitment, it may require that person to resign from his/her duties.

It is also a requirement that all members of the Steering Committee and Task Forces designate an alternative point of contact within their respective organizations, to allow for times when the main SC or TF member is not available. The alternative point of contact is responsible to keep up to date in a general way on the work of the SC or TF as appropriate.

4.6. Associate Membership

In addition to the regular members described in section 4.1, and at the discretion of the Steering Committee, there are Associate Members who play a supporting role for the network. They do not pay annual fees, though they may link the VCB-N to fund raising networks and financial resources.

The role of associate members is to provide substantial support to the network, either financial or in-kind, or both (e.g. provision of certain expertise, promotion of the VCB-N amongst relevant potential clients, etc.) for the furtherance of VCB-N goals.

Examples of initial Associate VCB-N members are: IFAD, HELVETAS Swiss Intercooperation and Hivos. There is no specific term for an Associate Membership, but it is understood that if a given Associate Member assesses it can no longer provide substantial support, or the Steering Committee assesses it is time for that member to withdraw, this can be done on either side with 3 months' written notice.

Associate Members enjoy the following benefits:

- Access to a regional network of experts on VC/MSD;
- Opportunities for own projects/programs in the region to benefit from capacity development services of VCB-N members;
- Opportunities for mutual strengthening of expertise through collaboration with the VCB-N;
- Operation under a recognized brand- the VCB-N or Value-chain Capacity Building Network;
- Access to business opportunities beyond training provision.

4.7. Code of Conduct

The VCB-N and its members shall conduct themselves according to the following principles and modes of behavior:

- 1) Operate around the following governance principles: participation, transparency, responsiveness, consensus orientation, equity and inclusiveness, effectiveness and efficiency, accountability, and rules of engagement;
- 2) Be open to all with an interest and who abide by community norms
- 3) Encourage the ongoing education of members and the deepening of expertise among members.
- 4) Willing to share challenges, and lessons learned as well as successes;
- 5) Strive to create an environment of trust and to foster insightful, non-threatening discussion of ideas and experiences;
- 6) Distribute leadership responsibilities and collectively share in the management of the network;
- 7) Ensure membership and topics reflect ethos of pro-poor value chain development;
- 8) Advance their personal and professional goals through participation in the network;
- 9) Promote the network and assist it to reach new clients
- 10) Members are practitioners, contributing to the network through their experiences, skills, and time;
- 11) Agree to be respectful and use appropriate language in group discussions and to listen and respond to each other with open and constructive minds;
- 12) Will not hesitate to respectfully challenge one another by asking questions, but refrain from personal attacks and only focus on ideas;
- 13) Shall participate to the fullest extent possible – the growth depending on the inclusion of every individual voice;
- 14) Commit to search for opportunities for consensus or compromise and for creative solutions;
- 15) Shall contribute to an atmosphere of problem solving rather than stating positions; and
- 16) Shall attempt to build on each member's strengths, and help each other improve areas in need of further development

In the event where a member consistently does not comply, violates or disrespects the Code of Conduct, members can bring the issue into the SC Meeting which has the power to cancel a membership.

5. NETWORK ORGANIZATION AND GOVERNANCE STRUCTURE

5.1. VCB-N governance structure

The VCB-N is by nature a voluntary membership organization that is owned and steered by its members following democratic principles for electing its governing body, being the VCB-N Steering Committee. The members of the Steering Committee (SC) will be elected through vote by the members at an Annual General Meeting. Each member country will nominate one representative to be a member of the SC. The elected SC members will then elect the chairperson who represent the network and the SC. The Steering Committee serves as a representative body which decide on rules, policy, and program direction for the network.

The SC is supported in its day-to-day tasks by a professionally operated secretariat. It will consist initially of up to two professional staff from 2019 onwards. During the course of the project period, up to 2021, the PCU based in the Helvetas Vietnam office in Hanoi, will share a part of secretariat's functions and will gradually hand-over responsibilities to a VCB-N secretariat.

As a voluntary membership organization, the network depends for its functioning and effective operations largely on the commitment and pro-active attitude of its members. Time input from regular and Steering Committee members, including the chair, is in principle regarded as a pro-bono contribution.

The following extract from the VCB-N Business Plan, was accepted during the Vientiane workshop of 2018, as the operational business model for the network by all members: *The VCB-N is registered as a separate legal entity (non-profit or for profit), housed and staffed separately. The VCB-N management will effectively play the role of coordination, knowledge management and business development for all the members under the supervision of a steering committee. Should economic conditions prevent establishing a VCB-N office space, the PCU can host the VCB-N secretariat during the lifetime of the RTN project.*

5.2. VCB-N Steering Committee

The VCB-N Steering Committee holds the following responsibilities and governing powers:

- Formulate, endorse and update the VCB-N Business Plan and the VCB-N charter including membership stipulations and Code of Conduct and assure necessary revisions in the course of further development of the VCB-N
- Define and review membership obligations including financial obligations
- Decide on internal norms and parameters for quality services provisions

- Review and approval of the annual activity plan, annual progress reports and financial reports as prepared by the VCU
- Recruit and appoint VCU staff and conduct annual Performance Assessments for professional staff
- Nominate Task Forces to support and design its fields of actions and organizational development
- Provide adaptive management in function of actual income and expenditure
- Strengthen the network's links with the national policy fora and with other organizations and institutions
- Function as focal point and advocate for the VCB-N towards respective IFAD country offices and other potential partners and associates
- Take decisions on membership status of existing members and identify and recruit new strategic ones. Terminate the membership of individual members against failure to comply with participation standards and contributions to the network upon conditions stipulated in this charter.

The chair person has a key role in the functioning of the steering committee. He/she leads the Steering Committee, facilitates and ensures full participation of SC members and effective decision making. Moreover, the chair figureheads the VCB-N and represents the VCB-N to external stakeholders including the PCU and donor(s). Internally, the chair directly supervises and supports the VCU and assures effective internal management of the organization.

5.3. Project Coordination office and VCBN-Secretariat General Office (VCU)

The Secretariat is responsible for day-to-day operations and as such is responsible for the planning, supervision and monitoring of all program and activities financed by the network. At the end of the year, the Secretariat shall provide the Steering Committee with an annual progress report and facilitate the development of action plan for the following years.

In the event that the VCB-N needs to be represented by a legal entity (e.g. for contracting purposes), the Secretariat shall play this role under the supervision of the Steering Committee.

From 2019 till the end of the project, the Project Coordination Unit (PCU) will share the secretariat's functions, gradually handover and will transfer fully to VCU before the completion of the project.

Foreseen Staffing of VCB-N Secretariat

Position	2019	2020	2021	2025
VCU Coordinator	50%	50-75%	75%	100%
VCU Admin /Finance	50%	50-75%	75%	75%

The VCU is gradually being tuned to become the business development unit for all its members. VCU will proactively search for revenue generating opportunities that might be of interest to specific CoE and/ a group of CoEs or the whole network.

The VCU holds the following functions and responsibilities:

- Set up administrative support and personnel for effective coordination and operation of the network;
- Ensure effective and efficient planning and use of financial and human resources of network activities;
- Monitor and evaluate network activities and resource use;
- Facilitate fundraising and marketing activities for the network
- Prepare annual report and brief to SC
- Maintain a database of CoEs and experts and share those with existing and potential clients; coordinate network members to contribute information to the database and web-page;
- Meet and exchange regularly with members by using various online tools to determine specific courses of action;
- Strengthen the network's links with the national policy fora and establish the partnerships with international organizations and institutions related to rural development and poverty reduction;
- Maintain the previous work track records and promote that to clients;
- Continuously track, identify and share VCD/MSD consultancy and training opportunities;
- Broker/liaise between clients and CoE(s) by proactively promoting the services of CoEs;
- Regularly undertake capacity building activities (ToTs, regional workshops) for members to ensure service quality;
- Plan and coordinate the CoE to develop tools, modules, produces for service offering that needs to be adhered to by all members (quality assurance)
- Organize thematic regional and international conferences

5.4. Election and Terms of Offices

Each SC member shall have at least a 2-year term of office unless a premature withdrawal is mutually agreed upon. In case there are more candidates per country, a steering committee member can be re-elected for a maximum of 2 times consecutively.

The Chair of VCB-N Steering Committee shall be elected by *Members of the Steering Committee*. The Chair may be re-elected for a second term, up to a maximum of two successive terms of two years each.

The staff of the Secretariat is recruited through a public and competitive selection process and decided by the SC. Their term of office depends on their performance and decided by the SC, unless a premature withdrawal is mutually agreed upon.

5.5. VCB-N Task Forces

From time to time, and at the discretion of the Steering Committee, Task Forces may be created, composed largely or completely of Members and Associate Members, with a mandate to undertake a specific task in the interest of the network. Membership in these task forces will be voluntary based on the requirements of the task force and available expertise in the organization that CoE can recommend individuals to take up certain tasks.

5.6. VCB-N Source of Funds

In addition to fund raising, the VCB-N Business Plan foresees in 3 main income streams in addition to the IFAD project funds that will be available during the project period only:

- VCB-N membership fees
- Payment for VCB-N brokering services and
- VCB-N event organizing

The annual membership fee is set at 750 USD / member starting in 2019, with an expected raise in number of members over the years estimated to total 18 members by the year 2021.

We estimate that the VCU (from 2019 onwards) will be able to continuously identify opportunities and broker partnerships between clients and CoE(s). For this service, the CoEs will pay a certain percentage of the revenue to the VCB-N. The brokering fee is set at 6.25% of the revenue for the work initiated/brokered by VCU. The VCU will have a specific revenue target from this brokering fee, which can be reviewed/revise from time to time by the SC.

A third stream of income for VCB-N can come from organizing events. As VCB-N has a good number of members and large expert pool, it can organize events on an annual basis to showcase the members' work on VC and MSD related services together with work done by other people and organization around the world. The event can target participation from different projects, donors, and practitioners as well as academicians from the Asia Pacific region. The participants can share stories, lessons and engage in fruitful discussions on different thematic areas. A revenue target of \$10,000 to 20,000 is estimated per year from organizing this event, which can be achieved from participation of only 40 people each paying \$500.¹ There is also an opportunity to get sponsorship from donors/development organizations and this can be used to cover the cost of the venue, organizing team and other related administrative expenses. A first event will be organized during 2019, where-after the VCB-N will decide whether or not such an event will be organized regularly as instrument for income generating and reputation building.

¹ An annual market systems symposium is organized in Cape Town, South Africa is 2018 by EcoVentures International with a regular participation fee of \$785 per person <https://www.marketsystemssymposium.org/>

The amount of membership fee as well as the fee for brokering services is proposed by the SC and decided upon agreement from the members during Annual General Meeting. The SC can propose changes in fees based upon evolving business. Changes proposed have to be endorsed during the AGM.

5.7. Annual General Meeting

An annual general meeting will be held with the main aims to:

- Review and evaluate results of activities implemented by the network members in the past year;
- Review and approve an action plan and program for the following year; and
- Approve a new rule and regulation, by laws, change in the VCB-N Charter, member dues and any other document needing a consensus of the members
- Approve a change in the Steering Committee Chairman or members
- Take decisions on new staff of the secretariat if necessary

To be more attractive for members to attend, the Annual General Meeting should be organized in tandem with other programs, such as: an international seminar with renowned speakers, workshops and trainings.

Participation in the Annual General Meeting

All member CoEs are encouraged to send at least one representative, in addition to SC members, to the General Meeting under sponsorship of the project. Any additional representatives will be funded by the respective members themselves.

Frequency and Venue

The Annual General Meeting (AGM) will be held once a year. The VCB-N SC shall decide on the specific venue and timing of the meeting.

Meeting Quorum

In the event that consensus cannot be reached around a VCB-N decision, a simple majority of votes will be considered sufficient to carry a decision, as long as quorum exists. Quorum for all meetings (AGM, Steering Committee, Task Forces) is constituted by the presence of at least 60% of the members of the Task Force, Steering Committee or membership.

6. ASSUMPTIONS, CONSTRAINTS, AND RISKS

6.1. Assumptions

The following assumptions were taken into consideration in the development of this network. If any of these assumptions prove to be invalid then the network could face a possible risk.

1. There is an interest among Centers of Excellence in forming informal and formal connections.

2. There will be members who take increasing responsibility for stewarding the success of the network.
3. CoE members are willing to invest time and human resources to develop the Network.
4. Sponsors will support the time investment for their staff to participate in the trainings offered by the network.

6.2. Constraints

The following constraints were taken into consideration in the development of this network organization:

- The availability of members to participate collectively at a single unique time may limit the number of participants.
- The members are spread across different countries and therefore bringing all the members together for joint discussion on a regular basis may not be feasible.
- The country specific demand and need for training and capacity development support on pro-poor value chain development may vary.
- Difference in culture may affect the communication and understanding among members.

6.3. Risks

Main risk	Mitigation measure
Commitment of CoEs and / or SC in terms of time-labor input is too optimistic.	<ul style="list-style-type: none"> - Adaptive management - Adjust activity levels & ambitions, opt for lower intensity of activities - Consider fewer but need based and quality events for SC?
Revenue from lead fee is too optimistic / ambitious CoEs under declare effective work performance or delay transfer of fee	<ul style="list-style-type: none"> - Adaptive management - Adjust cost and activities to revenue streams - Opt for low operational cost at the onset of the network – part time staff - Invest in business development and partnerships with established networks or partner organizations - Install early warning system incl. formal notice from SC in case of under-performance – non-payments or lagging income.

<p>Opportunities for event organization / managements are few and returns below expectations</p>	<ul style="list-style-type: none"> - Alternative income generation activities have to be prepared as plan B. - Set up of VCU within existing CoE facilities or PCU - Hire staff on a part time basis until revenue streams are stable
<p>CoEs do not pay membership fee</p>	<ul style="list-style-type: none"> - Ensure good services to member base - Install early warning arrangements incl. formal notice from SC and exclude members not responding and seek alternative members
<p>Fewer COEs are interested to join</p>	<p>Increase promotional activities and ensure real value adding to members.</p>
<p>Value chain and market systems development is no longer regarded an essential pro-poor approach by IFAD and other DP's.</p>	<p>Avoid a rigid and too narrow focus. Keep track of evolving developments and adapt / innovate when possible.</p>

7. UPDATE OF THE CHARTER

The Charter will be updated and refined every two-three years as the evolution of the business. Two to three individual members of VCB-N will be nominated to do the revision and circulate the revised version to VCBN members for review and feedback. The revised version will be finally approved by SC.

8. NETWORK CHARTER APPROVAL

The undersigned acknowledge that they have reviewed the Network charter and agree to its launch. Changes to this Network charter will be coordinated by the Steering Committee and discussed and decided upon at an AGM of the network, using the decision-making principles of section 7 above.

Signature:		Date:	
Print Name:			
Title:			
Role:	Chair – the Steering Committee		

Signature:		Date:	
Print Name:			
Title:	Xxx, EDGE Consulting Ltd, Bangladesh		
Role:	CoE member		

Signature:		Date:	
Print Name:			
Title:	Xxxx, Innovision Consulting Private Limited, Bangladesh		
Role:	CoE member		

Signature:		Date:	
Print Name:			
Title:	Xxx, National University of Laos, Laos		
Role:	CoE member		

Signature:		Date:	
Print Name:			
Title:	Xxx, Padjadjaran University, Indonesia		
Role:	CoE member		



Membership Agreement VCB-N

Ideclare on behalf ofwhich I herewith represent, that it:

- 1) holds a formal mandate and is fully committed to deliver services in the field of Value Chain Development and Market Systems Development and/or other relevant expertise in the field of rural development, to external clients;
- 2) commits to fully comply with the financial obligations of VCB-N members as stipulated in the VCB-N Charter and Business Plan;
- 3) also commits to fully live up to the in-kind obligations of VCB-N members as stipulated in the VCB-N Charter and Business Plan;
- 4) recognizes the VCB-N Charter and the VCB-N Business Plan as leading documents for governing and further development of the VCB-N.
- 5) commits to be a pro-active advocate for the VCB-N and promote the VCB-N to external parties whenever appropriate;

Location:

Date:

Signature

The VCB-N Charter (dated 08.11.2018.) and the VCB-N Business Plan (dated 08.11.2018) are integral part of this agreement.