

# TERMS OF REFERENCE

## **Service provider for Implementation Community Development Fund Land Allocation for Social and Economic Development (LASED II) Project (Consulting Firms) Procurement Method Quality-Based Selection (QBS)**

Starting date : As soon as possible

Duration : 3 years (2018-2021)

### **I. Purpose**

This Term of Reference (TOR) is for a Specialized Service Provider (hereafter referred as SSP) to establish and strengthen new and existing Revolving Fund Groups (RFG) and Agricultural Cooperatives (AC) to enable sustainable operation of Saving Credit System (SCS) supported by seed grant and community development fund from Land Allocation for Social and Economic Development Phase II Project (hereafter referred as LASED II).

### **II. Background**

The Royal Government of Cambodia has received Loan from the World Bank for the LASED II to continue the LASED pilot project after ended in March 2014. The project (LASED II) was effective since August 08, 2016 with a closing date of December 31, 2021. It was designed for improving the livelihood of project beneficiaries who were the poor with landless and land poor families. The project development objective (PDO) is to improve access of target beneficiaries to agriculture resources, selected infrastructure and social services in project communities through (a) strengthening community groups to better identify and prioritize technology and infrastructure investments; (b) financing priority productive and social community infrastructure; and (c) scaling up agricultural and livelihood support activities.

The project would cover a total of 14 SLC sites in Kratie, Tbong Khmum (formerly part of Kampong Cham), Kampong Thom, Kampong Chhnang and Kampong Speu which are covering the total area of in 17,000 hectares, approximately and benefitting to 5,141 families who previously were landless and land-poor households. The project would make specific provisions to support vulnerable households and take particular attention to improve their livelihood, particularly those that benefit women. One of the project indicators is to mobilize the community groups to support the community initiative and investment which targeted for 90% of total beneficiaries with 25% of members are females. The investment plan (household investment and community investment plan) aims to reduce Household Food Insecurity Access Scale (HFIS) from 100% in a baseline to 50% by ended line.

Each Community Group/RFGs/ ACs will be supported by the Community Development and Agriculture Facilitator (CDAFs) who are deployed in every Social Land Concession communes (total 12 target communes).

### **III. Goal, Objective and Scope of Work**

1. The goal is to make each RFG and AC to establish and sustain their SCS based on the Basic Livelihood Investment Plans (BLIP) of communities and individual households. BLIP is the core of LASED II project strategy, the learning, analysis, planning, and implementation of investment activities at both household and community level is indicating the impact of the project on the target land-recipients.
2. The main objective of the service provision is to establish the RFG groups and AC including at least 5,141 project beneficiaries (including 1,500 are females) will start by late of

2018. The process includes enhancement of the management capacity within their groups and technical skill mentoring to RFGs/ACs members; following their microbusiness choices until end of project by December 2021. Training and coaching/mentoring focus on the following topics: (i) adoption and implementation of the RFG Rules and Regulations; (ii) financial management and accounting; (iii) identifying suitable opportunities to invest the household loans which will be supported by LASED II's Grant; (iv) development of individual group member and groups business plans (BLIP) and identifying complementary training needs; (v) screening and approval/rejection of loan applications, (vi) procedures for monitoring the use and repayment of the loans; (v) strengthening the internal control mechanisms for the RFGs; Conflict resolution (vi) and (vii) working with the commune councils to get appropriate trainings and assistance for the RFG/ACs members. Other duties following the Community Operation Manual which is mainly to maintain and sustain the RFGs once after the assignment ended.

3. At the National level, the SSP will coordinate and consult with NCDDDS, GDH, and GDA to effectively mobilize resources to support the RFGs. The consulting firm will draw upon the useful experience on improved management of other projects including TSSD and other to improve the performance and implementation within this assignment. At the sub-national level, the SSP will work closely with LASED II Provincial Team, Provincial Department of Agriculture, Forestry and Fishery, Provincial Department of Rural Development, District working group (DWG), target commune councilors (CCs), Commune Clerk Assistance (CCA) and Community Development and Agriculture Facilitator(s).

4. The consulting firm is required to provide the following services to support each RFG/ACs:

- i. Read and understand the Community Operation Manual (COM), follow the manual, develop action plan to support to RFGs/ACs. Consultation action plan with NCDDDS, GDH and GDA before the starting activities of training and mentoring for the RFGs and ACs;
- ii. Establish or strengthen RFG groups and ACs which consist s at least 15 members (maximum 30 members) with gender focus (at least 25% being female). Establish group management committee with official recognition for the total of 5,141 families;
- iii. Develop training materials and support services to RFGs and ACs on the following topics/tasks: (i) Group Internal Rules and Regulations, (ii) Financial Management, Book-keeping and RFG use; (iii) Group Member business plan, loan application and loan contract; (iv) organization of the group meetings; (iv) financial literacy training including working with Micro Finance Institutions (MFIs) or Commercial Banks; (v) facilitation, communication, gender awareness and analysis and leadership skills and (vi) organization of the group congress;
- iv. Conduct training and coaching/mentoring for at least 171 RFGs across five provinces to enable them to achieve effective management of the group including: (i) implementation of Group Rules and Regulations; (ii) financial management and accounting/book-keeping; (iii) identifying suitable opportunities to invest the RFG; (iv) development of group member business plans (*Household's farm budgeting* and *Non-farm livelihood investment plan*) and identifying complementary training needs; (v) screening and approval/rejection of loan applications, (vi) monitoring of the use and repayment of the loans; and (vii) strengthening the group internal control, (viii) Working with the commune councils to get appropriate trainings and assistance for the RFG/AC members. Each RFG/AC will receive monthly coaching/mentoring visits

provided, at an appropriate time preferably at the loan interest due date (12 times by the SSP per year). The consulting firm must always provide advance notice to the RFGs/ACs on the schedule of their visit;

- v. Facilitate each RFG and AC on (i) develop and approve on the Group Rules and Regulation; (ii) adoption of the guidelines of RFG; (iii) opening group accounts at MFI or Commercial Bank; and (iv) establish a safe amount for cash on hand;
  - vi. Facilitate linkages between RFGs/ACs and local MFIs, where available, and identify possibility of outreach for the group;
  - vii. Facilitate and encourage all target communes to run a regular audit meeting once a year to RFGs/AC to ensure transparency and accountability within the groups;
  - viii. Conduct a semi-annual assessment and reporting to LASED II on RFGs and ACs performances and consolidation of the status of RFG records by group, village, commune, district and province with identification of problems/issues and corrective action required.
5. The consulting firm will be required to attend and report the progress with proposed work plan in Provincial Monthly Coordination Meetings which are conducted by all IAs of LASED II at each target province.
6. The consulting firm will be required develop the M&E database to tracking record the progress of RFG/AC for LASED II project to integrate with MIS and reports of project.
7. The consulting firm must ensure that their team will have a good gender balance with at least 25% of their staff being women and gender disaggregated data must be included in all of their progress reports.

#### IV. Staff of the Specialized Service Provider

The consulting firm will operate with at least the number and categories of staff listed below. The consulting firm who receives a Request for Proposal (RFP) will be required to provide a list of the names and CVs of all staff working on the assignment in a sealed envelope to LASED II - NCDDS. The qualifications of the key experts are very important and must be strictly followed in selecting the key experts. The names of the Assignment Manager and Provincial Deputy Assignment Managers included in the Proposal may not be changed unless the replacement has at least equivalent qualifications and experience to the staff member being replaced. The replacement of the Assignment Manager or Deputy Assignment Managers will be subject to the prior approval by NCDDS.

- i. **Assignment Manager or Team Leader** (01 position) will work full time on the assignment for the full period of the contract (36 months). S/He will be overall responsible for all aspects of the work including ensuring the performance of other staff members. S/He will be the direct point of contact with NCDDS and the LASED II Provincial Project Manager for day-to-day matters. The Assignment Manager must have a Master degree or higher degree in a relevant subject and at least 10 years' experience of managing and implementing participatory development projects mainly the saving credit programs in the rural areas.
- ii. **Provincial Assignment Coordinators** (5 positions) will be based in each LASED II province and will work full time on the assignment for the full period of the contract (36 months). Therefore, they are expected to be present in the province on all working days unless absent for a valid reason connected with the assignment. The Provincial

Assignment Coordinator will be responsible to organize the work plan for the SSP team in the province in coordination with the LASED II Provincial Project Manager and ensure the performance of the junior team members. He/she must have at least a Bachelor degree in the relevant subject and at least five-year experience of implementing the saving credit programs in the rural areas.

- iii. The consulting firm must deploy sufficient **Field Staff(s)** in each Province to fulfill the Scope of Work (above). The number of Field Staff and the period of their employment are specified in the proposal and this will become part of the contract; i.e. the number of Field Staff will not be lower than number specified in the Proposal. The Field Staff will be responsible for Capacity Building, Mentoring/ Coaching, and M&E. Field Staff would be encouraging for person who live in the particular SLC project's area and be able to facilitate and coordinate the positive communication with community and he/she can support the assignment implementation after trained by the consulting firm.
- iv. Any **other staff members** as specified in the Proposal.

## **V. Support from LASED II**

The LASED II Project will provide full information and contact details of relevant key persons in each target province, and target communes across the five provinces including names and telephone numbers of CC Chiefs, CDAFs, and LASED II Provincial Team in each province. The LASED II Project will also provide necessary introductions to provincial, district and commune leaders that are requested by the consulting firm during the course of the assignment.

## **VI. Qualification:**

### **(a) Required Qualifications**

11. The selected consulting firm shall possess the following qualifications:
  - The consulting firm or NGO must have a valid registration in Cambodia.
  - 5 years' experience demonstrated in implementation of similar projects/programs of working with villages based groups of poor rural households and RFGs, specifically Saving and Credit Groups (SCGs) in Cambodia's Rural Communities, attached with the familiarity of rural people's culture, attitude and behaviors, understandable verbal languages with specific group of people (general Khmer, minority, and indigenous group)
  - Experiences in gender awareness and intend for gender issues, vulnerable groups, etc.
  - Consulting Firm or NGO who have full office facilities such as office space, communications, own transportation to positively supporting the assignment.

### **(b) Preferred additional qualifications**

12. The consulting firm or NGO is preferred to have the following qualifications:
  - The consulting firm's experiences in implementation of the similar Saving Credit Activities with Royal Government of Cambodia's projects. Fully understand governmental laws and regulations of credit, writing credit's forms and other relevant documents in local languages perfectly and legally.
  - Previous experience working with externally financed project, preferably WB, UN, or NGOs supported projects.

## **VII. Deliverables**

The selected firm or NGOs will work closely with relevant government agencies at all levels and the Bank Team under the direct supervision of LASED II Project to provide the following deliverables in a quality control and timely manner. The consulting firm will also be supported by the Provincial LASED II Project Team.

<b>Deliverables</b>	<b>Timing</b>
Inception report with detail work plan/schedule	2 months after contract signed
List of completion of revolving fund groups and ACs establishment with official recognitions	March 2019
Training materials, training deliveries, and M&E	May 2019 onward
Assessment reports/Semi-annual reports	June 2019, 2020 & 2021
Annual reports	2019, 2020 and 2021

**VIII. Reporting Obligations**

The consulting firm shall report to LASED II Project for each of these deliverables. Final deliverables should be submitted to LASED II Project in according with a schedule agreed upon given the limits for the contract duration (see maximum contract duration and tentative schedule for deliverables above). All deliverables are subject to agreement by the LASED II Project and should therefore be submitted by the consulting firm in time. LASED II Project will respond within fifteen working days allowing for responding to comments and if required some changes to be introduced by the consulting firm.

**IX. Payment schedule**

The assignment is expected to start on October 2018. The CONSULTING FIRM will be paid upon timely submission of agreed deliverables in the following:

<b>No.</b>	<b>Deliverables</b>	<b>Payment conditions</b>	<b>Percentage of payment</b>
1	Inception report with detail work plan/schedule	Upon receiving of report and approving by the Project	10%
2	Completion of revolving fund group with official recognition	Upon receiving of report and approving by the Project	10%
3	Training materials, training delivery, and M&E	Upon receiving training materials and approval from LASED II Management	70% Year 1: 25% Year 2: 25% Year 3: 20%
4	Final report & M&E	Upon receiving of report and approving by the Project	10%

**X. Supporting Resources for the Assignment**

The consulting firm will be responsible for all necessary arrangements to facilitate work. The consulting firm will also be responsible for office space, accommodation, communications, data collection, workshop, travel and other incidental costs.

The LASED II Project will provide support documents and introduce the assignment to the relevant agencies and other stakeholders as well as provide necessary arrangements for the teams to monitor and supervise the implementation of the assignment.