

## **Terms of Reference (ToR)**

<b>Project Title:</b>	<b>Livelihood Enhancement and Association of the Poor (LEAP)</b>
<b>Position:</b>	<b>National Consultant for Sturdy research and Development to promote Linkage of Institutions of Poor to Access Finance from Formal Financial Sectors (Intermittent)</b>
<b>Duty Station:</b>	<b>Siem Reap Province</b>
<b>Duration:</b>	<b>01<sup>st</sup> September 2020 until 30<sup>th</sup> August 2022</b>
<b>Basis:</b>	<b>Individual Consultancy Contract</b>

### **A. Background:**

The Livelihood Enhancement and Association of the Poor (LEAP) project will be implemented by Ministry of Interior (MoI) in association with Ministry of Agriculture, Fishery & Forestry (MAFF). The project development objective (PDO) is to improve access of poor and vulnerable households in selected communities to financial services, opportunities for generating income, and small-scale infrastructure. This would be achieved through the: (a) establishment of self-help groups (SHGs), savings and credit groups, producer groups, agricultural cooperatives and other people's groups/organizations; (b) provision of capacity building and training to beneficiaries to improve their income generation opportunities; (c) establishment of private sector linkages to improve and expand market opportunities; and (d) identification and provision of community-based social and economic infrastructure to help improve livelihood and economic productivity of the poor.

Siem Reap Province (SRP) will aims the needs of the ID Poor and vulnerable households in the 47 communes in Siem Reap Province through a demand driven approach. As the predominant sources of income for these rural poor households are from agriculture, livestock and fisheries, the project will leverage the technical support of the Ministry of Agriculture, Fisheries and Forestry (MAFF) and other technical service providers.

The project is divided into three main components and these are:

- Component 1: Improving Livelihoods for Rural Poor and Vulnerable Households
- Component 2: Improving Livelihoods for Urban Poor and Vulnerable Households
- Component 3: Project Management, Coordination, and Monitoring & Evaluation

The organizational structure of the project involves government implementing agencies oversight by a Project Coordination Office (PCO) located in the Ministry of Interior (MoI), and two Sub-Management Teams (SMTs) located at Siem Reap and Phnom Penh Capital Hall with Khan and Commune/Sangkat level facilitators. MAFF's General Department of Agriculture (GDA) will

be the technical Implementing Agency (IA) responsible for the agriculture livelihood support for beneficiaries in Siem Reap Province.

The Project Coordination Office (PCO) will support and facilitate executing agencies in their component implementation, and is responsible for project management and coordination, procurement and finance, reporting and communicating with the World Bank and key stakeholders.

#### **B. Objectives of the Consultancy:**

The main responsibility of the Consultancy is to collaborative and strategic work to **formulate basic guideline** in supporting and functioning Self-Help Groups and Commune Level Federations (i.e., Federations of SHGs at Commune Level) to ensure that these groups will have sufficient capacity to access to loans from MFIs or Commercial Banks.

#### **C. Key Specific Tasks:**

- Mapping of Commercial Banks and Micro Finance Institutions (MFIs); who are lending to community institutions such as Self Help Groups (SHGs), Producers Groups (PGs), Commune Level Federations (CLFs) and Agriculture Cooperatives (ACs).
- Develop understanding of LEAP project by discussing with project team members responsible for SHGs, PGs, CLFs & ACs at PCO and SMT (including partner NGOs); studying the project documents such as PIM, Annual Reports, Documentation of successful case studies; and carrying out field visits to participate in the regular meetings of SHGs, PGs, CLFs and ACs.
- Mapping of NGOs and other private institutions who have experience of linking SHGs to access loan from Commercial Banks and Micro Finance Institutions (MFIs), invite them to share their experience during the workshop.
- Organizing meetings with those Commercial Banks and Micro Finance Institutions (MFIs), who have financed loans to SHGs and / or any other form of community institutions to understand the status of financing loans, repayment and way forward in Siem Reap Province and nearby provinces.
- Organizing meetings with other or remaining Commercial Banks and Micro Finance Institutions (MFIs), who have not provided loans to SHGs and / or any other form of community institutions to understand the reason of not financing loans in Siem Reap Province.
- Map the requirements of demand from Commercial Banks and MFIs, while financing loans to SHGs & ACs and also find out gaps (if any) in the SHGs promoted by LEAP and work with LEAP team to bridge the gaps.
- Facilitate field visits of staffs of Commercial Banks and MFIs with support from the concerned SMT team to the best practicing SHGs and PGs to demonstrate the best practices

with regard to banking habits developed and followed by these institutions. The project team including the consultant must receive feedback from the staffs of Commercial Banks and MFIs with regard to the eligibility of SHGs and PGs to receive loans and work with SMT to fill those gaps, if any by developing training modules and setting up systems to monitor and support the SHGs and PGs.

- Support LEAP to organize workshop at Siem Reap by inviting Commercial Banks, MFIs, Community Institutions, NGOs experienced with Bank financing, any other relevant stakeholders on financing loans to SHGs by Commercial Banks and MFIs. Prepare a pilot cum action research of 6 months with 5-10% of best practicing SHGs of LEAP to be financed loan by Commercial Banks and MFIs and also ensuring repayments.
- Support LEAP team to organize workshop with same set of participants to present the results of action research.
- Based on the results of pilot cum action research and recommendations of Commercial Banks and MFIs; draft MoUs between LEAP project and different Commercial Banks and MFIs for signing to take up loan financing by Commercial Banks and MFIs to SHGs and any other eligible community institutions developed by LEAP.
- Develop a template and small guideline for preparing Business Plan or Micro Investment Plan (MIP) for SHGs to prepare their plan before approaching Commercial Banks and / or MFIs to access loans.
- Develop training modules on “Financing loans to SHGs by Commercial Banks and MFIs; conduct ToTs and support LEAP team to prepare training schedule for SHGs and monitor training quality to ensure capacity enhanced among SHGs and become eligible for Commercial Bank and MFI loan financing.
- Support LEAP team to prepare an activity chart and timeline on financing loans to all eligible SHGs by Commercial Banks and / or MFIs; and support them to develop monitoring systems in place to achieve 100% eligible SHGs received loans from the Commercial Banks and / or MFIs.
- Support LEAP to organize the final workshop on the results of this assignment i.e., SHGs financed loans from Commercial Banks and MFIs.
- Develop a monitoring system for LEAP team to monitor, pursue SHGs to repay loans of Commercial Banks and / or SHGs on time.

#### **D. Expected Key Deliverables Outputs:**

- Prepared an “inception report” proposing his/her 6-month work program priorities and working methods for the whole contract assignment, after about 3 weeks after signing of contract.
- A list of Commercial Banks and Micro Finance Institutions (MFIs), which are offering loans to SHGs and ACs.

- Develop understanding of the project and its objectives and expectations with regard to mainstreaming bank loan financing to SHGs and ACs.
- Submit a status report on loan financing by Commercial Banks and MFIs to SHGs and / or any other community institutions including successes, failures, shortcomings and solutions to overcoming those shortcomings.
- Submit a status report on SHGs including its strengths, weaknesses and ways and means to overcome the weaknesses.
- Three Workshops organized with support from LEAP team.
- Submit a small guideline, activity and timeline for pilot cum action plan.
- Submit 2 separate draft MoUs to be signed with Commercial Banks and MFIs.
- Submit training modules of financing loan to SHGs and complete ToT.
- Submit a small guideline of “Commercial Banks and MFIs financing loans to SHGs and any other community institutions, which is eligible”.
- Submit Monitoring format and system for monitoring (i) pilot cum action research and (ii) repayment of loans financed by Commercial Banks and MFIs.
- Submit a Learning Note.
- All the reports to be submitted in both English and Khmer.

#### **E. Contract Timing/Duration:**

This consultancy service is expected to be carried out **from 01<sup>st</sup> September 2020 until 30<sup>th</sup> August 2022**. Below is a more detailed timeframe for the consultancy.

#### **F. Qualifications and Experiences:**

- Has a post-graduate degree in finance, banking or related field.
- At least 7 years of experience of research and development (specific MFIs and banking sectors).
- At least five years of experience of program management.
- Good understanding and conviction on loan financing to SHGs by Commercial Banks and MFIs
- Knowledge of project cycle management.
- Good interpersonal and communication skills and teamwork abilities.
- Has knowledge and experience of working with MFIs or banks.
- Has experience of organization and facilitation studies, workshops, seminars, review meetings, annual planning exercises, etc.

- Experience of working knowledge in MS Word, MS Excel and MS Power-point and data analysis (quantitative and qualitative).
- Ability to communicate in English (written and spoken).

#### **G-PAYMENT PROCESS**

- a) Payment shall be made in United States Dollars to Consultant's bank account not later than 14 days following submission of invoices and time sheet.
- b) ).
- c) The payments will be made in installments based upon agreement with the inception plan and subsequent actions plans and time sheet (the consultant can submit individual claims for a minimum of 5 days worked) and upon certification of satisfactory Outputs as per work plan and endorsed by Project Manager of SMT-Siem Reap. Below is the more detailed payment schedule below:

#### **PAYMENT SCHEDULE**

Step	Deliverables	% of Payment	Due Date
1	<ul style="list-style-type: none"> <li>• Prepared an "inception report" proposing his/her 6-month work program priorities and working methods for the whole contract assignment, after about 3 weeks after signing of contract.</li> </ul>	10% (\$xxx)	after about 3 weeks after signing of contract.
2	<ul style="list-style-type: none"> <li>• 1<sup>st</sup> Workshops organized.</li> <li>• 2 separated draft MoUs to be signed with Commercial Banks and MFIs submitted and approved by PCO &amp;SR-SMT.</li> </ul>	20% (\$xxx)	28th February 2021
3	<ul style="list-style-type: none"> <li>• Small guideline, activity and timeline for pilot cum action plan.</li> <li>• Monitoring format and system for monitoring (i) pilot cum action research and (ii) repayment of loans financed by Commercial Banks and MFIs submitted and approved by PCO &amp;SR-SMT.</li> </ul>	20% (\$xxx)	31st May 2021
4	<ul style="list-style-type: none"> <li>• Rolling out the pilot cum action plan (MoUs to be signed with Commercial Banks/MFIs &amp;LEAP and number of SHGs accessed loan).</li> <li>• 2<sup>nd</sup> Workshops organized.</li> <li>• Training modules of financing loan to SHGs and complete ToT submitted and approved by PCO &amp;SR-SMT.</li> </ul>	20% (\$xxx)	31 <sup>st</sup> December 2021
5	<ul style="list-style-type: none"> <li>• Small guideline of "Commercial Banks and MFIs financing loans to SHGs and any other community institutions, which is eligible" submitted and approved by PCO &amp;SR-SMT.</li> <li>• Activity chart and timeline on financing loans to all eligible SHGs by Commercial Banks and / or MFIs; and</li> </ul>	20% (\$xxx)	30 <sup>th</sup> July 2022

Step	Deliverables	% of Payment	Due Date
	support them to develop monitoring systems in place to achieve 100% eligible SHGs received loans from the Commercial Banks and / or MFIs developed and implemented.		
6	<ul style="list-style-type: none"> <li>• 3<sup>rd</sup> Workshops organized.</li> <li>• Learning Note submitted and approved by PCO &amp;SR-SMT.</li> </ul>	10% (\$xxx)	30 <sup>th</sup> August 2022