

Terms of Reference

Contracting a full time individual consultant to conduct Rural Finance activities of the Smallholder Agribusiness Partnerships Programme (SAPP)

1. Background of the Programme

Smallholder Agribusiness Partnership (SAP) Programme is a six-year project beginning from 2017. The Government of Sri Lanka and the International Fund for Agricultural Development (IFAD) and private sector (Agribusiness companies), smallholder farmers, Participatory Financial Institutions (PFIs) have jointly funded to promote smallholder agribusinesses by developing the strong relationship of Public, Private Producer Partnership (4P).

The overall goal of SAPP is to contribute to Sri Lanka's smallholders' poverty reduction and improve competitiveness. The programme development objective is to sustainably increase the income and quality of diet of (initially) 57,500 smallholder households involved in commercially oriented production and marketing of agricultural products.

2. Programme area and target group.

The programme has a national coverage, though special attention and preference has been given to low income districts and areas where agri-production potential is high. The programme is demand-driven and the willingness and the equal commitment of programme partners (Rural farmers, Agribusiness companies, Banks, Insurance providers etc) are essential in reaching programme objectives effectively and efficiently. More emphasis will put forward in developing Producer/Farmer Organizations (POs /FOs) under SAPP in line with Government's policy and development agenda. The programme has also to be ensured sustainability of Producer/Farmer Organizations being developed under the 4P mechanism. The target group of 57,500 poor rural households with the potential of becoming active economic players in commercially-oriented production and marketing of agro-products and services in diverse array of value chains will be benefitted.

3. Programme Components

Component 01- Access to commercial partnerships

This component includes two sub-components: (1.1) Establishing 4Ps (new 4Ps, NADeP scale ups, 4Ps with POs/FOs); and (1.2) Institutional strengthening and capacity building of Producer/ Farmer groups (within a market-driven model). A total of 35,000 households will be directly reached through 4P schemes and institutional strengthening of FOs. Rural youth will also be considered (2500 individuals) under this component to become them successful entrepreneurs through responding to demands for services generated along with value chain complements in 4Ps.

Component 02 – Access to rural finance

This component consists of two sub components: (2.1) Financing of 4Ps; and (2.2) Institutional strengthening for the financial services sector. The component follows the strategies, modes of intervention and investment opportunities that emerge under component 1 (to satisfy the credit requirements of 4Ps and youth entrepreneurs) and aims at facilitating access to rural financial services in a sustainable manner mostly through training and providing technical assistance.

Component 03 - Programme management and policy dialogue

This component comprises two sub-components: (3.1) Programme and knowledge management; and (3.2) Policy dialogue.

4. Rationale and the objectives of the consultancy

The limited lending to agricultural sector activities and the subsequent impact on agricultural development highlights the need to promote and make accessible, agricultural financial products for the smallholder farmers under 4Ps. Through this interventions targeted farmer communities and the targeted entrepreneurs of the project are facilitated with rural financing through Participatory Financial Institutions (PFIs) at affordable interest rates. In addition, facilitation of Institutional strengthening of farmer organizations providing capacity building, seed capital and grants while facilitating to link with markets through companies are needed to serve the target groups and help achieve the overall objectives.

4.1 Objectives of the consultancy

The consultant-Rural Finance will perform duties to facilitate on the capacity building of the producers/ farmers, youth and women by providing training such as financial literacy, preparation of business proposal etc. and facilitating institutional strengthening to obtain financial services. Specifically, the incumbent will be required to:

- have framework for capacity building programme to producers/ farmers, youth and women
- implement youth strategy aligning with the component -1
- conduct awareness and training programs to the PFIs/Promoter Companies/ beneficiaries to improve access to finance and efficient loan disbursement of the Programme.
- produce credit implementation manual/ guidelines for SAP Programme and training manual for producers on financial literacy and related subject such as marketing, improving productivity, legal and environment management.
- develop mechanism to strength CBSL and PFIs for timely loan disbursement to the farmers
- coordinate the activities related to automated web based IT system at the CBSL for smooth and timely loan scheme implementation through PFIs
- Facilitate activities (Institutional strengthening) to pilot or scale up the Non-Traditional Finance Product/service for smallholder farmers under 4Ps project (Implementation)

5. Roles and responsibilities

Under the direct supervision of the programme director, the consultant will perform activities under following parameters to mainstream access to rural finance aspects of the programme.

5.1 Programme implementation responsibilities

- Advice and assist programme director, other members of the PMU and social mobilizers in the effective mainstreaming of accessing rural finance under SAPP.
- In close collaboration with the PMU, develop youth strategies and action plans to be updated regularly.
- Ensure that activities of the Institutional strengthening for the financial services sector are reflected in the following.
 - AWPB preparation
 - Design and implementation of the programme M&E system & MIS

- Programme progress reports
- Programme supervision and mission reports

5.2 Capacity building responsibilities

Undertake to conduct training programmes for officers of PFIs and CBSL based requirements made by them and provide capacity-building for staff at the field level, PMU, implementing partners and service providers

5.3 Advocacy on policy issues

- Be familiar with Microfinance policies and Micro Finance Act.
- Identify the MF issues in relation to agriculture sector and lobbying for policy changes.
- Present evidence based information on good practices on microfinance.

6. Qualifications and experience

1. Master degree in finance , economics or related fields with 7 years experience or Diploma in Banking and finance with 7 years post qualifying experience
2. Applicant should have progressive experience related to micro finance and banking agriculture systems ideally with management responsibility.
3. Demonstrated experience in addressing inclusive finance issues in the context of rural development and poverty alleviation.
4. Experience in designing, delivering and facilitating tools and trainings on inclusive finance, developing and/or marketing microfinance lending products, particularly for youth and women and in the agriculture sector.
5. Highly motivated, committed and prepared to travel extensively.
6. Experience in similar assignments in donor funded projects will have an advantage
7. Working knowledge of spoken and written English and ability to work independently in Microsoft Office Packages
8. Ability to work in other local languages would also be considered as an added qualification.
9. High degree of independence, flexibility and ability to meet strict deadlines.

7. Expected key outputs

- Development of framework on Institutional strengthening for the financial services sector
- Development of IT solution at CBSL for timely disbursement of loans
- Conduct Microfinance related training / TOT programmes for staff and beneficiaries (producers, youth, women)
- Development of knowledge products (brochures, leaflets, case studies etc) and identification of interventions of access to rural finance

8. Technical Criteria for Evaluation (Maximum 70 marks)

1. Master degree in finance , economics or related fields with 7 years' experience or Diploma in Banking and finance with 7 years post qualifying experience – 15 marks
2. Applicant should have progressive experience related to micro finance and banking agriculture systems ideally with management responsibility – 15 marks
3. Demonstrated experience in addressing inclusive finance issues in the context of rural development and poverty alleviation - 15 marks

4. Experience in designing, delivering and facilitating tools and trainings on inclusive finance, developing and/or marketing microfinance lending products, particularly for youth and women and in the agriculture sector - 10 marks
5. Experience in similar assignments in donor funded projects will have an advantage - 05 marks
6. Working knowledge of spoken and written English and ability to work independently in Microsoft Office Packages - 05 marks
7. Ability to work in other local languages would also be considered advantageous - 05 marks

The shortlisted candidate will be called for an interview and a presentation on the given topic. He/she has to face for the interview and should do the presentation. 30 marks will be allocated for this purpose. The relevant topic for the presentation will be notified only those who are shortlisted.

9. Payment Plan

Since this service is for full time annual basis, fixed monthly payment will be made for the selected consultant. He/She should submit the agreed work plan each month commencement and work done that should comply the monthly plan. Agreement will be extended based on the performance and the quality output delivery.

10. The proposal/CV should be sent to the following address by **post or you can email** with the **relevant subject heading (RF Consultant)** to vacantconsultant@sapp.lk on or before the deadline.

Chairman,
Consultants Procurement Committee (Project)
Smallholder Agribusiness Partnership Programme (SAPP)
No 475, 3rd floor, Sri Jayawardana Mawatha, Rajagiriya.

Note:

- Selected consultant has an access to receive programme documents after signing an agreement with PMU.
- The Copyrights of the related documentation/publications will be owned by SAPP programme