

Consultancy Opportunity in Credit Union/SACCO Network Organisation Development  
***For the Improving Rural Financial Inclusion Through Co-operatives Project***

Terms of Reference (ToR) for a Series of Three Trainings

No. of Consultants:	2 consultants
Location:	Addis Ababa, Ethiopia
Provisional dates:	1 <sup>st</sup> training during the week of 13 November 2017 2 <sup>nd</sup> and 3 <sup>rd</sup> training – TBC and to take place before 31 March 2018, with 4-5 weeks between each training
Time commitment:	in the region of a total of 12 days over 5-6 weeks per one training

## **1. Background**

For nearly 20 years the Ethiopian government has promoted Savings and Credit Cooperatives (SACCOs) as a means of socio-economic development and the country now boasts a movement with 20,000 SACCOs and over 4 million members (larger than any single microfinance institution). Despite the enormous strides made in terms of outreach and scale, SACCOs lag behind other financial service providers due to weaknesses at the institutional, oversight and service delivery levels. The SACCO movement is fragmented, with individual SACCOs being highly autonomous. While a second tier – Unions of SACCOs – is in place, only 30% of SACCOs are members of Unions and their operations are localised. There is no federation of Unions, and consequently the movement is not in a position to benefit from economies of scale or efficiencies that could otherwise be generated.

The Irish League of Credit Unions Foundation (ILCUF) is the charitable arm of the Irish credit union movement. Its mission is 'to alleviate poverty in developing countries by supporting credit unions, their representative bodies and other co-operative type organisations as a means for socio-economic development through the provision of financial and technical assistance'. For more information on ILCUF, please visit the website at: <http://ilcufoundation.ie/>

ILCUF is at the start of a 3.5-year long project entitled 'Improving Rural Financial Inclusion through Cooperatives.' The project funded by IFAD and is being implemented in three countries in collaboration with CCA (lead agency) and ACCOSCA. The countries are Tanzania, Malawi and Ethiopia. ILCUF is managing the project aspects that relate to Ethiopia. There are three main components of the project and these are (1) apex / federation development, (2) financial product development and (3) development of the regulatory environment and overall knowledge management.

These Terms of Reference (ToR) relate to regional federation formation training, and the activities are the first step in providing support to the development of regional federations in Ethiopia. These ToR encompass three training sessions each to be conducted in Ethiopia (Addis Ababa or Adama). It is anticipated that the training will be carried out by two complimentary experts, with one from an African country. The assignment includes training material development, preparation, training delivery, and training written report.

## **2. Purpose**

The purpose of the assignment is to develop training materials and deliver training sessions in order to equip stakeholders with the knowledge and capability to develop a regional federation of SACCOs. This includes:

the federation purposes, services to members, financial sustainability, set-up process, governance and structure of operations, organising committees, and interim plan.

### **3. Objectives**

The objectives of the training sessions – 3.5-days each – are to cover the following topics:

#### *Training Session 1*

- Exploring the issues that come with having a relatively fragmented movement (such as it is in Ethiopia)
- Setting out the purposes of a federation
- Informing participants in detail about the range of functions and services of an apex / federation
- Ascertaining the level of readiness of the different regions for setting up regional federations

#### *Training Session 2*

- Presenting the ways in which a federation /apex can be financial sustainable with examples of different business models
- Presenting a case study on an apex that failed to examine and debate the reasons for this and to identify potential pitfalls
- Imparting what is involved in the necessary steps for regional federation establishment (establishing founding members working group, conducting a feasibility study, producing and submitting by-laws, establishing a management and control committee, developing a three year strategic / business plan, raising capital, finding an office location etc.)
- Presenting a feasibility case study (Amhara)
- Setting out potential structures of operations and governance

#### *Training Session 3*

- Conducting business planning for nascent federations
- Exploring different operational structures in detail and determining appropriate structures for varying contexts
- Developing a draft or template outline of governance and operations structures
- Developing draft or template by-laws
- Developing an establishment plan (activities, who is responsible, how to carry out and when it will be completed by)
- National level coordination & feedback on technical assistance requirements for the different regions

### **4. Outputs**

- Participants equipped with vision, understanding and first steps in develop a regional federation
- Training materials on apex / federation (a) tailored for Ethiopia (b) developed into generic materials
- Written report on the training, including relevant training documentation

### **5. Qualifications**

ILCUF is seeking candidates

- with a Masters level qualification in business, commerce, economics or accountancy related areas
- who have at least 5 years' experience in a management or leadership role for a financial cooperative apex organisation and / or
- 5 years or more experience in lecturing and training in the subject area of financial cooperatives are required
- who have applied these skills in an African, preferably east African context.

### **6. Lines of Communication**

The consultants will report to ILCUF Programme Manager.

## 7. Information

Background documentation which is relevant to this assignment will be provided by ILCUF.

## 8. Summary and Timeframe for the 1<sup>st</sup> training

Date	Activities
Before 27 October	Training materials developed by Consultants
11 or 12 November 2017	Consultants travel day(s)
13 November 2017	Consultants prepare on-site
14- 17 November 2017	Consultants deliver training
17 November 2017	Consultants develop short report and compile relevant documentation
17 or 18 November 2017	Consultants travel home
20 November 2017	Consultants submit outputs to Programme Manager
After 20 November 2017	Consultants liaise with ILCUF

## 9. Deadline

The deadline for delivering the 1<sup>st</sup> training is 20 November 2017.

The deadline for delivering the 2<sup>nd</sup> and 3<sup>rd</sup> training – TBC.

## 10. Fitness to Travel

It is the Consultants' responsibility to ensure that they are medically fit for travel to and work in the destination country. In accepting this TOR/ Terms and Conditions the Consultants confirm that the Consultants' general state of health and fitness is good for the trip in question and that the Consultants take full responsibility for themselves. The onus is on the individuals involved to ensure that ILCU Foundation is advised of any medical information that may impact their trip. All information will be held in confidence on the staff member or volunteers' file.

## 11. Application process

Please submit CV with cover letter via email to

Irina Ignatieva, Programme Manager, Irish League of Credit Unions (ILCU) Foundation,  
33 – 41 Lower Mount Street, Dublin 2.

Email: [iignatieva@creditunion.ie](mailto:iignatieva@creditunion.ie)

Closing date for applications is Thursday **12 October 2017**

**All applicants are thanked for their interest in the assignment. However, only those selected for an interview will be contacted.**