

Terms of Reference (ToR)

Assessment of Operational Status of Saving Credit Activities of Simrutu Khola Jal Bidhyut Sahakari Sanstha Limited, West Rukum

1. Introduction

Renewable Energy for Rural Livelihood (RERL) is a joint project of Alternative Energy Promotion Centre (AEPC), Ministry of Energy, Water Resources, and Irrigation (MoEWRI), and United Nations Development Programme (UNDP). RERL is providing technical support to AEPC to implement the Asian Development Bank (ADB) funded South Asia Subregional Economic Cooperation (SASEC) Power System Expansion Project Off-grid Component. SASEC is promoting 4.3 MW mini-hydropower projects (MHP) and 0.5MW Solar/Solar-Wind Hybrid Mini-grids (SMG) to increase access to electricity in rural areas for improving the livelihoods of people by promoting economic activities.

2. Background

Women – particularly rural women – are among the most financially excluded populations due to a variety of formal and informal barriers to formal financial services. Savings Groups appeal to women given the low legal, economic, and social barriers to entry. The absence of documentation requirements, proximity to home, and small flexible transactions are all components of Savings Groups that make them a suitable and desirable service for women in underserved markets.

The RERL facilitates the promotion of micro-finance activities in rural communities' especially involving women and members of marginalized and economically weak communities are one of the best solutions not only for access to finance but also for long-term group cohesion and development of their managerial skills and leadership. Various studies have indicated that access to finance directly supports women's empowerment by uplifting their socio-economic status and poverty reduction by engaging them in enterprise development and income-generating activities. As Savings Groups increasingly serve as a pillar of gender-focused programs, there is a need to better understand the pathways between Savings Groups and women's empowerment.

However, rural women have very limited knowledge of the benefits of micro-finance activities and the management of groups. The members of saving and credit groups formed by beneficiary households need to know about micro-finance activities, their operation, and management system to avoid the risk of investment and use of money in the productive sector which will ultimately support to enhance their livelihoods and building up their capacity which would be instrumental for the smooth operation and effective management of the cooperatives.

To date, there has been formed nearly 1000 members of women groups in Simrutu Khola (200 kW) cooperatives from which invested NPR 67,82,000 among the members. This activity is gradually increasing and it is anticipated to cover 1500 members over in Mini Hydro Project (MHP) catchment area. However, the cooperative has limited knowledge and capacity to manage the saving and credit activities for providing services to the clients and has faced difficulties to manage the system more sustainably due to no clear vision and pathways to provide services to the members.

In this backdrop, AEPC/RERL seeks to consult services to assess the operational status of saving credit activities of Simrutu Khoal Jalbidyut Sahakari Sanstha Limited in Rukum (west) to provide clear pathways for sustainable operation and management of the cooperative.

3. The objective of the Assignment

The overall objective of the assignment is to assess the operational status of Saving Credit Activities and the way forward for Simrutu Khola Jal Bidhyut Sahakari Sanstha Limited (west Rukum).

4. Scope of work

The assignment shall include but not limited to:

4.1 Information Collection

The consultant shall be responsible to collect information on the institutional and operational status of saving and credit activities, such as management structure in place, demand for credit, credit utilization, timely repayment, regularity of saving and consumer satisfaction. Information shall be collected from

- i. Focused Group Discussion (FGDs) and Key Informant Interview (KII) with;
 - Cooperative Executive Committee and sub-committees
 - Cooperative Manager and staff
 - Focus group discussion with women's saving and credit groups, at least 5 groups
 - Productive End Use entrepreneurs
 - Women, ethnic minorities, and other beneficiaries etc.
- ii. The consultant shall prepare template, questionnaires forms, and format to collect information focusing on the above and get approval from RERL;
- iii. The assessment study should also include the key facts and figures, relevant photographs.
- iv. Study on Cooperative by-laws/Bidhan and other operational guidelines e.g saving credit directives from sustainability perspective
- v. Conduct consultative meetings with RERL and other relevant organizations at the field level to understand their services and competitiveness that are providing financial services in the MHP catchment areas.
- vi. Support to establish linkages with suitable BFIs for sustainable operation
- vii. *Prepare and submit the clear road map and way forward of saving and credit activities with a clear intervention plan for the sustainable operation and management of the system*

4.2 Gender Equality and Social Inclusion (GESI) Aspects;

- The functional status of women's saving and credit groups (saving amount, areas of utilization, timely repayment, default cases and overall effectiveness)
- Women's leadership role in the management of the cooperative, whether women's involvement in saving and credit activities enhanced their participation in the overall management of cooperative
- Role of saving and credit activities for the improvement of livelihoods and its acceptance among the groups
- perception of beneficiaries including women and members of marginalized groups on their livelihoods through saving credit activities

5. Inputs from AEPC/RERL

The following inputs will be made available for completing the assignment:

- Budget to carry out the assignment, relevant AEPC documents, and other available information.
- Inputs to assist the consultant in different stages of the assignment from AEPC/SASEC project and RERL team
- Provide related documents and reports

6. Key Deliverables

- Submit final report with assessment of the situation and recommendations including clear way forward with intervention plan for sustainable operation and management of saving and credit activities of the Simrutu Khola Jalbidyut Sahakari Sanstha Limited.

7. Terms of Payment

30% after signing the agreement

70% after acceptance of the final report by RERL

8. Time and Budget

8.1 Timing

The duration of this task shall be two months from the date of signing the contract agreement.

9. Human Resource Requirement

9.1 Team Leader/Consultant

The Team Leader/Consultant will be responsible to complete all activities mentioned in this ToR. The team leader should have a Master's Degree in Business Administration, Economics, Business Studies, Management, Rural Development, or any other relevant field, and 8 years of working experience in the micro finance/saving and credit sector. S/he should have extensive knowledge and skill in saving credit activities and cooperative management and institutional development.

10. Selection/Evaluation Process

The selection will be followed based on Least Cost Method.

Documents to be submitted by the Firm (Eligibility Criteria)

SN	Documents
1	Copy of Company/Firm Registration Certificate with updated renewal
2	Copy of VAT Registration Certificate
3	Copy of TAX Clearance Certificate of F. Y. 2076/77
4	Latest Signed Resume of resource persons (as per ToR)
5	Financial Proposal with signed cover letter including VAT (as per given format)

11. Acceptance of Proposal

All rights are reserved with AEPC/RERL either to approve or disapprove any proposal without giving any reasons whatsoever. If needed, the consultant will be asked for modifications and presentations of the proposal before approval.

12. Force Majeure

Without prejudice to their rights the Government and the service provider shall not be held responsible nor suffer any financial loss should the performance of the contract be delayed or prevented by an event of Force Majeure, which shall include, but not limited to strikes, riots, civil commotion, fire accident or any other incident beyond the control of either party hereto which neither party was aware of or could have foreseen at the time of signing of this contract. In event of an occurrence of the Force Majeure, either party shall notify the other of the event, or during such event, the rights and obligations of either party shall automatically be suspended.