

Terms of Reference For

Conducting Training on Financial Literacy, Leadership and Microfinance Operation to the Members of Simrutu Khola Mini-hydro Cooperative Limited, Rukum

1. INTRODUCTION

1.1 Alternative Energy Promotion Centre

Alternative Energy Promotion Centre (AEPC) is a Government institution established on November 3, 1996 under the then Ministry of Science and Technology with the objective of developing and promoting renewable/alternative energy technologies in Nepal. Currently, it is under the Ministry of Energy, Water Resources and Irrigation.

AEPC has hosted different renewable energy and energy efficiency interventions through support from development partners in the past. Especially, the second phase of the Energy Sector Assistance Program (ESAP II) financed by the GoN, Danida, DfID, the Norwegian Ministry of Foreign Affairs, KfW and SNV followed a more coherent and coordinated approach that led towards realization of the need of a more coordinated sector development. As it's result, in 2011, the GoN and development partners jointly agreed to support formulation of a National Rural and Renewable Energy Programme (NRREP) in a single programme modality. The DP's commitment for this five year national program was until 15 July 2017 however the government has continued NRREP with annual budget allocation.

1.3 Renewable Energy for Rural Livelihood

Renewable Energy for Rural Livelihood (RERL) programme funded by United Nations Development Programme/Global Environment Facility (UNDP/GEF) has been implementing from July 2014 under the execution of AEPC. This programme is developed as an integral part of AEPC/NRREP and thus assists in fulfilling its ambitious targets.

The main objective of RERL is to support AEPC/NRREP to remove barriers to increased utilization of renewable energy resources in rural Nepal in order to support economic, environmental, and social development of people in the rural areas and to reduce GHG emissions. RERL particularly supports for scaling up of less disseminated larger RETs such as mini hydro, large micro hydro (+60 kW) and large scale solar Photo Voltaic (PV). The core strategies of RERL include demonstration projects, private sector involvement for financing and attainment of financial sustainability through promotion of productive end-uses.

1.5 Simrutu Khola Mini-hydro Cooperative Limited

The cooperative is legally registered at Division Cooperative Office, Dang on December 31, 2015 (16/9/2073 B.S.), PAN No: 603785917 with the main objective of production, transmission and distribution of electricity through constructing Simrutu Khola Mini-hydro Project (200 kW) and provide access to clean and reliable energy to around 2,000 rural households. The cooperative besides management of Simrutu Khola Mini-hydro Project will also engage in saving and credit, rural livelihood enhancement and promotion of productive energy use activities which contribute to the electricity users to increase their income and thus increase the revenue of the Project. The cooperative will provide microfinance services to its all electricity beneficiary households (around 2,000 households) so that the rural households will engage in regular saving and credit activities. It is expected that the microfinance activities will enable rural households to generate additional income which will support for the timely payment of electricity tariff. This activity will also support to increase

the load factor of micro-hydro plant thus increasing additional revenue. The cooperative will also be able to generate additional revenue by managing microfinance activities which will support for the timely repair and maintenance of mini-hydro project.

2 BACKGROUND OF THE ASSIGNMENT

The efficient and effective management plays pivotal role for the sustainability of Mini-hydro Projects (MHPs). The poor management system, weak organizational structure, unreliable revenue stream and tariff collection problem, lack of after-sales-service, lack of required capacity building activities etc. are observed as the major factors for weak performance and poor sustainability of the MHPs. It is also realized that the electricity beneficiary households need to be capacitated and economically empowered so that they can maximize the electricity consumption and regularly pay the higher tariff. The economically empowered beneficiaries contribute for the long-run operation of their MHP.

The RERL searched for various possible interventions to build the capacity of MHP beneficiaries and realized that promotion of microfinance activities is the best long-term solution. Various studies have proved that microfinance activity brings direct impact on women empowerment, socio-economic development and ultimately reduce the poverty by involving them in income generating activities. The RERL has therefore been supporting to Simrutu Khola Mini-hydro Cooperative Limited to implement microfinance activities at the vicinity of their local grid coverage. The Microfinance Field Officer has been supporting the cooperative to build their capacity and enroll the local households into microfinance mainstream. Total 43 microfinance groups have been created and the members have stated to involve into regular saving and credit activities.

However, the rural households have very limited knowledge on financial literacy and the importance of microfinance. The households also do not prefer to deposit money and take loan from the microfinance institution. The RERL therefore felt that training and awareness to the members is essential for their continuous involvement in the microfinance sector.

The proposed consultant/trainer is now requested to provide training on Financial Literacy, Leadership and Microfinance Operation to the Members of Simrutu Khola Mini-hydro Cooperative Limited. It is expected that one microfinance member from each 60 Centers and the board members and management team of the cooperative will represent in the training. The 3-day training will be organized in district headquarter (Khalanga, Rukum) in three packages.

3 OBJECTIVES OF THE ASSIGNMENT

The primary objective of the task is to provide training to the microfinance members and the board member and management team of Simrutu Khola Mini-hydro Cooperative Limited. The training should focus on financial literacy, financial education, cooperative education, leadership and management skills required to conduct Centre Meeting, motivators for saving and credit activities etc.

4 SCOPE OF THE WORK

The trainer is required to develop the training material/manual in close consultation with RERL and the Cooperative and should take full responsible to conduct the training. The RERL will manage co-trainer having experience in microfinance field. Mainly, but not limited to, the trainer should be responsible and take full ownership for the following scope of work:

- A. Develop training material/manual including PowerPoint presentations

- B. Conduct training to the leader of centre meeting and board and management team of the cooperative on basic microfinance, financial literacy, financial inclusion, leadership etc. The trainer should conduct three three-day trainings. Total estimated participants 90 and 30 participants on each training slot.
- C. Prioritize multimedia, simulation, coaching, audio-visual and other innovative teaching methodologies while conducting the training
- D. Facilitate the participants on how to develop loan and saving products, risk mitigation tools, strategies to conduct centre meetings in a best way etc.
- E. Capacitate the participants (especially members) to successfully conduct centre meetings including cash flow management of the centre
- F. Prepare a draft training schedule and share with RERL team
- G. Prepare training completion report with training impacts on gender and social inclusion

5 INPUTS FROM AEPC/NRREP, RERL, DECCU RUKUM AND CREF

- Required budget to facilitate the training sessions
- Provision of Co-trainer who will support during the whole training including leading some sessions
- Support for travel related costs
- Relevant document, materials, information, and coordination from AEPC and RERL.

6 TIME SCHEDULE

The expected involvement for this assignment is 13 person-days (9 days for training, 2 days for travel and 2 days for preparation of training materials and training completion report writing) within 1 months from the date of signing the contract.

7 DELIVERABLES (OUTPUT)

The following final services are expected from the trainer.

- Training manual/materials including PowerPoint presentations
- Training completion report clearly showing GESI and feedback of the training

8 BUDGET AND TERMS OF PAYMENT

The budget and remuneration shall be based on qualification, experiences, and similar work done in the past. Total proposed budget shall be inclusive of prevailing government taxes.

9 DOCUMENTS TO BE SUBMITTED BY CONSULTANT

- Financial Proposal (as per Annex B) with signed cover letter
- Updated copy of signed CV
- Copy of VAT Certificate (if applicable)
- Copy of TAX Clearance Certificate of previous fiscal year (if applicable)
- Other relevant documents
- Copy of company/firm registration certificate with renewable (if applicable)

10 ACCEPTANCE OF PROPOSAL

All rights are reserved with RERL 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.

11 REQUIRED QUALIFICATION

- A minimum of 5 years of experience in the field of microfinance and cooperative/SACCOS. Priority will be given to those having highest number of experience in the relevant field.
- Experience of conducting similar trainings to the members, boards and management committee of local microfinance institutions and cooperatives
- Preference will be given to those having direct working experience in working in microfinance institution or cooperative
- Masters in MBA, economics, renewable energy, climate finance or relevant degree
- Knowledge of mini-hydro cooperative

12 SELECTION/EVALUATION PROCESS

The selection is based on the least cost method as per the financial proposal mentioned on Annex A.

13 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 the 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.

LIST OF ANNEXES

Annex A: Financial Proposal

The lowest bidder will be selected and awarded the assignment. The trainer is expected to submit financial proposal as per the table below:

Proposed Budget for this Assignment

| SN | Particulars | Qty | Unit | Unit Rate (NPR) | Amount (NPR) |
|-----------|--|------------|-------------|------------------------|---------------------|
| A | Resource person fee | | Days | | |
| B. | Manual preparation and training completion report | | Days | | |
| C. | Daily allowance for travel (transportation cost will be managed by RERL) | | Days | | |
| D | Total Budget (A + B + C) | | | | |
| E | Overhead (Maximum 10% of D, if applying from firm) | | | | |
| F | Total Budget with 13% VAT (if applicable) | | | | |

Should you have queries on the notice, please forward an email clearly mentioning your queries to Mr. Subas C. Kunwar at email **subas.kunwar@aepec.gov.np**. Although efforts will be made to respond to such queries as soon as possible, kindly set aside ample time for us to furnish responses to your queries.

Expressions of interest (in hard copy) must be personally delivered to the address given below by before **22 August 2018**

Alternative Energy Promotion Centre (AEPC)
Renewable Energy for Rural Livelihood (RERL) Programme
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Telephone: +9771-5539390, 5539391
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