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**CNFA USAID/LADA**

**Scope of Work**

**Access to Finance Consultant**

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1. **INTRODUCTION:**

Cultivating New Frontiers in Agriculture (CNFA), is a non-profit international development organization with offices in Washington, D.C. and a European branch, CNFA Europe, based in Brussels, Belgium, specializing in designing and implementing sustainable, market-led agricultural, agribusiness and livestock initiatives. We work with businesses, farmers’ groups, governments and communities to build customized local and global partnerships that meet the world’s growing demand for food. By incorporating innovative approaches into our programs and fostering inclusive development to offer enhanced opportunities to underserved groups, we create positive changes in the lives of smallholder farmers and rural entrepreneurs.

The Liberia Agribusiness Development Activity (LADA) is a project being implemented by CNFA and is supported and funded by the United States Agency for International Development (USAID) under the US Feed the Future (FTF) Program. The LADA activity takes place in four counties Bong, Nimba, Lofa & Upper Montserrado and focuses on three components, namely:

C1: Increase private sector investment in agriculture inputs

C2: Increase private sector investment in post-harvest handling support, packaging, marketing, storage and auxiliary services,

C3: Strengthened facilitation, market information, advocacy and support

1. **PROJECT STATEMENT:**

LADA works to catalyze increase private sector investment and commercial finance to agribusiness sector and expand commercially sustainable linkages between consumers, producers and post-harvest enterprises. LADA is designed to provide broad support to agricultural development and food security initiatives at the community and national levels in Liberia. It supports forging innovative partnerships with the private sector to leverage new resources and maximize impact in support of its development efforts.

These activities are coming online at a crucial time for Liberia. The recent launch of the Government of Liberia (GoL) Liberia Agribusiness Transformation Agenda (LATA) initiative provides an opportunity to leverage USAID/LADA interventions with those of Liberian government and private-sector actors to create real change in agricultural value-added processing. LADA’s goals are to complement LATA and work closely with a strong local commercial bank, Afriland First (hereinafter “Afriland”) to provide a strong focus on reducing food imports, mainly of rice and cassava. Thus, increased financing will create initiatives having a high impact on increased food-processing and import-substitution.

1. **OBJECTIVE OF CONSULTANCY**

The objective of this specific assignment is to assist LADA in the drafting and adoption of a formal agricultural lending strategy as well as operational principles “toolkit”, that will guide the implementation of the strategy (operational structure, staffing, marketing of products, marketing plan, etc.). This would be followed by supporting Afriland, a local bank, on the development of an agricultural lending action plan, guiding the implementation of the formulated strategy, which would be presented by LADA to the senior leadership of the bank. When adopted by the bank, a commitment of up to USD 2 million would be shifted within the bank to target the agricultural sector.

The overall purpose of this relationship would be to increase access to finance for agro-enterprises and both LADA and non-LADA clients in the agricultural sector, including farmers. It is anticipated that this assistance will make it faster for Afriland to begin aggressive disbursement of its expanded portfolio of agricultural loans. On the part of Afriland, the development of a new agribusiness strategy will play a key role in expanding their agricultural lending activities.

1. **PRINCIPAL DUTIES AND RESPONSIBILITIES:**

An international consultant will be coupled with one or more local staff of LADA to support him/her in development and delivery of the following tasks:

* Facilitate Afriland’s intention to increase agricultural lending in Liberia through adding expert input into the development of a new agro-finance strategy with an emphasis on rural SMEs, which is aligned with Afriland’s current mission and vision. This strategy will also include recommendations for increasing Afriland’s DCA utilization rate;
* Work with Afriland to evaluate the most important agricultural and agro-business sub-sectors to be targeted by the bank, including identification of crosscutting sub-sectors, such as SME-level processing, value chain finance, etc. to be based on local market research;
* Formulate operational principles that will guide the implementation of the strategy, including operational structure, staffing, marketing of potential new products, marketing plan, risk assessment, loan disbursement procedures, assets and collateral appraisal methods, as well as any needed monitoring procedures. These will be left behind in the form of a “toolkit” to improve and fine-tune agricultural lending practices of the bank;
* Develop an action plan guiding the implementation of the formulated strategy, which would be presented by the LADA representatives to the senior leadership of the bank. The formal strategy proposed will outline increased lending target of Afriland of at least USD 2M.
* Meet with a wide range of individuals or groups to fully understand and perform the work specified under this SOW, including meetings with USAID, CNFA/LADA, senior management at Afriland, as well as the Association of Banks of Liberia, the Agricultural Ministry, and the appropriate donor programs or projects identified by LADA.
* Develop needed market research to develop the Agro-finance strategy.

**5.**      **DELIVERABLES:**

* A comprehensive SME agricultural financing strategy with emphasis on agro-processing, and a related summary business plan (incorporating and designing appropriate financial products, not just lending) with detailed road map, specific tasks / resources, as an integrated part of the strategy.
* An agricultural lending toolkit accompanied with training for Afriland staff.
* A written final report including a description of the strategy as well as an assessment of required Afriland capacity needs to implement the lending strategy, analysis, and recommendations.
* A brief report outlining main aspects and key takeaways of the consultancy, but with no disclosure of disclosure of sensitive or proprietary information.

**6.**      **PERIOD OF PERFORMANCE**

**Timeline:** This assignment is planned to take place in early April to late May 2017.  Total LOE for this assignment will not exceed 45 days, including approximately 40 workdays in-country for interviews, research, strategy development and follow-up.

**Level of Effort:** The consultant will have a short-term consultancy agreement with CNFA/LADA of 1.5 months (April-May 2017 depending on start date) to complete the tasks.

**7. QUALIFICATIONS**

* Master’s degree in Banking, Business, Economics, International Development, Business or related field. Or bachelor’s degree and an additional five years of relevant experience.
* Minimum of 10 years of work experience in banking, with three years of experience in value chain, agricultural lending and economic development practices.
* Experience in identifying opportunities to promote value chain finance and better financial instruments at the MSME level that positively impact the entire value chain.
* Acquainted with agricultural and rural development conditions in emerging markets. Priority will be given to knowledge of Liberian market conditions.
* Practical skills in working with banks and donors in increasing access to finance.
* Experience in helping to solve agro-business constraints and problems is desirable.
* Experience working with USAID and other donors.
* Excellent written and oral communications skills.
* Capacity to interact effectively with people from different cultures and work with governments and donor agencies.
* Fluent in English.
* Experience in Liberia preferred.