

# **Selection of Consultants**

## **Technical Assistance Mission**

### **Review of Operations Manual and Risk & Delinquency Management Training**

#### **for ENCOT**

Uganda

December 2014

**With the Support of**



No. ENCOT/05/2014/UGA/AF

## Letter of Invitation

Kigali, December 15, 2014

Dear Sir or Madam:

1. The Grameen Credit Agricole Foundation (hereinafter called ‘the client’) has received funding (hereinafter called “the funds”) from the French Development Agency (hereinafter called “the Agency”) toward the financing partly the cost of Technical Assistance mission in the framework of the African Facility and intends to apply a portion of the funds to eligible payments under the contract for which this Request for Proposals is issued.
2. The Foundation now invites proposals to provide the following consulting services: Review of Operations Manual and Risk & Delinquency Management Training for ENCOT. More details on the services are provided in the Terms of Reference.
3. This Request for Proposal (RFP) has been addressed to the following short-listed Consultants: CONFIDENTIAL
4. A firm will be selected under selection based on consideration of quality and cost (SBQC) and procedures described in this RFP.
5. The RFP includes the following documents:
  - Section 1 - Letter of Invitation
  - Section 2 - Instructions to Consultants (including Data Sheet)
  - Section 3 - Technical Proposal - Model Forms
  - Section 4 - Financial Proposal - Model Forms
  - Section 5 - Terms of Reference
6. Please inform us upon receipt:
  - (a) that you received the Letter of Invitation; and
  - (b) whether you will submit a proposal alone or in association.

Yours sincerely,

*Kathrin Gerner, Senior Expert for Eastern and Southern Africa*

**Instructions to Consultants**  
**DATA SHEET**

<b>Paragraph Reference</b>	
<b>1.1</b>	Name of the Client: <u>Grameen Credit Agricole Microfinance Foundation represented by Kathrin Gerner, Senior Expert for Eastern and Southern Africa</u> Method of selection: <u>selection based on consideration of quality and cost (SBQC)</u>
<b>1.2</b>	Designation, objectives and brief description of the assignment are as follows: <u>Review of Operations Manual and Risk &amp; Delinquency Management Training</u>
<b>1.3</b>	The Client will provide the following inputs and facilities: <u>Policy and procedure manuals and other relevant documents as requested</u>
<b>2.1</b>	Clarifications may be requested not later than <u>2</u> days before the submission date. The address for requesting clarifications is: <u>Kathrin Gerner, P.O. Box 3512, Kigali, Rwanda</u> <u>Tel: +250 784 11 74 14</u> <u>E-mail: kathrin.gerner@gmail.com</u>
<b>3.1</b>	Proposals shall be submitted in the following language: <u>English</u>
<b>3.3 (iii)</b>	Reports that are part of the assignment must be written in the following language(s): <u>English</u>
<b>3.4 (vii)</b>	Training is a major component of this assignment: <u>Yes</u>
<b>4.3</b>	Consultant must submit an electronic version of the Proposal.
<b>4.5</b>	The Proposal submission address is: <u>kathrin.gerner@gmail.com</u> and <u>ami.faciliteafricaine@credit-agricole-sa.fr</u> Proposals must be submitted no later than the following date and time: <u>January 9, 2015, 5:00pm EAT</u>
<b>5.1</b>	The address for contacting the Client is: <u>Kathrin Gerner, P.O. Box 3512, Kigali, Rwanda</u> <u>Tel: +250 784 11 74 14</u> <u>E-mail: kathrin.gerner@gmail.com</u>

<b>6.1</b>	Address for contract negotiations: <u>Kathrin Gerner, P.O. Box 3512, Kigali, Rwanda</u> <u>Tel: +250 784 11 74 14</u> <u>E-mail: kathrin.gerner@gmail.com</u>
<b>7.2</b>	Expected date and location for commencement of consulting services: <u>January 26, 2015, at ENCOT's head office in Masindi</u>

# **Terms of Reference**

## **A. BACKGROUND AND RATIONALE**

With its headquarters in Masindi, ENCOT is an indigenous medium size Microfinance Institution in Uganda serving over 9,000 clients in five districts with a network of three Branches (Masindi, Hoima and Kigumba) in the mid-western region of Uganda. ENCOT currently offers an array of loan products together with mobile money services.

ENCOT was founded in 2006 by a group of indigenous community development practitioners in Masindi as a response to the challenges of poverty and suffering faced by the rural communities in Masindi, especially the farmers. ENCOT is committed to improving the socio-economic wellbeing of poor rural communities, especially women, by providing them with high quality financial and small enterprise business development services.

In the last two years, ENCOT has seen tremendous growth in portfolio and outreach. The volume of operations has increased more than threefold. The new volume of operation requires gearing and augmentation of the operational processes manual documenting organization and delivery of services from head office to the branch level. While operations have been growing – including opening of branches, the operating manual, policies and systems have not been revised to reflect the new developments in both depth and breadth. At the same time, the new volume of operation requires advance skills in portfolio management across the organization most especially in the area of risk and delinquency intelligence/management.

## **B. OVERALL OBJECTIVE**

The first objective of the consultancy is to review ENCOT's operations procedure and develop a comprehensive operating manual that encompasses customer service, client targeting, credit analysis and delivery channels while taking into consideration decentralisation with branches. The second objective of the consultancy is to train ENCOT's credit operations team (credit officers and managers) in modern credit risk and delinquency management concepts – equipping them with skill and knowledge in making proper loans and managing a clean portfolio. The consultancy shall be delivered using a hand-holding approach that enables building of internal capacity for the same while delivering the service.

## **C. SPECIFIC OBJECTIVES**

1. To review the operations process at ENCOT and suggest changes to improve the service delivery experience at ENCOT to both walk in and field based customers.
2. To develop a comprehensive up-to-date operations manual to guide day to day delivery of ENCOT services in the branches.

3. To develop an electronic loans application tracking and credit analysis tools essential in supporting credit officers and credit committees to follow-up loan applications and in making faster and accurate loan decisions throughout the credit application cycle.
4. To train credit managers and staff in managing credit risk and delinquency, using the updated operations manual and tool.

#### **D. DELIVERABLES**

1. Revised operations manual, complete with process maps to inform the day-to-day organisation and delivery of credit and associated services
2. Robust Excel based tool for tracking customer credit application and performing credit analysis
3. End of project report highlighting key activities conducted, observations and recommendations for future action, including a signed attendance sheet, participant evaluation of the training and the training presentation

#### **E. LOCATION**

The Consultant shall be based in Masindi for the duration of the contract with potential travel to the field and field offices.

#### **F. TIMEFRAME**

This consultancy is for a period of 30 days, commencing on January 26 and ending on March 6, 2015. Final deliverables shall be submitted to the client no later than March 13, 2015.