

TERMS OF REFERENCE FOR THE DESIGN AND FACILITATION OF A WORKSHOP ON DIGITISATION OF AGRICULTURAL VALUE CHAINS IN BENIN

Project title :	Strengthening the role of cooperatives in agricultural finance in selected African countries
Implementing structure :	DGRV - German Confederation of Cooperatives and Raiffeisen
Country :	Cameroon, Benin and Others

I. About the DGVR

The DGRV - German Confederation of Cooperatives and Raiffeisen is the national umbrella organisation and audit confederation of the cooperative sector in Germany. For more than 40 years, the DGRV has been involved in international development cooperation, funded by the Federal Ministry for Economic Cooperation and Development. In more than 30 partner countries, the DGRV provides consulting and training services to develop and strengthen cooperative systems and structures for sustainable development.

In its countries of intervention, the GRDV promotes different types of cooperatives and their integration and organisation in multi-level structures. Support and advice to cooperative structures at the local level is combined with the strengthening of relevant institutions at the national and regional level, in order to create integrated network systems and improve regulatory framework conditions.

The development commitment of the DGRV focuses on the promotion of entrepreneurial self-help. Primary cooperatives must be able to respond to the development needs of their members. Certain favourable conditions must be created for this to happen:

- Primary cooperatives (micro level) need a coherent entrepreneurial orientation, adequate internal organisation and well-trained managers and employees.

- In addition, they should be part of a subsidiary network at the meso level to benefit from the services of central companies and specialised associations (for example, in training and testing).
- Finally, at the macro level, the state needs to create an adequate regulatory framework conducive to cooperative action.

When cooperative structures are strengthened and kept stable, the rural population has better access to agricultural finance products. Therefore, this project aims to strengthen the role of cooperatives in agricultural finance in selected African countries and addresses the following institutional levels

- Various forms of cooperation in rural areas, such as self-help groups, agricultural and business cooperatives, savings, and credit cooperatives, are institutionally strengthened and offer agricultural finance products. (Micro level)
- Cooperative associations, networks and head offices strengthen their structures and improve the services they offer to their members, including agricultural finance. (Meso level)
- Public institutions concerned with cooperatives align the development and implementation of the legal and regulatory framework conditions for an economically efficient cooperative sector. (Macro level)

II. Context

In recent years, the development of financial services technologies has had a considerable impact, not only on traditional finance, but also in the world of microfinance. Digital finance services are the most effective way to provide fast, cheap and secure access to banking services and are a real and sustainable route to inclusive agricultural and rural finance. Digital applied to agricultural value chains, allows smallholder farmers to have quick access to financial services such as credit, savings or payments but also to non-financial services.

Nevertheless, for many MFIs, the adoption of digital finance tools is not obvious as the implementation and management of digital financial services for financial institutions requires a wide range of knowledge and skills.

The DGRV therefore decided to organise a workshop to train and concretely reinforce the theoretical and practical capacities of the managers of partner MFIs on the following themes

- **Introduction to digital transformation for MFIs and new digital trends ;**
- **Digitalisation of agropastoral value chains ;**
- **Deployment of a digital offer following a customer-centric method.**

III. Objectives of the workshop

This workshop aims to :

- Equip MFI staff with the fundamentals of digital transformation (concepts related to the digital transformation of MFIs, new trends, regulations, possible partnerships, risk management) so that they become ambassadors of change in their MFIs and leave with the necessary tools to develop a relevant digital strategy for their MFI;
- To present the structuring dynamics of agricultural value chains, the contribution of digital technology to financial inclusion in rural areas and the opportunities for digitalisation of services adapted to rural CVAs;
- Capacitate trained staff to be able to identify the needs and expectations of agricultural value chain actors in terms of digitisation of transactions, access to finance and adapt products to this demand/needs.

IV. Expected results

- The participants are fully prepared and equipped to develop the digital strategy of their MFI integrating inclusive agricultural and rural finance;
- The participants master the specificities of inclusive finance, know the contribution of digital technology to financial inclusion in rural areas and learn about examples of digital products adapted to agricultural value chains;
- The staff of the MFIs present assimilated the approach of deploying the digital offer which places the beneficiaries at the centre of the process of designing and implementing products and other services.

V. Methodological approach

The workshop will take place over 5 days in Cotonou, Benin and will bring together approximately 20 people from the management, marketing, and information systems teams of several MFIs (particularly savings and credit cooperatives) to discuss the following topics:

- The challenges of digitalisation for financial inclusion
- Digital finance: concepts and terminology
- The legal and regulatory frameworks governing digital finance: law on the issuance of electronic money, law on personal data protection, laws on the use of ICT, ...
- The prerequisites for digital finance, notably in terms of information systems, management, organisational and technical architecture;
- Leading business models and international best practices in digital finance.
- Development of the digitalization of MFIs :
 - Identification and analysis of opportunities ;
 - Definition of the deployment strategy (agents, technology, partnerships, etc.)
 - Adaptation of the information system master plan ;
 - Studies, analysis of needs and demands;
 - Design and development of solutions and services.
 - Preliminary concepts on feasibility study and risk management

- The opportunities of digitalization in rural areas
- Rural finances issues
- Financial inclusion as a prerequisite for the development of value chains via digital
- Design of adapted financial products

The **first part (phase 1)** establishes a presumption of feasibility on one or more scenarios of opportunity to start the project.

- What is already being done technically in the fields of mobile banking and agritech;
- The benefits, risks and conditions for success of each scenario;
- A country analysis on legal and competitive aspects, as well as on the mobile and connectivity ecosystem.

The **second part (phase 2) of the week** is dedicated to interactive workshops where participants start to work on putting into practice the concepts taught in phase 1 on what their digital finance project could be:

- Definition of strategic objectives ;
- Gap analysis between current and desired situation ;
- Formalisation of opportunity scenarios ;
- Definition of functional specification(s);
- An introduction to what a Work Breakdown Structure is;
- Presentation of an Organisation Breakdown Structure: depending on the organisation of the institution, how tasks are divided by department or service.

VI. Work programme

- The workshop lasts a total of 5 days for a total of 40 hours, i.e. 8 hours of training per day. The division of time between phase 1 and phase 2 is determined by the consultant;
- The content of the modules should be presented according to general principles of andragogy;
- The various components and materials of these modules should be available in French;
- These components should be organised according to the defined objectives. These objectives will be defined by respecting a good balance between theoretical contributions and practical contents;
- The content of the Phase 1 modules will include presentations of real and recent experiences of financial institutions from Africa and other continents;
- The content of the phase 2 modules will use both visual and highly structured tools to support participants in their project.

VII. Deliverables

- Training support documents in power point format;
- Training report

- Workshop and trainer evaluation sheets

VIII. Profile and qualifications of external expertise

The expert in charge of this mission must :

- Have at least a university degree (bac+4) in finance, management, banking, microfinance, economics or any other similar field. He/she must have a perfect knowledge of value chain digitisation;
- Demonstrate strong experience in the digital transformation of microfinance institutions;
- At least 5 years of proven experience in digital transformation projects;
- Have at least 5 years of proven experience in consulting and technical assistance to financial institutions in Africa, particularly in Cameroon and Benin;
- Proven work experience in consulting, technical assistance or deployment of mobile banking solution and/or agent network deployment, training on digital finance or digital transformation;
- Previous experience in digital finance, microfinance and agricultural sectors in French-speaking African countries would be a plus;
- Experience in the digitisation of agricultural value chains;
- A sound knowledge of agricultural value chain financing instruments would be an asset.

IX. Composition of the application file

- A technical proposal which should contain the following elements
 - The methodology that will be used to carry out the training and achieve the objectives;
 - Detailed work plan (including the number of days of preparation of the training, design of the modules and case studies, actual facilitation of the training, writing of the end-of-training report);
 - References and examples of previous similar projects;
 - The curriculum vitae of each proposed expert is attached.
- A detailed financial proposal, including daily allowances, daily fees, number of days, structure and details of expenses, and finally, the total indicating the payment conditions as well as the tax regime to be applied.

X. Duration of the mission

A total of approximately 24 working days can be allocated for the training workshop, including the preparation and conduct of the training workshop, i.e:

- Up to 10 working days for preparation
- Up to 5 working days to conduct the training workshop
- Up to 9 working days for follow-up and report writing.

XI. Selection criteria

Technical offer	70%
Understanding the TOR	10%
Relevance of the methodology used	15%
References and experiences in training MFIs in digital finance and agricultural value chains	15%
Knowledge of the Cameroonian and Beninese markets	10%
Consultants' CVs	10%
Provisional planning	10%
Financial offer	30%

Offers must be submitted no later than 12:00 GMT on Friday 16 December 2022 to hgrimm@dgrv.coop copy bewerbung.international@dgrv.de

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