

# Terms of Reference (ToR) for Conducting a Comprehensive Cooperative Assessment

## 1. General Background of the Organization

Freed Kamaiya Women Development Forum (FKWDF) has been active in Kailali, Kanchanpur, and Bardiya districts since 2008, focusing on improving the lives of freed Kamaiyas, Kamlaries, Dalits, Persons with Disabilities, and other vulnerable communities in Sudurpaschim and Lumbini provinces and Integrated Development Society has been working in Far-west province (Dadeldhura, Kailali, Doti and Baitadi district) since 2004. Our initiatives promote climate-friendly livelihood options and enhance income-generating activities by providing entrepreneurship skills, business counseling, and technology transfer. Additionally, we address various cross-cutting issues including education, water, sanitation, and hygiene (WASH), disaster risk reduction, gender inclusion, and child protection in collaboration with national and international partners to create a comprehensive and meaningful change in the right-holders.

## 2. Assignment Background

Employment generation and poverty alleviation are core objectives of FKWDF and IDeS, achieved through entrepreneurship development. FKWDF and IDeS are currently implementing the Women's Entrepreneurship Development in Non-Traditional Sectors Project in Dhangadhi Sub-Metropolitan City, Godawari Municipality, Navdurga and Ajayameru Rural municipalities, in partnership with FCA/Women's Bank in Sudurpaschim Province.

Under this project, we will assess women-owned or women-led multipurpose cooperatives using the PEARLS tool. Based on the assessment results, we will provide support and develop a cooperative strengthening plan. The assessment will cover at least five cooperatives in each palika of Kailali districts and two cooperatives in each palika of Dadeldhura district.

## 3. Objectives

The primary objectives of the performance assessment are as follows:

- To evaluate the governance and management structures of the cooperatives.
- To assess the financial capacity, accounting practices, and fiscal responsibility of the cooperatives.
- To analyze the effectiveness of internal control mechanisms in place
- To evaluate the overall institutional development of the cooperatives
- To assess the capacities and needs of clients served by the cooperatives
- To evaluate the compliance of cooperatives with the rules and guidelines of the Government of Nepal.
- To assess the adequacy of current management systems and practices, including accounting and financial management.
- To review the status of Revolving Fund (RF) mobilization, including monitoring effectiveness and loan repayment status.
- To review the loan schemes and program for the promotion of financial transactions and enterprises development.
- To explore opportunities and mechanisms to engage women in vital positions within the cooperatives

## 4. Scope of Work

Under the direction of the Program Coordinator of FKWDF-Kailali and Ides Dadeldhura, the selected consultant will perform the following tasks:

1. **Review Cooperative Documents and Regulations:** Conduct a comprehensive review of cooperative documents and applicable governmental regulations.
2. **Document Analysis:** Assess relevant documents, including financial records, governance documents, and operational policies. Utilize the PEARLS tool to analyze cooperative performance in areas such as governance, financial management, and gender inclusivity.
3. **SWOT Analysis:** Analyze data to identify the strengths, weaknesses, opportunities, and threats (SWOT analysis) facing the cooperatives.
4. **Impact Assessment on Women's Participation:** Evaluate the impact of current practices on women's participation in cooperative decision-making processes.
5. **Verification of Financial Records:** Verify the timeliness and accuracy of supporting documents, ledgers, and reports to ensure compliance and reliability.
6. **Management System Evaluation:** Assess the effectiveness of the management system in addressing the current needs of the cooperatives and examine the utilization of computerized accounting systems.
7. **Identification of Improvement Areas:** Identify areas for improvement to align with the future needs of the cooperatives.
8. **Engagement with Cooperative Committees:** Engage with cooperative committees to evaluate governance practices, focusing on accountability and transparency.
9. **Compliance Review:** Review compliance with governmental laws and policies to ensure adherence and best practices.
10. **Recommendations for MoU:** Provide well-supported recommendations to facilitate the establishment of a Memorandum of Understanding (MoU) with the respective cooperatives, aimed at ensuring successful implementation of non-traditional project interventions.
11. **Capacity Development Plan:** Prepare a comprehensive capacity development and strengthening plan for the cooperatives.
12. **Facilitate Discussions on Women's Involvement:** Facilitate discussions on strategies to enhance women's involvement in key roles within the cooperatives.
13. **Organize Pre-Assessment and Learning Sharing Meetings:** Facilitate a pre-assessment meeting and a learning-sharing meeting at the conclusion of the assessment to discuss findings and recommendations.

**5.Cooperative Selection Criteria:** The consultant should consider the following criteria during the assessment of the cooperatives

1. Women-Owned/Led Cooperatives: Eligible cooperatives must be owned or led by women.
2. Cooperative Registration: Cooperatives should have a minimum registration period of three to five years.
3. Investment in Women's Entrepreneurship: Cooperatives must have established policies that promote investment in women's entrepreneurship.
4. Loan Provision Policy: Cooperatives should have a policy in place to provide loans ranging from NPR 1 lakh to NPR 5 lakhs.
5. Membership Size: Cooperatives must have up to 300 shareholding members.
6. Audit Reports: Submission of audit reports for the last two years is required.
7. Interest Rates: Information on the interest rates for savings and loans must be provided.
8. Nature of Operations: The cooperative's operational structure should clarify whether it is based on group collections or individual collections.
9. General Assembly and Board Meetings: Documentation regarding the date of the last general assembly and the meeting system of board members should be available.
10. Loan/Account Management Committee: There should be a defined committee responsible for loan and account management.

## **6. Assessment Methodology**

To provide a fair assessment of financial and organizational practice, the consultant shall conduct based on inquiry and analysis, recommendation, comparison, accuracy checks, observations, inspection of records and document, and interviewing with the executive's officials and members of cooperatives including

- Review books of accounts: ledgers, books, vouchers, invoices and all supporting documents;
- Review revolving fund releasing process, monitoring and payments system in detail;
- Review whether borrowers of cooperative using revolving fund has followed business plan;
- Review organizational management practices including necessary policies, guidelines, decision making etc.
- Review roles of board members and staffs

## **7. Procedure**

Following the completion of the recruitment process, the selected consultant will initiate the assessment process through the following major phases:

### **A. Inception/Planning Phase**

This phase includes:

- Discussion, review, and finalization of the field visit plan.

- Finalization of methodology along with indicators/checklist for the cooperative performance assessments.
- Preparation of an inception report.

## B. Assessment Phase

This phase involves:

- Conducting the assessment of the cooperatives.
- Holding discussions on findings with the head of the Livelihood Department of IDeS and FKWD Nepal.
- Preparing a draft report to be submitted within six days of the contract's commencement.
- Sharing the draft report with IDeS and FKWDF Nepal.
- Conducting a joint meeting between the consultant and IDeS, FKWDF Nepal to discuss the findings and any comments made.
- Finalizing the assessment report by incorporating feedback and comments from FKWDF.

## C. Final Reporting

The final report should be submitted to IDeS and FKWDF Nepal no later than **20 November 2024**.

## 8. Expected Deliverables

The consultant is obliged to work jointly with FKWDF-Kailali to perform cooperative performance assessments, delivering the following:

- **Inception Report:** Detail the assessment plan and methodology.
- **Approved Action Plan:** Individual action plans for each cooperative assessed.
- **Compiled Action Plan Report:** A consolidated report of all action plans.
- **Final Report:** Comprehensive report including findings, analysis, and recommendations.

## 9. Assignment Plan

The cooperative performance assessments assignment will take place from **21 October to 24 November 2024**. The actual working days will total **30**, excluding public holidays and weekends. This period will also account for waiting for management responses, management letters, briefing meetings, and the submission of the final report. The assessment for one cooperative will take a maximum of **3 days**.

SN	Activities	Deadline
1	Opening of EOI/ preparation of procurement of services	2024 <b>October 7</b>
2	BID Submission	2024 <b>October 21</b>
3	Evaluation of the BID Document	2024 <b>October 22</b>

SN	Activities	Deadline
4	Consultant Selection	2024 <b>October 23</b>
5	Contract with the Consultant	2024 <b>October 24</b>
6	Final Report	2024 <b>November 24.</b>

## 10. Budget

- The consultant(s) shall submit a total budget with a detailed breakdown, including applicable taxes, at the time of proposal submission. The budget should cover fees for resource persons, travel, accommodation costs and other relevant budget lines, the amounts of which will be agreed upon between FKWD Nepal and the consultant(s).
- The consultant(s) shall bear all tariffs, duties, and applicable taxes or charges levied at any stage during the execution of the work.

## 11 Payment Structure

FKWDF will make payments to the selected consultant(s) in three installments as follows:

- **First Installment:** 30% of the agreed amount upon approval of the proposal.
- **Second Installment:** 40% of the agreed amount upon completion of half of the work.
- **Third Installment:** 30% of the agreed amount upon completion of the assigned work.

## 12. Acceptance of Proposal

FKWDF-Kailali and IDeS Dadeldhura reserve the right to approve or disapprove any proposal without providing reasons. If necessary, the consultant(s) may be requested to modify or present their proposal before approval.

## 13. Management of the Work

The selected institution will be responsible for managing the work and ensuring the timely delivery of quality products. However, the consultant(s) may consult with other experts or specialists during the contract period if required.

## 14. Qualifications of Consultant(s)

Consultants must meet the following qualifications:

- A minimum of a master's degree in development or a related field.
- At least **5 years** of relevant experience in the cooperative sector, with a solid understanding of functional management areas such as accounting and financial management of cooperatives.
- Proven experience in reviewing and assessing cooperatives, preferably in rural settings with similar projects.

- Additional priority will be given to the team leader with experience in cooperative assessment.

## 15. Responsibilities

### Responsibilities of FKWDF Kailali and IDeS Dadeldhura

FKWDF-Kailali and IDeS Dadeldhura will:

- Provide reference materials and guidance during the project.
- Review and approve the proposed work plan, timeframe, and approach.
- Facilitate contact with relevant field staff and cooperative board members/managers.
- Coordinate appointments for field visits and assessments.
- Guide the consulting process and provide necessary feedback.
- Pay all relevant costs related to the assignment as per the agreed contract.

### 16 Responsibilities of Consultant(s)

Consultants are responsible for executing all tasks outlined in this ToR, ensuring the timely delivery of quality outputs within the agreed budget and timeline.

## 17. Termination of the Contract

FKWDF-Kailali and IDeS Dadeldhura retained the right to terminate the contract if the consultant(s) breach their obligations under this ToR. Notice of termination will be provided in writing at least one week prior to the termination.

## 18. Confidentiality

Consultants must not disclose any confidential information obtained during the assignment or post-termination of the agreement. This includes information related to cooperatives, partner organizations, and IDeS, FKWDF, Kailali, which must not be disclosed to the public or used in any form without IDeS, FKWDF Kailali's written permission.

## 19. Intellectual Property Rights

Ownership of the outputs, deliverables, and products generated under this ToR belongs to IDeS Dadeldhura FKWDF Nepal.

## 20. Documents to be submitted

The application must include the following documents:

### A. Technical and Financial Proposal

- **Technical Proposal:**
  - Overview of the project, methodologies, indicators, and work plan.

### B. Financial Proposal:

- **Detailed budget breakdown, including tax.**


### **C. Details of the Consultant(s)**

- Consultant(s) profile highlighting relevant experience.
- CVs of the team leader and other members.
- Copy of company/organization registration.
- Copy of tax clearance certificate.
- VAT/PAN registration
- .Other relevant documents.

### **21. Submission Instructions**

The technical and financial proposals must be delivered to the address below by 2024 **October 21** (before 17:00 hrs. Local Time). Please enclose the application and proposals in an envelope marked "Proposal for Cooperatives Assessment" and submit it to

**Email:** [fkwdf.org.np@gmail.com](mailto:fkwdf.org.np@gmail.com), [idesddl@gmail.com](mailto:idesddl@gmail.com)

**Office of FKWF, Ward Number – 1 Shibnagar- 091525326, IDeS – Amargadhi 5 Dadeldhura- 9848767390**