 

**Farmer to Farmer East Africa**

**Volunteer Assignment Scope of Work**

**NOTE: THIS SCOPE OF WORK IS A DRAFT AWAITING EDITS**

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| **Summary Information** |
| Assignment code | ET 64 |
| Country | Ethiopia |
| Country Project | Grain Production and Sector Support |
| Host Organization  | ECC-Social and Development Coordination Office of Hararghie (SDCOH) |
| Host partner | Resilience through Enhanced Adoption Action Learning and Partnership (REAAP) Project  |
| Assignment Title | Microfinance Management and Income Diversification to members of SILC[[1]](#footnote-1) groups |
| Assignment dates | Flexible (but during Dec 2015-February 2016 preferred) |
| Objective assignment | * To train and technically assist the SILC groups on microfinance management (their saving and credit schemes), income diversification and income generating activities (IGA)
* To target a total of 100 beneficiaries (10 staff of the host and stakeholders, and 90 members of six SILC groups)
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| Desired volunteer skill/expertise | * Proven knowledge and experience in micro financing, IGAs, Saving and Credit, and related fields
* Preferably a graduate in rural economics, agricultural economics, business administration, development studies, or related fields.
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1. **BACKGROUND**

Limited access to credit and other microfinance services in Ethiopia are factors aggraveting poverty and food inseccurity in the country[[2]](#footnote-2). Household income, which is typically low and mostly mismanaged, is also a challenge for rural households. Nowadays, savings by the community and credit provision by financial institutions in Ethiopia are pillars to financial sectored development. They are also considered as proxies for economic growth. The Ethiopian government, therefore, encourges both puplic and private microfinance institutions (MFIs) as priority instititions as one components of its strategies for poverty reduction and economic development programs[[3]](#footnote-3). However, there are still marginalized groups of communities who can’t be fully beneifited from such public and private MFIs. The SILC groups are very good exapmles.

Access to financial services couples with poor income management skills are the main challenges facing smallholder farmers, impairing their ability to diversify their income sources and be resilient to shocks. Jointly implemented with several CRS’s partner organizations, the Savings and Internal Lending Communities’ (SILC) methodology is one of the strategies that CRS implements to improve livelihoods through affordable and appropriately targeted financial solutions to enable households to meet their basic needs, engage in economic opportunities, and strengthen their livelihoods. SILC provides a mechanism that helps households better manage their finances, allowing them to protect their productive assets by diversifying livelihood options and growing their incomes by engaging members in various income generating activities (IGAs) through the internal lending system.

In East Hararghie zone and Dire Dawa City Administration, the ECC-SDCOH (jointly with REAAP, DFAP and JEOP projects of CRS) is implementing the SILC methodology in seven districts (Kersa, Meta, Dire Dawa, Goro-Gutu, Melka-Bello, Fadiss, and Midhega-Tola). Among which, it also selected the first three districts (Kersa, Meta and Dire Dawa) for this first round F2F training and technical assistances. Under the three CRS’s projects (REAAP, DFAP and JEOP); these three districts have a total of 310 SILC groups and 5353 members (93% women). As a cornerstone of the SILC methodology, each group was voluntarily established by the members.

Kersa and Meta districts are located in the East Haraghie zonal Administration of the Oromia region while rural occupants living in the surrounding of the Dire Dawa city is administratively accountable to the Dire Dawa City Administration. Oromia region is one of the four USAID-Feed the Future (FtF) and Agricultural Growth Program (AGP) regions of the country. The agro-pastoral rural occupants of the Dire Dawa City Administration are also one of the priority focused communities of the Ethiopian government.

1. **ISSUE DESCRIPTION**

The SILC methodology helps the beneficiary farmers to develop a culture of savings for investment. The SILC groups have a pool of money contributed by members through regular savings. This savings is then disbursed as loans for members to create small businesses in their locality. However, due to lack of knowledge and experience on how to select the best micro business within their local villages, the majority of the money is usually unused. The beneficiaries also lack appropriate business planning and management skills, and rarely invest their small amount of money into successful micro businesses.

The host, therefore, requested F2F volunteer assistance to provide technical support on micro financial management, deployment of new and profitable IGAs, income diversification and engagements in profitable small businesses for the SILC groups. Knowledge on improved internal lending and share-out system as well as product development will also be very helpful. Low knowledge and skills on business planning and management and the common problematic practices of using business funds for household expenses are also observed to cause poor performances of these SILC groups. Generally, the beneficiaries of the SILC groups in these three districts (Kersa, Meta and Dire Dawa) have knowledge gaps in micro financial management, selection and engagement of viable IGAs (on and off-farms), appropriate businesses or entrepreneurships, internal management skills, record keeping and other interrelated activities.

1. **OBJECTIVES OF THE ASSIGNMENT**

The main objective of this volunteer assignment is to train and technical assist the beneficiaries on micro financial management, diversification of income sources, business management skills and micro level financial recording and archiving. The specific areas of the training and technical assistances include, but not limited to:

* Financial management at micro level for smallholding farmers or rural occupants (SILC groups and maybe others),
* Selection of appropriate IGAs and small businesses or entrepreneurships,
* Planning, management and recording of IGAs and small businesses with the SILC groups,
* Advise the beneficiaries on how to manage loan funds for business,
* Management of income obtained from IGAs including managing household expenses,
* Micro financial record keeping and archiving.

The beneficiaries of this assignment will be 90 women and men smallholder farmers and rural occupants selected from primarily selected six SILC groups of the three districts (two groups from each district). Selection of SILC groups will be given priority for those who haven’t been made any investment in IGAs or poorly performing groups in IGAs, if any.

Ten (10) staffs of the host (from REAAP and DFAP/JEOP projects) and government stakeholders will also be trained to serve as a training of the trainers (TOTs) after the volunteer left. The TOTs should include the SILC facilitators and Community Development Workers (CDWs) of the host and Development Agent (DAs) of the agricultural offices of the government. The SILC facilitators and CDWs are usually involved in the day-to-day activities, monitoring and supporting of the SILC groups.

**Host contribution** – Among the total number of SILC groups in the three districts, the host and REAAP & DFAP projects will primarily select six SILC groups. It will then select 90 smallholder farmers from the selected six SILC groups. The host will also select 10 key staffs for TOT. It will also avail key personnel to work closely with the volunteer at all times. If applicable, the host will also provide the volunteer with office space and furniture at its office compound at Dire Dawa city. For field travel in the assignment area, the host partner and the host will provide the volunteer with transport. REAAP will also cover logistic costs related with trainees and local coordination while F2F will cover costs associated with the volunteer. In consultation with CRS, the host will facilitate meal services and hotel booking for the volunteer.

1. **ANTICIPATED RESULTS FROM THE ASSIGNMENT**

It is anticipated that this volunteer assignment will result in improved capacity of the SILC groups in business development including engagement in viable IGA activities, establishing micro enterprises and interrelated activities. After this particular volunteer intervention, it will be anticipated that the SILC groups:

* Properly manage their saving and credit schemes including overall financial management,
* Properly made appropriate planning for business and IGAs,
* Engaged in viable businesses or IGAs or entrepreneurships,
* Properly manage their businesses and keep good recording,
* Mange loan funds and use for profitable businesses or small entrepreneurship,
* Properly manage the income obtained from IGAs,
* Appropriately manage household expenses.

The anticipated deliverables of the volunteer include:

* + Initial presentation (activities, plan, approach, etc) prepared and presented,
	+ Training and technical assistances conducted,
	+ Beneficiaries of the six SILC groups and the TOTs are trained and practically assisted,
	+ A sample business plan prepared for practical trainings for the TOT.
	+ A detailed field report (with recommendations and reconcile cash advance) submitted.
	+ A debriefing to CRS staff and USAID presented.
	+ Outreach events in the US conducted.
1. **SCHEDULE OF VOLUNTEER ACTIVITIES IN ETHIOPIA**

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| **Day** | **Activity** |
| Days 1  | Arrival to Ethiopia, Bole international Airport. The volunteer will be picked by Sor-Amba hotel with a placard bearing “**CRS logo and volunteer name”**.  |
| Day 2 | * Introduction of the volunteer with CRS higher officials
* Briefing meeting (security and general orientation) at CRS office
* Handing over of logistic items that can be used for the assignment
* Discuss anticipated outcomes and work plan.
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| Days 3 | * Flight to Dire Dawa city (515 km from Addis Ababa), and lodging at CRS’s client hotel.
* First hand briefing on the main objectives and modality of the assignment with field staffs and stakeholders including project staffs of the host partner (REAAP); a work planning session.
* Meet with leaders and members of the six SILC groups for assessment and observation
* Further identify skill and training gaps.
* Based on information gathered and gaps identified, enrich the prepared training materials by incorporating hands-on practices.
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| Day 4 | * Firsthand presentation to the host staffs and the TOTs (CDWs and DAs)
* Training and technical assistances to the selected farmers’ beneficiaries of the SILC groups and TOT, in separate sessions
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| Day 5-7 | Trainings and technical assistances continue |
| **Day 8** | **Rest day.**  |
| Days 9-14 | * Trainings and technical assistances continue
* Facilitate development of small business plan.
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| **Day 15** | **Rest day** |
| Days 16-18 | * Trainings and technical assistances continue
* Finalize development of small business plan
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| Day 18 | * Wrap up sessions that emphasize key concepts of the assignment
* Participants evaluate the training and discuss final report recommendations with the volunteer.
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| Day 19 | * Group presentation to the host in the presence of Travel back to Addis Ababa
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| Day 20 | * Volunteer finalizes his/her reporting and submit training M&E forms to CRS F2F staff.
* Debriefing at CRS office with USAID Mission and CRS staff.
* Finalize liquidations (if any) and submission of logistic items
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| Day 21 | Complete any unaccomplished activities and depart for USA. |
| TBD | Outreach event when back in the US. |

1. **DESIRABLE VOLUNTEERS SKILLS**

The volunteer will have the following qualifications and competencies:

* Proven knowledge and experience in micro financing, IGAs, Saving and Credit, and related fields
* Preferably a graduate in rural economics, agricultural economics, business administration, development studies, or related fields.
* Practical experience in developing business plans, livelihood diversification, off-farm IGAs, community-based microfinance, financial services, etc.
* Experience in designing business plans for agricultural enterprises.
* Experience in adult training or learning alliances with smallholder farmers, community development/extension workers, development agents, members of community based organizations (CBOs), etc.
* Enthusiasm and experience in saving and credit groups/cooperatives, farmers’ organizations, women’s empowerment, gender mainstreaming, CBOs, etc.
* Good analytical and intercommunication skills.
1. **ACCOMMODATION AND OTHER IN-COUNTRY LOGISTICS**
* Before flying/travelling to the assignment site (Dire Dawa), the volunteer will stay in Addis Ababa at one of the CRS’s client hotels that will be booked and confirmed before the arrival date.
* In Addis Ababa, the hotel usually has rooms that include services such as airport pickup and drop-off, breakfast, wireless internet, etc.
* The hotel or CRS will arrange a vehicle for short travel from the hotel to CRS and vice versa while in Addis Ababa.
* All required materials will be prepared ahead of time and will be provided to the volunteer. CRS Ethiopia will provide the volunteer with a laptop computer (if s/he needs), local internet dongle (modem/EVDO) and mobile phone with charged local SIM-card. Any other required logistics and facilities can also be requested by the volunteer during her/his stay in Addis Ababa.
* CRS will arrange local flight and transport vehicle and as well as will accompany the volunteer to the assignment site.
* During her/his assignment duration, the volunteer will be booked in a hotel at Dire Dawa city except during fieldworks outside Dire Dawa areas.
* CRS Ethiopia will arrange hotel accommodation and cover the lodging bills against receipts.
* CRS HQ will provide the volunteer with a per-diem advance to cater meals and incidences.
* CRS Ethiopia will also reimburse the volunteer with laundry costs against receipts.
* Before departing to US, the volunteer will also liquidate advances (if any) at CRS Ethiopia.
* For more information, please refer to country information that will be provided.
1. **RECOMMENDED ASSIGNMENT PREPARATIONS**
* Although CRS F2F has developed such hinting SOW, the volunteer can fine-tune through her/his professional qualifications to successfully carry out this assignment.
* The assignment site is in dry lowland area where malaria is prevalent. Therefore, having precautions in taking pills or vaccination for malaria and (maybe also for cholera) upon recommendations by her/his doctors/health professionals in US is advisable.
* Prior to travel, the volunteer is advised to prepare necessary training and demonstration aids and written handouts. Softcopies of the handouts and any other paper materials can be printed for immediate use at the CRS office in Addis Ababa on request by the volunteer.
* If the volunteer requires use of simple training aids like flip charts, markers or tape s/he should make the request and collect from the CRS office in Addis Ababa prior to travel to the assignment place.
* If required, translation of handouts to the local language can be done in the locality of the assignment, if required.
* Depending on the meeting places and availability of electric power and LCD projector, the volunteer may use a laptop and projector for power point presentations.

**KEY CONTACTS**

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1. *SILC (Saving and Internal Lending Community*)- *is a savings-led microfinance methodology promoted by Catholic Relief Services (CRS) that helps communities create accessible, transparent, flexible, and self-managed groups. The basic principle of the SILC system is that members self-select into groups (average number of group members is 15) for the purposes of saving and lending. SILC provides savings and simple insurance facilities to communities that do not have access to formal sector financial services. When the amount of money saved by the group is sufficient, members are encouraged to borrow from the funding pool at mutually agreed upon loan terms and monthly interest rates.* [↑](#footnote-ref-1)
2. *Journal of Business and Economic Management 1(1): 010-017, January 2013*  [↑](#footnote-ref-2)
3. *Meklit Microfinance Institution, Progynist and Alisei NGO (2005). Trends, Challenges and Other Key Issues in Micro Finance Development in Ethiopia. Workshop Proceedings. Alisei Publishing.* [↑](#footnote-ref-3)