



BUILDING FLOURISHING COMMUNITIES

## TERMS OF REFERENCE

### CAPACITY BUILDING AND SUPPORTING AGRICULTURAL FINANCE INITIATIVES FOR CORDAID PARTNER FINANCIAL INSTITUTIONS

#### 0. INTRODUCTION

Cordaid Rwanda has over 50 years of in-country expertise, implementing programs in healthcare and sustainable livelihoods. Cordaid has been a pioneer in fostering pro-poor economic growth through market system development, agribusiness support, and financial inclusion initiatives. With a strong legacy inherited from ICCO Terrafina and ICCO, Cordaid Rwanda continues to drive systemic and sustainable changes in market dynamics by enhancing access to finance for smallholder farmers, cooperatives, and SMEs.

Cordaid's integrated approach ensures financial sustainability through collaboration with local service providers, private sector actors, cooperatives, and producer groups. The organization focuses on cross-cutting themes such as youth and women's inclusion, digitalization, and climate resilience. By strengthening financial institutions and empowering rural communities, Cordaid aims to create sustainable livelihood opportunities that promote economic resilience and inclusive development.

Access to finance has been a cornerstone of Cordaid's work for decades. Partnering with financial institutions, Cordaid has developed various innovative approaches to increase investments in the agricultural sector. These include capacity strengthening of financial institutions, Agri-loan product development, risk mitigation strategies, savings group mobilization, and refinancing solutions to enhance capital mobilization.

In line with this commitment, Cordaid Rwanda is implementing initiatives to support the capacity building of Partner Financial Institutions (PFIs). This initiative aims to strengthen the ability of PFIs to serve the agricultural sector effectively, ensuring smallholder farmers and cooperatives have access to the financial services they need for growth and sustainability.

#### 1. BACKGROUND

Agricultural finance remains a critical yet underdeveloped sector in Rwanda due to inherent risks such as unpredictable weather conditions, limited collateral among smallholder farmers, and market volatility. These challenges often discourage financial institutions from extending credit to the agricultural sector, thereby limiting farmers' access to essential funding for production and expansion.

To address this gap, Cordaid Rwanda collaborates with financial institutions, including MFIs, SACCOs, fintechs and commercial banks, to enhance their ability to provide tailored financial services to smallholder farmers and cooperatives. Through targeted interventions, Cordaid helps financial institutions strengthen their agricultural lending portfolios, develop customized Agri-finance products, and implement risk-management strategies to encourage investment in the sector.

Cordaid's approach integrates both demand-side and supply-side interventions. On the demand side, the organization empowers farmers and cooperatives by improving financial literacy, strengthening business management skills, and promoting savings group mobilization as a gateway to formal financial access. On the supply side, Cordaid works closely with PFIs to enhance their liquidity management, develop innovative loan products, and establish financing mechanisms that meet the specific needs of agricultural stakeholders.

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Additionally, Cordaid promotes digital financial literacy, equipping farming communities with knowledge of modern financial tools to enhance access to finance. By bridging the gap between farmers and financial institutions, Cordaid fosters a more inclusive and resilient agricultural finance ecosystem, ensuring sustainable investments in Rwanda's agricultural sector.

Through the activities outlined in this Terms of Reference (ToR), Cordaid aims to drive long-term improvements in financial service delivery for smallholder farmers and cooperatives in Rwanda.

## 2. OBJECTIVE OF THE ASSIGNMENT

### 2.1. General Objective

The primary objective is to strengthen the capacity of Partner Financial Institutions (PFIs) to deliver tailored agricultural finance solutions by equipping their staff with essential skills, supporting the development and refinement of financial products that meet the needs of farmers and cooperatives, and identifying suitable credit lines. This will enhance access to finance, promote the adoption of innovative financial products, and foster sustainable partnerships between PFIs and funding sources.

### 2.2. Specific Objectives

- Strengthen the capacity of PFI staff by providing targeted training in agricultural finance and risk mitigation strategies, improving their ability to assess and manage agricultural credit portfolios, and enhancing their knowledge of matching grants and innovative financing mechanisms.
- Assess existing financial products and support the development and refinement of products that cater to the specific needs of farmers and cooperatives, while designing strategies for effective adoption and marketing.
- Identify suitable credit lines for agricultural financing, develop a strategy to connect farmers and cooperatives with the right financial institutions, and facilitate partnerships between PFIs and funding sources to ensure sustainable and scalable financial support.

## 3. SCOPE OF WORK AND DELIVERABLES

Cordaid invites proposals from qualified consulting firms with extensive expertise in agri-value chain financing and financial product development. The assignment will be conducted in Rwanda, targeting value chain actors supported by Cordaid, while considering the operational constraints of PFIs.

The scope is informed by the findings of the Microscore assessment, which evaluated the current capacities and gaps of these financial institutions across multiple dimensions.

The consulting firm will carry out the following activities:

NO	TASKS	DESCRIPTION	DELIVERABLES	TIMELINE (APRIL – MAY 2025)
0	Work Inception Report	An inception Outline the detailed approach,	Submission of the Inception Report	April 2025



		methodology, and execution roadmap.		
1	<b>Capacity Building for the PFIs' Staff</b>			
1.1	Develop training modules	Create a tailored curriculum incorporating risk mitigation strategies, financial product development, and matching grant mechanisms. exercises, and assessments to ensure effective delivery.	<b>Training curriculum and Module</b>	April 2025
1.2	Organize and Conduct training	Planning and execution of the training sessions for at least three members from each partner, PFI.	<b>Training Plan and Schedule, Training Report (attendance lists, feedback, effectiveness assessments)</b>	May 2025
2	<b>Development, Refinement, and Uptake of Agri-finance Products</b>			
2.1	Engage with partner PFIs to assess current agricultural finance products	Evaluate existing products and identify gaps.	<b>Needs Assessment Report</b>	May 2025
2.2	Provide technical support to upgrade outdated products and develop new ones	Based on the assessment, technical support will be provided to upgrade or create new agricultural finance products that better meet the market demands, ensuring relevance and utility for farmers.	<b>Agri-finance Products development Report</b>	May 2025
2.3	Propose strategies for the adoption of newly developed products	Developing a strategy for promoting newly created or refined products, including marketing plans and approaches for sensitizing farmers and cooperatives to adopt these products.	<b>Agri-finance products adoption Strategy Report</b>	May 2025
3	<b>Mapping credit lines</b>			
3.1	Conduct assessment to the PFIs to assess their liquidity needs, financial status, and aspirations	Assessing the PFIs to understand their liquidity needs, financial situation, and aspirations for growth.	<b>Financial Needs Assessment Report</b>	May 2025
3.2	Perform a comprehensive mapping exercise to	A thorough mapping exercise will be performed to identify available financing	<b>Credit Line Mapping Report</b>	May 2025





	identify financing opportunities for both farmers and PFIs	opportunities, including both local and international credit lines, to meet the financial needs of farmers and cooperatives.		
3.3	Develop a financial linkage roadmap	Create a strategy to connect farmers and cooperatives to financing opportunities.	<b>Financial Linkage Roadmap strategy</b>	May 2025
4	Final Report summarizing the entire assignment	A final report will be prepared, summarizing the results and outcomes of the assignment, including achievements, challenges faced, and recommendations for future actions.	<b>Final Report</b>	May 2025

#### 4. METHODOLOGY

The selected consulting firm must propose a tailored approach and methodology for each task, ensuring alignment with the project's objectives and expected outcomes. The proposed methodology will be assessed based on the feasibility, potential impact and alignment with the projects' strategic goals.

#### 5. CONSULTANT QUALIFICATIONS AND EXPERIENCE

The ideal consulting firm should possess the following qualifications:

- a) Proven experience 5+ years in providing capacity-building support to financial institutions, particularly in the agricultural finance sector.
- b) Expertise in developing and refining agricultural finance products.
- c) Strong understanding of the agricultural and financial sectors in Rwanda and East Africa.
- d) Experience in conducting liquidity assessments and mapping financing opportunities for PFIs.
- e) Ability to facilitate partnerships by connecting Farmers cooperatives, MSMEs with Partner Financial Institutions (PFIs).

#### 6. TEAM COMPOSITION

The consulting firm should propose a team with the following key roles:

ROLE	QUALIFICATION REQUIRED	EXPERIENCE REQUIRED



<b>Team Leader for Capacity Building and Supporting Agricultural Finance</b>	Master's degree in business administration, Economics, Agribusiness, Agricultural Economics, or related fields	<ul style="list-style-type: none"> <li>▪ Proven 10+ years of experience in financial sector development, agricultural finance, and financial inclusion.</li> <li>▪ Strong track record in leading capacity-building initiatives for financial service providers, particularly in the agricultural sector.</li> <li>▪ Extensive experience in managing multi-stakeholder projects, facilitating partnerships between financial institutions and agribusinesses, and developing financial products tailored to smallholder farmers and cooperatives.</li> <li>▪ Expertise in risk mitigation strategies, financial product development, and market-based solutions for sustainable agricultural financing.</li> </ul>
<b>Agricultural Finance Expert</b>	Bachelor's degree in finance, economics Agribusiness, Agricultural Economics, or related field	<ul style="list-style-type: none"> <li>▪ Proven 7+ years of experience in agricultural finance, financial product development, and market analysis.</li> <li>▪ Expertise in risk mitigation strategies for agricultural financing and value chain financing models.</li> <li>▪ Demonstrated experience in working with financial institutions to develop agri-finance solutions.</li> </ul>
<b>Capacity Building Expert</b>	Bachelor's degree in finance, economics Agribusiness, Agricultural Economics, or related field	<ul style="list-style-type: none"> <li>▪ Proven 7+ years of experience in capacity building and delivery training, particularly in financial services.</li> <li>▪ Expertise in adult learning methodologies. Demonstrated experience in designing and implementing capacity-building programs for financial service providers' staff.</li> </ul>
<b>Financial Analyst</b>	Bachelor's degree in finance, economics Agribusiness, Agricultural Economics, or related field	<ul style="list-style-type: none"> <li>▪ Proven 7+ years of experience in liquidity assessments, financial analysis, and mapping financing opportunities.</li> <li>▪ Strong understanding of agricultural finance and risk assessment in the financial sector.</li> <li>▪ Experience in working with microfinance institutions (MFIs) and SACCOs.</li> </ul>

## 7. EVALUATION CRITERIA

Application will be evaluated based on:

- 1) Proposed Technical proposal with clear methodology **(30%)**
- 2) Team relevant experience and qualifications **(30%)**
- 3) Cost-effectiveness **(30%)**
- 4) Innovation and value-added features **(10%)**

## 8. PAYMENT MODALITIES

Payments will be made in installments based on deliverables, as follows:

- 1) **20%** upon submission and approval of the Inception Report.





- 2) **30%** upon completion of the training sessions and report.
- 3) **30%** upon completion of the Agri-finance product development and mapping report.
- 4) **20%** upon submission and approval of the Final Report

## 9. CONFIDENTIALITY AND PROPRIETARY RIGHTS

All deliverables, including reports, developed financial products and materials developed during the assignment, will remain the property of Cordaid and its partners. The consulting firm must maintain strict confidentiality regarding any proprietary or sensitive information obtained during the assignment.

## 10. RIGHT TO CEASE ADVERTISEMENT

Cordaid reserves the right to withdraw or cease the advertisement for this consultancy at any time prior to signing of a contract. This decision may be made at Cordaid's discretion and without obligation to provide reasons for such withdrawal. All interested parties will be promptly notified if the advertisement is ceased.

## 11. DURATION OF THE ASSIGNMENT

The assignment will commence upon contract signing and is expected to be completed within two months, with all activities fully implemented **by the end of May 2025**.

## 12. SUBMISSION GUIDELINES

Interested firms must submit the following:

1. **Technical Proposal:** Outlining their approach and methodology for achieving the assignment objectives.
2. **Financial Proposal:** Detailing the costs associated with the assignment.
3. **Portfolio:** Examples of similar work completed in the past.
4. **CVs:** Of key personnel who will work on the assignment.
5. **Legal Documents:** Tax clearance, and RDB certificate

Applications should be submitted via email to [apollinaire.nshimiyimana@cordaid.org](mailto:apollinaire.nshimiyimana@cordaid.org) and [private.dukundimana@cordaid.org](mailto:private.dukundimana@cordaid.org) by 06/04/2025

## 13. CONTACT INFORMATION

For further information or queries regarding the terms of reference please contact **DUKUNDIMANA Private** at the email address [private.dukundimana@cordaid.org](mailto:private.dukundimana@cordaid.org)

  
Patrick BIRASA

Country Manager

Cordaid Rwanda

