

ARIAS SOCIETY

Assam Rural Infrastructure and Agricultural Services Society

(An Autonomous Body under Govt. of Assam)

Project Coordination Unit (PCU)

Agriculture complex, Khanapara, G.S. Road, Guwahati-781022 (Assam, India)

Tel: +91 361-2332125; Fax: +91 361-2332564; website: www.arias.in; email spd@arias.in

Draft Terms of Reference (ToR) for Financial Inclusion Specialists under World Bank financed Assam Agribusiness and Rural Transformation Project (APART)

(A) BACKGROUND AND OBJECTIVES OF THE PROJECT

1. The Government of Assam (GoA) through Government of India (GoI) has received a loan from the World Bank for the Assam Agribusiness and Rural Transformation Project (APART). The Assam Rural Infrastructure and Agricultural Services Society (ARIASS) now intends to apply a portion of this loan for engagement of two **Financial Inclusion Specialist (FIS)** on contractual basis one assigned the work relating to upper Assam project Districts (on the North Bank of Brahmaputra) and the other one assigned the work relating to Districts in lower Assam (on the South Bank of Brahmaputra). The project interventions would be taken up in 16 Districts¹ (undivided as on 1st April, 2016).
2. The Project Development Objective (PDO) of APART is to “add value and improve resilience of selected agri value chains, focusing on smallholder farmers and agro-entrepreneurs in targeted districts of Assam”.
3. There are four components of APART. **The first component-A is Enabling Agri Enterprise Development**, with sub components being (i) Enhancing state capacity to attract private investments, (ii) Setting up an Agribusiness Enterprise Development and Promotion Facility (EDPF) (iii) Agribusiness Investment Fund (AIF) support (iv) Establishing sector stewardship councils. **The second component-B is Facilitating Agro Cluster Development** with subcomponents being- (i) Support establishment of cluster level Industry Associations (IAs), (ii) Supply chain support. **The third component-C is Fostering Market Led Production and Resilience Enhancement** with sub components being (i) Promoting climate resilient technologies and their adoption (ii) Facilitating market linkages through market intelligence and product aggregation (iii) Facilitating access to and responsible use of financial services. **The fourth component-D is project Management, Monitoring and Learning.**
4. APART will achieve the PDO by: (i) promoting investments in agri-enterprises, reducing business and transaction costs, facilitating access to finance for agribusiness entrepreneurs & where appropriate, push for process, regulatory and/or policy change; (ii) supporting the development of a modern agri supply chain; improved information communication technologies based farm information & intelligence services, and alternative marketing channels; and (iii) improving producers’ access to knowledge, technologies & infrastructure so that they are better able to respond to market opportunities & climate variability.
5. **Subcomponent C3 "Facilitating access to and responsible use of financial services"** is broadly funding three activities: (i) data collection and diagnostics on demand and supply of financial services to farmers and the enabling environment for these services; (ii) support innovations that can help deliver financial services at scale; and (iii) financial education and counseling. These activities together are expected to facilitate access to and responsible use of financial services for the producers and thereby help them better manage their cash flows, make productivity enhancing investments, and better manage the business and non-business risks they face. Under the data and diagnostic activity, the demand-side representative sample surveys will be used to estimate the level of access, use and quality of financial services being received by the producers and also assess their financial capabilities. The diagnostic study has assessed the institutional capacity, policies, staff capacity, availability of products - of financial institutions and other financial service providers to meet the financial services needs of the producers; the availability, cost, and ease of using financial infrastructure (credit bureaus, collateral registries) to reduce the cost, and risk of providing financial services; constraints and opportunities in the value chains to provide financial services; and, any state policies that constrain service provision. The subcomponent supports the use of innovative approaches to deliver financial services at scale to farmers targeted by the

¹ Nagaon, Sonitpur, Barpeta, Karbi Anglong, Kamrup, Dhubri, Golaghat, Kokrajhar, Lakhimpur, Darrang, Cachar, Sivasagar, Jorhat, Goalpara, Morigaon and Nalbari

project. This will be done using a call for proposal approach to competitively select and fund proposals from financial service providers (banks, value chain financiers, insurance companies, payments service providers, financial infrastructure service providers, etc.) that aim is to address one or more constraints identified through the data and diagnostics activity in one or more value chains supported by the project. These constraints could include limited outreach, inadequate domain knowledge, lack of products that meet the needs of the producers, limited access to financial infrastructure such as collateral registries and credit bureaus, and, appropriate tools to assess credit risks.

6. The financial education and counseling activity aims to address the financial capability constraints identified through the demand-side survey in a manner tailored to the particularities of the value chains targeted by the project and drawing on lessons learned from global expertise in this area. Some of the notable lessons include using 'teachable moments' such as acquisition of an asset or cash windfalls after a good harvest; using social networks such as producer groups; providing education over a long period (rather than through one-time 'financial literacy camps') complimented with personalized counseling; and use of simulation games, Interactive Voice Response and mobile text messages.

(B) OBJECTIVES OF THE ASSIGNMENT & SCOPE OF POSITION

7. The **Financial Inclusion Specialist (FIS)** under the guidance of Financial Services Specialist will *inter alia* assist the project in devising a suitable financial inclusion strategy and to reinforce the project's financial literacy campaigns. The professional contracted will be responsible for identifying ways in which project could add value to the financial inclusion strategy, and to lead the design of financial literacy programs and activities that will reinforce the financial inclusion fabric in the overall impact of the project.
8. *Key job responsibilities of the FIS include:*
 - a. The FIS will contribute to financial inclusion strategy of the project which includes small and marginal farmers underserved with financial services. This will also include necessary tie ups with banks and other financial institutions like MFIs, NBFs, NGOs and other service providers for provisioning financial services through alternative channels, to rural poor, remote and disadvantaged sections including women farmers and farmer organizations.
 - b. FIS will investigate the market/field/ household data on assets, liabilities, incomes, expenses and history of use of financial services, to judge the existing trends in access and responsible use of financial services by prospective beneficiaries in the project districts to judge the financial habits and their relationship with the financial system.
 - c. The FIS will support the project in designing suitable financial products including insurance (crop insurance, weather insurance, life insurance, health insurance etc) for project beneficiaries depending upon the requirements which may vary across the project districts.
 - d. The FIS will study the existing financial service providers to farmers and other project commodity value chain stakeholders in the project districts and judge the gaps in the existing financial offerings and devise suitable strategies to plug in those gaps. FIS will also study adaptation of existing financial products to suit the needs of target farmers and farmer organizations.
 - e. FIS will design and oversee the proper implementation of the Financial Inclusion Program of the project aimed at significantly increasing financial inclusion among the target value chain stakeholders including farmer organizations in the project districts.
 - f. FIS will be involved in the improving and vetting content of the financial education and counseling campaigns and customizing it to different groups of agri commodity value chain stakeholders.
 - g. Training of Masters Trainers of financial education and counseling programs
 - h. FIS will develop simple and cost effective programs to facilitate access to savings, credit and insurance services by the target beneficiaries.
 - i. Any other related task assigned by the State Project Director (SPD), ARIAS Society
 - j. **Travel Requirements:** The FIS will be required to undertake field-visits and tours as per the project requirements, with prior approval of the SPD.

(C) QUALIFICATIONS, EXPERIENCE, AGE ETC.

6. **Educational Qualification:** The Financial Inclusion Specialist must possess a full time Post-Graduate/Master's degree in Finance, Micro-finance, Banking, Rural Economics, Development Economics, Rural Management, Development Studies or a closely related field.
7. **Working Experience:** The Financial Inclusion Specialist must have **5 to 7** years of professional

experience in developing /emerging markets on financial inclusion/micro-finance/ rural finance development.

8. **Computer Skills:** The Financial Inclusion Specialist must have experience of using Internet based applications, including MS Word, MS Excel and MS Power Point and other related applications.
9. **Language:** High level of fluency in English and Hindi
10. **Desirable Qualifications, Experience, Skills etc:**
 - a. Experience of working in medium/large size project(s) assisted/funded by any international/national organization and/or any international/national NGO institution and/or experience in working in reputed microfinance companies, implementing financial education/ literacy programs, provisioning of financial services in rural/ remote and underserved areas;
 - b. Experience of working in complex, multi stakeholder, fast moving environment and ability to work under pressure, respect strict deadlines and multi tasking
 - c. An understanding and experience in the use of technology to drive the development of alternative delivery channels for financial institutions
 - d. Knowledge of Assamese and other Indian languages though not essential, will be desirable.
 - e. Good social, analytical and planning skills; the candidate must show initiative, synthesis, organization and personal dynamism, be self-motivated and ability to work independently as well as in teams.
11. Age: Age of the candidate should not be more than **45 years as on 1st October, 2018.**

(D) DURATION OF CONTRACT, NOTICE PERIOD ETC.

12. The contract period of the **FIS** is intended for entire duration of the project i.e. upto 2024. However, continuity of the **FIS** beyond one (1) year will depend upon his/her performance. The **FIS** will have to serve the ARIAS Society on full time basis reporting to Financial Services Specialist and under the overall command of the State Project Director, ARIAS Society.
13. The contract with **FIS** may be terminated by either side at any point of time during the contractual period by serving a 30 days' notice without assigning any reason and without thereby incurring any liability to the Govt. of Assam/ PCU/ ARIAS Society. The assignment is purely contractual in nature and shall not, under any circumstance, be extended beyond the APART's closing date. The ARIAS Society or the Government of Assam shall not undertake any responsibility for subsequent deployment of the **FIS**.
14. The **FIS** shall not assign or sub-contract, in whole or in part, his obligations to perform under this Contract, except with the SPD's prior written consent. The **FISs** will have to serve the project on full time basis under overall command of State Project Director, ARIAS Society and will be placed in ATMA Office Jorhat/Bapreta with a provision of transfer to any other District. The resignation/termination shall be as per HR Policy of the ARIAS Society.

(E) REMUNERATION, PAYMENT TERMS & LEAVE

15. Depending on the qualifications, experience, competency, and also the remuneration/pay package of the last assignment, the consolidated fixed monthly remuneration of the **FIS** will be determined and mutually agreed, which could be in the range between **Rs. 6.60 lakh to Rs. 10.80 lakh per year**. This annual rate shall be inclusive of all taxes, health/service related insurance, all allowances, cost of accommodation and food at place of posting, conveyance to attend the office, etc. *87% of the remuneration would be paid as fixed salary while 13% would be linked to performance.* The remuneration may be enhanced on an Annual Basis, based on the HR Policy of the ARIAS Society

Note: In case sufficient candidates meeting the experience criteria cited above are not available, Postgraduates/Masters degree holders in the relevant fields as mentioned above, with over **03** years of related professional experience, may be considered for interview/tests but they will be offered a proportionately lower remuneration.

16. Travelling, Boarding & Lodging expenses for approved official tours outside headquarter will be reimbursed as per HR Policy of ARIAS Society.
17. The remuneration will be given in equal monthly installments and the performance-linked-incentive will be given on quarterly based on the performance and achievement against the mutually agreed deliverables by the **FIS**. Taxes as applicable shall be dealt with as per applicable laws.

18. The FIS will be eligible for annual paid Leave of 12 (twelve) working days, excluding 2 (two) days of restricted holidays. Leave of absence for more than total 14 (fourteen) working days in a year will be treated as leave without pay. Nevertheless, casual leave of more than 5 working days at a stretch will not be granted to consultants/staff. However, under exceptional circumstances, SPD may relax this condition.
19. No house rent allowance or any other allowance shall be paid by the PCU. No other payment whatsoever (except reimbursement of official travelling expenses) shall be paid, except as agreed with the HRS by the SPD, ARIAS Society.

(F) REPORTING AND PERFORMANCE REVIEW

20. The FIS will report to the Financial Services Specialist under overall command of State Project Director (SPD), ARIAS Society. The quality of service and performance of the FIS will be reviewed by the SPD on a quarterly basis and the annual performance review will be done as per the HR Policy of the ARIAS Society.

(G) FACILITIES TO BE PROVIDED TO THE FIS:

21. Access to the required documents, correspondence, contact details and any other information associated with the project and as deemed necessary. The FIS will be provided with one office cubicle/workstation/ shared office space along with computer, printer, computer stationery/office consumables, and internet access.

Note: This is a draft ToR and SPD, ARIAS Society reserves the right to change, update or modify this ToR at any stage till recruitment process is completed.