

**TERMS OF REFERENCE FOR** **TRAINING OF SELECTED VSLA LEADERS ON SACCO PRINCIPLES AND SUPPORTING THE FORMATION OF TWO SACCOs IN THE TWO SUB-COUNTIES OF OPERATION**

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| **Organization** | Self Help Africa-Uganda |
| **Program** | BUILD-Napak  |
| **Activity**  | Capacity building of selected VSLA leaders on SACCO principles and supporting Formation of two proposed SACCOs in the two sub-counties of operation |
| **Project location** | Napak |
| **Duration**  | 2 working days |

1. **Background**

Self Help Africa (SHA) is an international development organization dedicated to the vision of ‘Sustainable livelihoods and healthy lives for all in a changing climate’, with almost 50 years of experience working with smallholder farmers and their communities in Sub-Saharan Africa. In Uganda, SHA has over 20 years’ experience delivering enterprising solutions that help rural communities improve their food and nutrition security while improving their livelihoods and resilience.

The 2nd outcome of the BUILD project is “improved marketing, financial inclusion, and enterprise skills for smallholder farmers, women, and youth” Output 2.2 focuses on strengthening financial inclusion and business skills of smallholder women and youth to be able to invest in small-scale businesses: To be able to achieve this output the project is focusing on VSLA as the entry point to financial inclusion. The plan of supporting formation of SACCOs within the project area is because there are currently no existing and active SACCOs in the two sub-counties that the project is working in and in the district as whole despite the fairly good performing VSLA groups that would transition to a level of SACCO once supported. This would promote access to credit to the wider community but would also make the groups more revenue through interest.

**2. Rationale for the SACCO formation and strengthening**

 Napak is one of the districts in Karamoja sub-region that do not have a single formal financial institution like bank or SACCO with most farmers and business communities having to travel to the nearby districts of Moroto, Katakwi or Soroti to access the different financial services. This has created limited access to credit to engage in commercial agriculture and investing in small and medium enterprises for farmers and the business communities. SHA is currently working with a total of 40 VSLA groups across the two sub counties of Poron and Apeitolim with overall total saved as per December 2024 amounting to Ugx 234,420,500 with an average saving of Ugx 5,860,512. The highest amount saved per group was Ugx 26,483,000 and minimum of Ugx 1,070,000. Despite these savings, the VSLA groups still cannot offer adequate financial support to the farmers to access loans for commercial agriculture or medium scale businesses. However, SHA’s efforts in promoting VSLA and building capacities of the VSLA leaders and its members have seen positive growth in members savings and borrowing over the past two years of the project implementation. With the positive growth in the VSLA performance, there is need to build the capacities of some of the potential VSLA groups across the two sub-counties to transition from just VSLA to form a Savings and Credit organization. This initiative will boost savings and borrowing among members, expand their credit portfolio, attract new members and facilitate access to government financial programs. Last year’s SACCO visit to Moroto SACCO by some of the selected VSLA leaders and CBT has also created opportunities for learnings and positive motivations for the VSLA groups to show interest in transitioning into SACCO though they still need a lot of support from both the project and the district commercial office.

**2.Objectives of the activity**

* To enable the VSLA leaders to understand the SACCO principles and formation processes
* To enable the VSLA leaders to understand the different SACCO registration requirements and procedures
* To initiate the SACCO formation process and provide technical support for compliance to the proposed two SACCOs.
* To support and strengthen SACCO leadership and governance structures
* Support the interim SACCO leaders in development of business plan that would form part of the registration requirements

 **4. Training Content**

The consultant shall be required to develop a two day comprehensive training contents that shall tackle all the above mentioned objectives including a session on financial management and auditing. The consultant shall be required to share the training content prior to the training for review by the project manager and HoP.

1. **Methodology.**
* The project team, through the support of the project M&E officer shall analyze the saving performance of all the 40 VSLA groups being supported by the project.
* The top 20 VSLA groups shall then be mapped out and selected based on their 2023/2024 saving portfolio.
* The project team will notify selected VSLA leaders in advance about the training and the SACCO formation process.
* The consultant is entirely responsible for developing the relatable training plan and content that shall be delivered for the participants for the two days.
* The District Commercial Officer, together with the Community development officers for the two sub-counties, shall actively take part in the two days training to provide the background information and the government plan for development and support to SACCO in the district. They will also support providing the related district policy guidelines related to formation of SACCOs.
* The Consultant shall have to bring along samples of the different documents required for complete formation and registration of a SACCO for training purposes.
* The training sessions shall have to be conducted in a manner that the participants can relate with all the practical examples that would change their attitudes positively towards SACCO formation
1. **Training and coaching methodology to be used will include the following**:
* Presentations/ Introductory lecture - activities conducted by the trainer to convey information, theories, or principles.
* Brainstorming - a spontaneous group discussion to produce ideas and ways of solving problems.
* Case Study Scenarios - Descriptions of real-life situations used for analysis and discussion, Oral or written.
* Role-Plays - two or more individuals enacting parts in scenarios as related to a training topic.
* Simulations - enactments of real-life situations.
* Small Group Discussions – participants sharing experiences and ideas or solving a problem together.
* Assignments (In-Between modules).
* Ice Breakers.
1. **Scope and time frame for the assignment.**

The assignment will take a period of 2 working days in the first week of April 2025

1. **Expected deliverables.**
* A comprehensive training package developed by the trainer and approved by the HOP submitted 2 days after the signing of the contract.
* 80 participants trained on SACCO Principles and fully understood the SACCO registration processes and start up process.
* Proposed Names of the two SACCOs identified with interim Leaders elected/nominated and their roles clearly understood

 Two proposed SACCOs supported with the formation processes and technical guidance provided to them

* Draft business plans developed for the two proposed SACCOs and shared not later than two weeks after the training
* Develop and submit a detailed training report with clear content delivery, methodology, clear recommendations, and actions points.
1. **Coordination, Administration, and Logistical Arrangements.**

This activity will be spearheaded by the consultant with supervision from the Project Manager and logistical support from the procurement officer and field Finance and Admin Assistant**.**

**Administration and logistical support**

* Training fees shall be payable as per agreed instalments and progress made on completion of deliverables. The payments shall be made in two instalments before and after the completion of tasks. 40% upon signing the contract and 60% upon submission of final training report
* SHA will cover transport for the trainer to and fro from Napak. Local transport between the accommodation and training venue will be arranged by the project driver.
* Accommodation for the trainer shall be made prior to the commencement of the training with the trainer booked in SHA prequalified accommodation.
* The consultant will work closely with and report directly to the Project Manager and project officer to ensure that everything is on track.
1. **Qualification and competencies of the Trainer.**
* An academic qualification in microfinance, BBA, Finance
* Proven experience in facilitating training on SACCO principles and financial management
* Clear knowledge of SACCO registration processes, requirements and procedures
* Excellent writing and presentation skills.