

Terms of Reference

Hiring of Agency for Providing Technical Assistance in Strengthening Bank Sakhi programme of BRLPS under NRLM

1. Background

The Government of Bihar (GoB), through the Bihar Rural Livelihoods Promotion Society (BRLPS), an autonomous body under the Department of Rural Development, is spearheading the World Bank aided Bihar Rural Livelihoods Project (BRLP), locally known as JEEViKA with the objective of social & economic empowerment of the rural poor. The core strategy is to build vibrant community institutions in the form of self-help groups (SHGs) of women, who, through member savings, internal loaning and regular repayment become self-sustaining organizations.

BRLPS- JEEViKA aims to provide livelihood opportunities to the community members through various activities. One of the interventions is 'Bank Sakhi model (Women SHG member as Business Correspondent Agent for the bank). It aims to provide footprints of banking services at the doorstep of rural areas. At the same time, through this intervention, it provides livelihood opportunity to the Bank Sakhis and thus, improve their standard of living, women empowerment & entrepreneurship.

The women associated with the SHGs of BRLPS- JEEViKA are being pivotal in leading the way forward for social and economic empowerment of the state. Formation and quality nurturing of SHGs and their higher federations have paved the way ahead for poor household to fight poverty, intensify & diversify livelihood options, improve health & nutrition indicators, redeem high cost debts from moneylenders, build sustainable assets, kindle entrepreneurial abilities and address other developmental issues. So, it becomes important that these institutions are timely capitalized and financed from mainstream financial institutions.

Incorporating SHG members/relative of SHG members as BC agents is a leap ahead in ensuring financial inclusion, timely capitalization and utilization of funds, digitization of financial transactions and overall development of the community.

2. The need of consultancy

JEEViKA initiated its Digital Financial Services (DFS) programme through Bank Sakhis (SHG member as BC) in 2016 to enable access to doorstep banking for rural women and community-based organisations (CBOs) by developing a network of women banking agents or banking correspondents known as *Bank Sakhis*. The use of technology and IT enabled solutions is the mainstay of the programme in order to offer wider outreach and access to a wide range of products at competitive pricing. As of January 2020, JEEViKA has promoted 802 Bank Sakhis in 239 blocks of 31 districts.

These Bank Sakhis are collectively facilitating banking transactions to the tune of USD 20 million every month while earning Rs 6000-10000 per month in form of commissions. Resultantly, the intervention has emerged as a successful model of enterprise promotion as well as provision of digital financial services.

a) JEEViKA wants to scale-up the DFS programme to 534 blocks from 38 districts by promoting additional 2500 Bank Sakhis in next two years along with establishment of required systems and process including Process Monitoring (internal audit) of Bank Sakhi outlets, operationalizing SHG dual authentication based transactions, development of model Cashless CBOs, establishment of strong monitoring mechanism for the Bank Sakhi programme at state and district level, high quality comprehensive dash board with reports on the status of roll out of the intervention, various analytics, policy briefs and other knowledge products as required from time to time and digitizing all key operational processes of insurance, knowledge management, staff capacity building etc.

However, DFS programme being a new area for JEEViKA with limited human resource capacity to develop suitable vision, strategy and work plan. With the on-going emergence of new technology solutions and evolving regulations in the sector, high quality technical

assistance is essential for JEEViKA team to keep pace with evolving changes and develop a road map for suitable implementation. Being a government organization, JEEViKA has limitations in engaging quality Digital Financial Services experts to work with it. NRLM (National Rural Livelihoods Mission) also advised all SRLMs including JEEViKA to hire a technical agency to strengthen the DFS programme. Hence JEEViKA wants to engage an external resource agency through a competitive bidding process.

3. The objective of the Assignment

The objective of the assignment is to support upscaling of alternate channel based service delivery architecture by providing advisory and management support for effective Financial Inclusion of beneficiary households and providing digital financial solutions to Community Based Organisation (CBOs) under Bihar State SRLM.

4. Scope and detailed tasks:

Broad Scope of Work of the assignment is as follows:

- a) Strengthen JEEViKA's Alternate Banking Services program (Bank Sakhi program) to be scaled up to all districts in the state with strong monitoring mechanism at state and district level.
- b) Develop a detailed implementation plan along with broad action plan with timeline for 2 years in consultation with JEEViKA and provide support on key program areas as mentioned ahead.
- c) Strengthening the process monitoring of Bank Sakhi programme in all 38 districts of Bihar and provide guidance in performance improvement of Bank Sakhi based on the process monitoring results.
- d) The agency will develop technical related material for digitising the CBO level transactions and pilot test and scale-up CBO level transactions with the financial institutions and within the CBOs. It should develop model cash less CBOs.
- e) Support JEEViKA in establishment of required systems in processes for successful implementation of Bank Sakhi programme across the state in partnership with Banks and Corporate BCs of Banks.
- f) Support JEEViKA in digitization of end to end processes in Business Correspondent based service delivery from agent on-boarding to training to transaction management to reporting and analytics. Selected agency will be expected to develop suitable IT applications and modules for different processes and reporting requirements.
- g) Strengthen community-based organisations through capacity building, training and hand holding for management of Bank Sakhi programme.
- h) The agency is required to assist State Mission Management Unit as may be required in Development, testing and establishing a standard MIS protocol for the intervention and establishment, roll out & tracking of a Monitoring and Evaluation (M&E) framework. The agency will support JEEViKA in coordination with Corporate BCs and Banks to collate Bank Sakhi transaction data in standard format for analysis. The agency will also assist JEEViKA in using appropriate MIS reports for monitoring of intervention progress and improving measurable performance. The agency will assist JEEViKA in preparing necessary output data to be reported to various stakeholders in standard format and analytical reports as may be required for advocating enabling policies for the sector.
- i) The agency will further provide guidance on improving any existing applications (to collect the data from Bank Sakhis on daily basis which gives required data like gender wise, CBO level transactions, social back ground of the members, transaction wise data etc.) and provide guidance on improving analytics.
- j) The agency is required to prepare and maintain high quality comprehensive dashboard with reports on the status of roll out of the intervention, various analytics, policy briefs and other knowledge products as required from time to time.

- k) The agency will support JEEViKA in designing systems for roll out of suitable insurance product for CBOs members. It will help JEEViKA in digitising all insurance processes including claims settlement process.
- l) The agency will develop case studies on successful stories and short video films which can be used as training material.

5. Reporting requirements

The agency would be required to conform to the reporting standards, style, format, size and such other specifications as required by the project, and undertake revisions, downsizing and such other changes as required. It is anticipated that on monthly basis the agency will develop and share the project progress against the deliverables and action plan. The MPR should have an executive summary in a matrix form to improve readability. There will be a quarterly project progress review meeting conducted by the key stakeholders of the project to understand the progress and provide guidance for the project implementation.

6. Role of consultant:

As it is clear from the scope of study that the consultant is an independent agency, but will be integral to project implementation processes and work as partners with the project. Their role is to provide technical assistance in up scaling the alternate channel-based service delivery architecture by providing advisory and management support for effective Financial Inclusion of beneficiary households and providing digital financial solutions to Community Based Organisation (CBOs) under Bihar State SRLM. The agency should develop a detailed implementation plan along with broad action plan with timeline for 2 years in consultation with JEEViKA and provide support strengthening the process monitoring of Bank Sakhi programme in all 38 districts of Bihar and provide guidance in establishment of Bank Sakhi performance improvement based on the process monitoring result. The agency will support JEEViKA in digitization of end to end processes in Business Correspondent based service delivery from agent on-boarding to training to transaction management to reporting and analytics in addition to develop suitable IT applications and modules for different processes and reporting requirements. The agency will provide required technical assistance to JEEViKA as per the detailed activities mentioned in the scope of the project.

7. Period of consultancy:

In the beginning, the services will be hired for a period of two Years (2); however, there is a possibility of extension of contract for one more year based on mutual agreement between JEEViKA and Agency.

8. Deliverables:

Based on the above, the consultant will deliver the following in various stages of the work:

| Deliverables | Period from the date of contract | Payment Schedule |
|--|--|---------------------------------|
| <ul style="list-style-type: none"> ▪ Positioning of team of professionals ▪ Inception Report: <ul style="list-style-type: none"> a) The inception report should provide a framework of all deliverables b) Action plan with timeline c) Reporting modalities d) Project progress monitoring | 4 weeks | 05% |
| Process Monitoring of Bank Sakhi Outlets | | |
| <ul style="list-style-type: none"> ▪ Conduct training to the JEEViKA team on process monitoring of Bank Sakhi outlets ▪ Handholding support to JEEViKA team in conducting process monitoring of Bank Sakhi outlets ▪ Synthesize and submit process monitoring quarterly reports to District and State unit of JEEVIKA | Half yearly: Reporting with 1 st report submitted within 20 weeks of contract award | 10% (2.5% Per each 6 months) |

| Deliverables | Period from the date of contract | Payment Schedule |
|--|--|----------------------------|
| <ul style="list-style-type: none"> ▪ Presentation at District and State level. ▪ Support JEEViKA team in building the capacities of the Bank Sakhis who got low grades in process monitoring ▪ Process management of baseline of each BC Agent | Process monitoring report @ mid- line report after 15 months and final-end line report @ after 30 months | |
| Accomplishment of on boarding including IIBF certification of 2500 Bank Sakhis | | |
| <ul style="list-style-type: none"> ▪ Support JEEViKA team in identification, capacity building (training) on-boarding of 625 Bank Sakhis at the end of every six months (half-year) ▪ Support and ensure certification of IIBF examination to 90% Bank Sakhis (3 months old) | Half yearly | 20% (5% Per each 6 months) |
| SHG level Dual Authentication | | |
| <p>All 18 Public Sector Banks and 16 Regional Rural banks have introduced the technical solution to enable SHG group transactions at Business Correspondent/CSP points. So, the deliverables are:</p> <ul style="list-style-type: none"> • Minimum 8 banks Dual Authentication facility for SHG Group transaction should be tested and should be activated in atleast 2 BC locations of each bank. • Develop processes and guideline such as SoPs, manual on SHG dual authentication • Conduct orientation to the JEEViKA team on SHG dual authentication • Coordinate with bank staff on operationalizing SHG dual authentication • Support JEEViKA cadre on SHG dual authentication • Activate dual authenticated transactions of 5000 SHGs in each district (19 districts). | 12 months after contract signing | 10% |
| MIS Dashboard and advanced Bank Sakhi data analytics | | |
| <ul style="list-style-type: none"> • Development of MIS Dashboard • MIS reports with advanced Bank Sakhi data analytics • Development of application / system for time reporting of failed transactions • Training to the JEEViKA team on MIS and Bank Sakhi data analytics | 12 months from the contract date | 10% |
| Digital transaction for 1 lakh members of CBOs (mobile based transactions from member to CBOs) | 18 months from the contract date | 10% |
| Digitization of all key operational processes of insurance and conduct training to the staff and cadre involved in insurance programme | 12 months from the contract date | 10% |
| Development of Model Cash less CBOs (100 Cluster Level Federations) | | |

| Deliverables | Period from the date of contract | Payment Schedule |
|---|---|-------------------------|
| <ul style="list-style-type: none"> • Identify the CBOs need to be developed as models • Conduct orientation to the board members and staff of the CBOs on CBO level dual authentication, cashless transactions • Develop identified 100 CLFs in to Cash less CBOs • Management of Bank Sakhi through CBOs | 18 months from the contract period | 10% |
| Development of case studies on model CBOs and best practising Bank Sakhis (monthly at least one case study) Development of 5 videos for 2 to 3 minutes each. Development of 4 power point presentations (PPTs) on project updates available to JEEViKA for dissemination of learning and for policy and advocacy. | 24 months from the contract date | 10% |
| First two years progress report with key learnings and next steps | 24 months from the contract date | 05% |

* Community Based Organizations (CBOs) include SHGs, Village Organizations (VOs) & Cluster Level Federations (CLFs).

9. Key Qualifications and Experience of the Consulting/Field Teams whose CVs will be evaluated

Key Professionals: The agency needs to deploy 30 full-time members and a project advisor to provide required technical assistance to JEEViKA. The Organization must establish their own office at the state level. The key members of the process monitoring team for the Agency would include:

a) Project Advisor:

Eligibility: PG degree/ Diploma in Management/ Social Work/ Rural Management/ Rural Development. Having work experience of minimum 10 years out of which at least 7 years in agent banking model at middle level management i.e. with operational supervisory experience. Candidate should also have experience working with banking institutions or corporates engaged in implementation and management of agent banking model preferably in rural areas or with experience of micro lending.

b) Team Leader:

Eligibility: PG degree/Diploma in Management/Social Work/Rural Management/Rural Development. Should have work experience of overall work at least 7 and experience of minimum 5 years in Digital finance space at a senior management role either with agency banking or banks. S(h)e should have experience in managing a team of professionals. Candidates with experience of working with rural communities and a combination of techno-managerial role will be preferred.

c) Senior DFS Expert:

Eligibility: PG degree/Diploma in Management/Social Work/Rural Management/Rural Development. Should have work experience of minimum 5 years in Digital finance space at a senior management role with agency banking.

d) Expert- Management Information System (MIS Expert):

Eligibility: MCA or BE/B.Tech in (CS/IT) /Bachelor's degree in Statistics, Economics. Should have work experience of minimum 5 years in management of information systems; conversant with various database packages and has good analytical ability.

e) Digital Insurance Expert:

Eligibility: PG degree/Diploma in Management/Social Work/Rural Management/Rural Development. Should have work experience of at least 2-3 years' experience in insurance sector and also have experience in digitization of insurance related processes.

f) Capacity Building Expert:

Eligibility: PG degree/Diploma in Management/Social Work/Rural Management/Rural Development. Should have work experience of 05 years of experience in providing training and support on digital financial services.

g) Micro Credit Expert:

Eligibility: PG degree / Diploma in Management/ Social Work/ Rural Management/ Rural Development. Should have work experience of atleast 5 to 7 years of experience in micro lending through agency channel.

h) District DFS Experts:

Eligibility: Graduation degree in any stream. A team of 10 technical staff who can work at district level to support JEEViKA district level teams in implementation of Bank Sakhi programme. Should have work experience of minimum 3 years in agent banking model at middle level management i.e. with operational supervisory experience. Candidate should also have experience working with banking institutions or corporates engaged in implementation and management of agent banking model preferably in rural areas, preferably with experience of micro lending through the agency channel.

i) District DFS Expert (Junior):

Eligibility: Graduation degree in any stream. A team of 10 technical staff who can work at district level to support to two/ three JEEViKA districts/ BPIU level teams in implementation of Bank Sakhi programme. The candidate must be willing to travel extensively and work with rural community members. The candidate needs to be willing to learn the new horizons for giving spurt to the access of banking services in the rural areas.

| DFS Expert Team * | Activities | Man days required |
|--------------------------------------|--|--------------------------|
| Project Advisor (01) | <ul style="list-style-type: none"> ▪ Inception Report ▪ Detailed implementation plan for 2 years along with broad action plan ▪ Participate in quarterly progress review meetings and provide direction to the team | 100 |
| Team Leader (01) | <ul style="list-style-type: none"> ▪ Team Management, develop monthly action plans and ensure targets. ▪ Document Finalization and Presentation on the Quarterly basis | 720 |
| Senior DFS Expert (01) | <ul style="list-style-type: none"> ▪ Develop training agenda on Bank Sakhi programme, conduct training to the district level team, participate in district level review meetings and provide direction on Bank Sakhi programme including identification, on-boarding, liquidity management, CBO level dual authentication, development of cashless CBOs on pilot basis etc. | 720 |
| MIS Expert (01) | <ul style="list-style-type: none"> ▪ Preparation of MIS Dash Board, collection of data from the banks and corporate BCs of banks. ▪ Management of large volume information systems. ▪ Generate useful MIS reports for timely decision making. ▪ Follow-up with the partner banks on data collection and problem solving. | 720 |
| Digital Insurance Expert (01) | <ul style="list-style-type: none"> ▪ Digitize all insurance processes including claims settlement processes. ▪ Conduct training to the JEEViKA team on all key | 720 |

| DFS Expert Team * | Activities | Man days required |
|---|--|--------------------------|
| | operational processes of insurance. | |
| Capacity Building Expert (01) | <ul style="list-style-type: none"> ▪ Provide training and capacity building to Bank Sakhis, Community members and BRLPS staffs. | 720 |
| Micro Credit Expert (01) | <ul style="list-style-type: none"> ▪ Need Assessment, Appraisal & Micro- Lending through the agency channel, digitizing the process of Appraisal | 720 |
| District DFS Experts (10) | <ul style="list-style-type: none"> ▪ Provide Technical Assistance to the JEEViKA district, and block level team on regular basis. ▪ Conduct need based training to JEEViKA staff, cadre and CBOs on DFS related topics and provide handholding support in conducting process monitoring of Bank Sakhi outlets, model CBOs for cashless transactions within CBOs etc. | 7,200 |
| District DFS Experts Junior (10) | <ul style="list-style-type: none"> ▪ Provide Technical Assistance to the JEEViKA district, and block level team on regular basis. ▪ Conduct need based training to BC Agents, field level- JEEViKA staff, cadre and CBOs on DFS related topics and provide handholding support in conducting process monitoring of Bank Sakhi outlets, model CBOs for cashless transactions within CBOs etc. | 7,200 |

* In addition to the above-mentioned team members, the agency may deploy need based additional human resource for periodic assignments including process monitoring.

10. Review Committee to Monitor Consultant's Work

The Chief Executive Officer in association with the State Project Manager- shall be responsible for reviewing and monitoring the work of consultants. S/he may constitute a review/steering committee to monitor the progress and interact with the consultant. The committee may also seek comments and inputs on the consultant's work from the Bank staffs and other experts as appropriate. Payment to the agency will be made upon submission and acceptance of satisfactory reports by the project and as per conditions laid down in the contract.

11. Ownership

All information collected by consultant will be used only for the purpose of delivering the scope specified in the TOR. No part of the information shall be used for any other purpose without the prior explicit consent of the client. All data collected and materials developed as a part of this assignment shall be the property of the client. IPR of all SOPs, Training Modules, data analysis, technology introduced, if any will be with SRLM.