

DRAFT

Terms of Reference

Access to Finance Rwanda

Service Provider

Period: [June 2010 – September 2013]

1- Introduction

- 1.1 DFID wishes to appoint a Service Provider to establish and administer Access to Finance Rwanda (“**AFR**”). AFR is being established to deliver the Access to Finance Rwanda programme, whose objective is to increase access to financial services for poor rural and urban people and MSMEs in Rwanda. Proposed to be established in the form of a company limited by guarantee based in Kigali, Rwanda, AFR is expected to mobilise significant ODA resources and to develop a coordinated and coherent donors’ approach to financial access improvement in Rwanda.
- 1.2 The Service Provider will supply the establishment services described below in Part A to DFID and in Part B, the Service Provider will provide specified fiduciary and financial management services to AFR. In Part B the Service Provider will provide professional directors and nominee members in respect of AFR and will provide financial management, procurement and fiduciary services as well as administrative and logistical support to establish and run AFR and to ensure that it achieves its objectives.
- 1.3 A summary of the Programme is attached at Annex A. A brief outline of the proposed governance arrangements for AFR is included at Annex B.
- 1.4 Following the full establishment of AFR and on the satisfactory completion by the Service Provider of the services required to be performed in Part A, DFID will proceed to transfer the first tranche of its committed funds to AFR (which funds total £9.5m over a period of [4 years]). The World Bank has also committed US\$1m to fund AFR which sum will be disbursed in tranches conditional on the satisfactory completion by the Service Provider of the services required to be performed in Part A.

2- Objectives

- 2.1 The programme goal is sustained improvement in the livelihoods of poor people through increased access to financial services, which will reduce their vulnerability to shocks and increase income and employment.
- 2.2 AFR funds will be spent to deliver three major outputs

DRAFT

- At the **Micro** level: to improve the capacity of the financial sector to provide innovative financial services for the poor including targeted savings products, housing finance, agricultural financing and support to informal savings and loans associations. AFR will also focus on financial literacy and micro-insurance.
- At the **Meso** level: to strengthen the financial sector infrastructure through human resource development and technology development.
- At the **Macro** level: to ensure an appropriate legal and regulatory structure for the delivery of services to the poor is in place.

3- Recipient

3.1 In Part A, the direct recipient of the services provided by the Service Provider will be DFID. In Part B, direct recipients of the services provided by the Service Provider will be AFR. The indirect recipients of the services provided by the Service Provider will be the AFR's targeted beneficiaries, including the Government of Rwanda and Rwandan financial sector institutions.

4- Scope of the Work

4.1 The scope of work for the Service provider will be divided into two phases. The second phase (Part B) will only commence following the satisfactory completion of the first phase (Part A) to DFID and AFR's requirements and through separate written instruction from the Contract Officer in DFID Rwanda.

Part A – Services to DFID for establishment and start up of AFR

4.2 The scope of work for the Service Provider in the first phase (Part A) will be establishing the operating systems for AFR, ensuring that such operating systems comply with the guiding principles of AFR (including flexibility and responsiveness without compromising integrity and transparency) and carrying out start-up activities for a period of up to period of up to 3 months, [commencing as soon as possible].

4.3 Specifically, this will involve the following tasks:

- i. Identifying and provisionally securing office premises together with utility, security, and office cleaning service providers for AFR in Kigali, Rwanda.
- ii. Identifying and provisionally securing quality providers of telecommunications, IT support, travel agency, banking, insurance, design/printing, courier, office supply and audit services which represent good value for money.

DRAFT

- iii. Developing human resource management systems and procedures for AFR and, to the extent required, assisting with the recruitment of AFR's technical and administrative staff (each such member of staff to be employed by AFR on an as tax-efficient-as-possible basis). Job profiles for AFR's administrative staff and a training programme for induction of new staff should also be designed in consultation with the Programme Investment Committee of funders of AFR ("PIC").
- iv. Preparing a full set of business process systems, procedures, including procurement policies, approval ceilings, manuals and pro-formas for procurement and administration of goods and services by AFR.
- v. Designing financial management, accounting, control and internal audit systems and procedures for AFR compatible with Rwandan accounting principles and standards, including acquisition and installation of a suitable accounting software package.¹
- vi. Designing a project cycle management system, manuals, and pro-formas for AFR's technical co-operation activities and its funding of potential beneficiary organisations in Rwanda.
- vii. Specifying and procuring high quality information and communications technology platforms, software and equipment to support AFR's operations efficiently and effectively.
- viii. Developing policies and procedures for managing fiduciary risk in the AFR's portfolio (which may consist of grants, loans, guarantees and equity positions).
- ix. Develop and implement a communication strategy including developing quarterly newsletters².
- x. Agreeing with the PIC robust conflict of interest policies and procedures applicable in respect of the activities of the Service Provider and AFR. These will be observed at all times.
- xi. Finalising the draft scope of work and preparing detailed full terms of reference for Part B services to be provided to AFR following the full establishment of AFR and the satisfactory completion of the Part A services (Part B – see below).
- xii. Assisting DFID Rwanda during the establishment of AFR in relation to the tax position, potential liabilities and negotiation of tax and work permit exemptions for AFR as required and ensuring that the

¹ AFR's financial management systems and reporting will also need to be compatible with requirements of funders of AFR, and should be designed to avoid unintended liabilities on funders and situations where AFR holds excessive credit balances of invested funds for long periods of time.

² The exact inputs are still being determined and will be clarified during the inception phase.

DRAFT

policies, procedures and systems for the operation of AFR are designed on an as-tax-efficient-as-possible basis.

- xiii. Working with the technical staff and the PIC to develop a detailed budget and cash flow forecast for the first 12 months of AFR's operations and projections of AFR's cash requirements.
- xiv. Undertake an agreed number of Fiduciary risk assessments³ in respect to likely institutional recipients which will enable a swift implementation of AFR medium term strategic plan, to be developed by the technical director during the inception phase.

4.4 In establishing AFR's business operating systems and procedures, the Service Provider will ensure that these are designed in a non-proprietary manner and could be operated by a different Service Provider acting in the role of provider of directors and members for AFR in the future.

4.5 To ensure that the business operating systems and procedures prepared for AFR are fully fit for purpose, the Service Provider will pilot test, process and document 20 "dummy transactions" covering income receipts, receipt of investment proceeds, issuing funding (in the form of grants, loans, guarantees and subscriptions for equity positions), services contracts, supplier payments, staff contracts and salaries, monthly income/expenditure reconciliations and statements, and management reports. DFID and AFR will commission a systems audit by a suitable independent third party before confirming their acceptance that the services required to be performed by the Service Provider under Part A have been performed satisfactorily.

Part B – Draft scope of work for fiduciary services to AFR

4.6 In Part B, the Service Provider will provide fiduciary services to AFR covering financial management, human resource management and procurement administration, as well as administrative/logistical support to ensure that AFR achieves the objectives that will be set out in the AFR programme document, whose summary is attached at Annex A and AFR's own medium term strategic plan, to be prepared by the Technical Director during inception phase.

4.7 The role of the Service Provider will be set down and confirmed in the services contract between AFR and the Service Provider which will relate to the Part B services. The exact scope of this role will be agreed between DFID, AFR and the Service Provider towards the end of Part A, but is expected to cover the following specific responsibilities and tasks:

- i. Entry into an appropriate services contract with AFR, fiduciary oversight of all aspects of AFR's operations and the provision of nominee directors and members for AFR.

³ The Terms for conducting fiduciary risk assessments are yet to be approved.

DRAFT

- ii. Convening all necessary meetings, keeping minutes and maintaining regular communications with the PIC. A priority first task will be securing the formal no-objection of the PIC to all of the policies and procedures prepared for AFR under Part A (including without limitation the financial, procurement, human resources and project cycle management procedures).
- iii. Prudent management and investment of the financial assets and funds of AFR, including control of AFR's bank account(s), and timely liaison with its funders on funding disbursements and receipts.
- iv. Provide assistance during the recruitment of the Technical Director, Technical Specialists, as well as AFR administrative staff, and engage with all such staff in order to ensure the effective implementation of AFR's work programmes [and medium term strategic plan].
- v. Oversight of AFR's funding activities and procurement of services and supplies contracts to ensure these comply with its procurement and fiduciary risk management guidelines, and deliver value for money.
- vi. Carrying out, or overseeing the contracting out of, specific fiduciary risk assessments (FRAs) as required by AFR from time to time of key partners of AFR, each to be undertaken on terms substantially in accordance with the Sample Terms of Reference for Fiduciary Risk Assessments of Key Partners which is going to be approved in due course. All such FRAs must be performed by suitably qualified financial management and fiduciary risk experts.
- vii. Securing fully serviced office accommodation, office equipment, network hosting, administrative support and logistics services for AFR in Kigali, Rwanda.
- viii. Oversight of regular financial and progress monitoring reporting of AFR's activities through quarterly and annual reports. Internal and external audit reports should be submitted to the PIC for information.
- ix. Advising AFR as to its tax position and ensuring that AFR is operated on an as-tax-efficient-as-possible basis.
- x. Completion and submission of all notices and returns required to be made by a CLG director (and, to the extent relevant, by a CLG member) under relevant laws of Rwanda.
- xi. The Service Provider will keep proper books of account and allow DFID, or any firm of accountant appointed by DFID to access to these books of accounts at all reasonable time during business hours.

DRAFT

4.8 The Service provider will provide a full time Finance, Procurement & Human Resources Administrator (see Draft Job Profile at Annex C – as well as fiduciary oversight of AFR, and will assist in the recruitment of other fixed-term technical and administrative staff and consultants. The **Finance, Procurement & Human Resources Administrator** will be required to direct the day to day financial management, procurement and administration of TMEA, reporting directly to the Service provider.

4.9 The Finance, Procurement & Human Resources Administrator functions will be formally separated from those of AFR's Technical Director responsible for programming of AFR's development activities. The Finance, Procurement & Human Resources Administrator will work alongside the Technical Director but will be directly accountable to the Service Provider.

5 - Outputs

5.1 The principle outputs and delivery schedule for the Part A services will be as follows:

- i. An Inception Report within 3 weeks of commencement of the services, setting out progress to date with identifying office premises, initiating recruitment for AFR administrative and local technical staff and establishing operating systems and procedures, as well as the work plan for completing the remaining activities in the scope of work.
- ii. Draft project cycle management system, procurement manuals, and pro-formas for AFR's technical assistance activities and grants to beneficiary organisations in Rwanda within 5 weeks of commencement of the services.
- iii. Draft set of policies and procedures on managing fiduciary risk in AFR's portfolio (which might consist of grants, loans, guarantees and equity positions) within 5 weeks of commencement of the services.
- iv. Securing office premises within 7 weeks of commencement of the services.
- v. Fully operational (tested through dummy transactions) conflict policies and procedures, information systems, website⁴, business processes, procurement, financial management, internal audit, and human resources management systems for AFR within 8 weeks of commencement of the services.

⁴ The exact inputs relating AFR communication are still being determined.

DRAFT

- vi. Scope of work and detailed full terms of reference for the Part B services to be provided to AFR within 11 weeks of commencement.
- vii. A Final Report within 12 weeks of commencement of the services, recording work undertaken for the completion of the all the activities set out in the scope of work.

5.2 In each case, the draft outputs detailed above should be finalised by the Service Provider taking account of comments and feedback provided by DFID as soon as practicable following receipt thereof.

5.3 For the Part B services, the key outputs and reporting deliverables will be specified in the finalized scope of work and terms of reference for the Services Provider (including the finalized job profile for the Finance, Procurement & Human Resources Administrator) to be developed during Part A and agreed with DFID and with AFR before the commencement of Part B.

5.4 AFR will invest considerable resources and effort in developing an integrated and comprehensive monitoring and reporting system through AFR. AFR will be expected to elaborate a results-based methodology for impact assessment and to collate/validate baseline information where available. Progress reports and financial statements will be prepared on a quarterly basis by AFR and will be supplemented by Annual Reports which will take a more analytical perspective of progress against AFR's goals, objectives and outputs.

5.5 AFR will have to consider whether to recruit a full-time monitoring and evaluation specialist or to establish a call down contract with a relevant specialist.

5.6 The Service Provider will have the ultimate responsibility for ensuring it meets the reporting requirements for the time being of the PIC.

6 - Reporting and DFID coordination

6.1 The Service Provider will report to DFID in Part A and to the PIC, constituted by the funding development partners, the Government of Rwanda and other relevant stakeholders in Part B.

7-Timing

7.1 A 3 months inception period will be followed by a 3 year contract subject to satisfactory performance. The contract could then be extended for a further 2 years subject to availability of funding.

8-Background

8.1 Access to financial services in Rwanda is low, with more than half of the population having no access to any kind of financial services. Yet access

DRAFT

to finance is one of the key mechanisms for the poor to maximise the use value of their small and unpredictable cash incomes, providing opportunities to smooth consumption and make productive investments.

- 8.2 Access to finance Rwanda is a key component of the Government Financial Sector Development programme and in this context DFID developed Access to Finance Rwanda, with the objective of broadening and deepening the financial sector so that the poor can access more diversified and tailored financial services. This will reduce their vulnerability to shocks and enable them to contribute to and benefit from pro-poor economic growth.
- 8.3 The programme will seek to address the critical bottlenecks to financial sector deepening via providing financial and technical assistance to a wide range of public and private actors. AFR will work at the macro, meso and micro level, to strengthen Rwanda's legal, regulatory and policy environment; to improve the financial sector infrastructure and the support services; and to improve the sector retail capacity to offer appropriate and diversified financial products. Among the key outputs is also the efficient and effective implementation of the programme, which ensures the development of long term institutions, including M&E frameworks that continue to deliver beyond the initial life of the programme.
- 8.4 The programme's strategy and implementation will follow a market based approach which focuses on 6 key principles: Impact, Focus, Flexibility, Fast Response, Private Sector Orientation and Technical Excellence.
- 8.5 In order to best fit these delivery principles, a special purpose vehicle is being established for the delivery of Access to Finance Rwanda. In absence of a trust law, the most suitable legal arrangement is that of a company limited by guarantee. DFID Rwanda is committing a total £10m⁵ for the period 2009/10 – 2012/13 and the World Bank is committing a total of US\$1m [over the same period].
- 8.6 AFR is meant to be co-funded by other development partners, and to live beyond the initial DFID investment. AFR will manage development partners' funds and will be in charge of programme implementation. DFID and other partners will provide strategic direction through a Programme Investment Committee. Brief details of the proposed governance structure of AFR are set out in Annex B.

⁵ £500,000 of which are being deployed for the institution set up

DRAFT

Annex A

Programme Summary

1. Access to Finance Rwanda (AFR) will improve the livelihoods of poor people in Rwanda by increasing their access to financial services. The programme draws on international evidence⁶, which shows that development of financial services for the poor significantly increases their incomes by allowing them to better withstand economic shocks and take advantage of economic opportunities.
2. The Programme **Goal** is sustainable improvements in the livelihoods of poor people through reduced vulnerability to shocks, increased incomes and employment creation. The **Purpose** is increased access to financial services for poor rural and urban people (especially women) and micro, small and medium enterprises (MSMEs).
3. DFID Rwanda is committing £10m for the period 2009/10 – 2012/13. The programme will **improve access to financial services for over 500,000 individuals** by:
 - a. At the **Micro** level (65% of resources) by improving the capacity of the financial sector to provide innovative financial services for the poor including targeted savings products, housing finance, agricultural financing and support to informal savings and loans associations.
 - b. At the **Meso** level (18% of resources) the financial sector will be strengthened through supporting financial literacy, the provision microinsurance, human resource development and technology development for mobile phone banking⁷.
 - c. At the **Macro** level (5% of resources) the financial sector will be strengthened by ensuring an appropriate legal and regulatory structure for the delivery of services to the poor.
4. Activities at the three levels will support and complement each other. An effective legal and regulatory framework and financial literacy are critical for the development of new financial sector products. While the programme will undertake on a variety of activities at different levels meeting the financial needs of the poor will be a particular focus. This will be done through specific investment criteria and rigorous impact assessments for all activities in the programme, with a particular focus on the rural poor.

⁶ Finance, Inequality and Poverty, cross country evidence : T. Beck, A. Demirgüç-Kunt, R. Levine (2004)

⁷ Building on the successful programme of M-PESA in Kenya, also supported by DFID through the Kenyan Financial Sector Deepening Trust.

DRAFT

5. AFR builds on successful financial deepening programmes currently being implemented by DFID in Kenya and Tanzania. Experience shows that an independent entity is the best vehicle for implementing such a programme as it allows for a flexible, market based approach that can respond quickly to changes in the environment. In Kenya and Tanzania, this has taken the form of Financial Sector Deepening Trusts. Legal advice recommends that that in Rwanda AFR will be established as a Company Limited by Guarantee (CLG). The CLG will manage development partners' funds and oversee programme implementation.
6. By establishing an independent entity, AFR will provide a flexible and easily monitored and evaluated vehicle that can be used by other donors to support the sector beyond the initial life of the programme. DFID and other partners will provide strategic direction to the CLG through a Programme Investment Committee (PIC).
7. Four implementation options were assessed in developing this programme: (i) a basket fund approach, managed by a multilateral, (ii) working through an NGO, (iii) Establishing a CLG, and (iv) Deliver the programme through a PIU within MINECOFIN. Each of these options is scored against the criteria in annex 7, the CLG being the option with the highest score.
8. The economic appraisal concludes that the proposed programme represents better value for money than either a) allocating the resources through other donors' programmes or b) focusing the programme on improving financial infrastructure and the sector's retail capacity.
9. The Environmental screening note recommended that DFID Rwanda contract environmental expertise during the inception period to participate in formulating and finalising the strategy.
10. The Social appraisal highlighted the need to ensure a strong focus on the financially excluded and on rural and agricultural finance, which will be key conditions for continued DFID financial support.
11. This is a medium to high risk programme. The biggest risks relate to the engagement of the private sector and mitigating the government's tendency to act too quickly. The structure of AFR as an independent entity will help mitigate these risks.
12. AFR will provide significant support to the government's agenda on improving access to financial services, which is an important pillar of the Financial Sector Development programme (FSDP) included in the Economic Development and Poverty Reduction Strategy (EDPRS) .
13. AFR is also key element of DFID Rwanda's Growth strategy, which complements our support to land tenure reform, agricultural transformation and Vision Umurenge Programme Social protection programme.

DRAFT

Annex B

Governance Structure

It is proposed that AFR should have the following governance structure:-

(a) *The board of directors (the “Board”)*

The Board has fiduciary responsibility for the day-to-day running of AFR and has the authority to make all decisions regarding the operation and management of the AFR within the scope of the authority provided to it, and duties imposed upon it, by Rwandan law and by the AFR’s constitutional documents (generally, for a company limited by guarantee, consisting of the memorandum of association⁸ and the articles of association⁹ but also, in the case of AFR, consisting of the PIC Constitution).

The Board’s fiduciary duties include: the duty to act in the best interests of AFR, the duty to maintain the assets of AFR, the duty to exercise reasonable skill and care in performing their duties, the duty to avoid conflicts of interest and the duty not to make a “secret” profit.

In the case of AFR, it is proposed that the Board will consist of appointees of the service provider who will be engaged by AFR, by means of an international tender process, to provide financial management and fiduciary services to AFR (the “**Service Provider**”)¹⁰. The appointees of the Service Provider to the Board will themselves be employees of the Service Provider and must be approved by AFR.

(b) *The members of AFR*

The members of AFR oversee that activities of the Board (they are akin to the shareholders of a company limited by shares) and have the right to make certain key decisions relating to the operation, management and governance of AFR (including the right to appoint and to remove members of the Board and the right to amend the articles of association) within the scope of the authority provided by Rwandan law and by AFR’s constitutional documents (and, in the case of AFR, the PIC Constitution).

In the case of AFR, it is proposed that the members of AFR will also be appointees of the Service Provider.

⁸ The memorandum of association sets out the basic characteristics of AFR (i.e. the form of AFR and the objectives for which it is formed being “the improvement of the livelihoods of poor people in Rwanda by increasing their access to financial services”).

⁹ The articles of association govern the internal affairs of AFR and details the division of responsibility for the management of AFR as between the Board and the members.

¹⁰ Note that at least one member of the Board must be resident in Rwanda.

DRAFT

4.2 In addition to the above layers of governance, it is proposed that AFR should establish a further third layer of governance, the *Programme Investment Committee* (the “**PIC**”).

The PIC will be responsible for the high-level supervision of the activities of AFR in order to ensure that it achieves its developmental goals. The members of the PIC will include representatives of the donors (e.g. DFID and the World Bank), representatives of the Government of Rwanda and representatives of the private sector (e.g. Bankers’ association and AMIR).

The PIC constitution will set out details of the composition, role, authority, specific responsibilities and *modus operandi* (including a conflict of interest policy applicable to all members of the PIC) of the PIC (the “**PIC Constitution**”). The PIC Constitution will also set out matters of key concern to the founders of AFR relating to the operation and management of AFR which cannot be undertaken without the prior consent of the PIC.

Although the terms of the final form of the PIC Constitution will need to be reviewed by Rwandan legal counsel, it is understood that the participation of representatives of donors on the PIC (“**PIC Members**”) in accordance with the terms of the PIC Constitution should not give rise to any liability or responsibility of such PIC Members for the actions, omissions and liabilities of AFR and should not result in PIC Members being considered to be “shadow directors¹¹” (or equivalent) of AFR.

¹¹ A “shadow director” is a person who is not a member of the board of directors of a company but in accordance with whose instructions the board of directors is accustomed to act. As a consequence, in certain jurisdictions (such as the UK), such persons can be deemed to be subject to the same duties and responsibilities as the members of the board.

DRAFT

Annex C

Draft Job Profile for the Finance, Procurement & Human Resources Administrator

1 Introduction

1.1 As part of the services contract for the establishment and administration of Access to Finance Rwanda (AFR), the Service Provider will provide a full time Finance, Procurement & Human Resources Administrator to ensure sound fiduciary oversight of the AFR entity, and oversee the recruitment and administration of other fixed-term technical and administrative staff and consultants on behalf of AFR.

1.2 The Finance, Procurement & Human Resources Administrator functions will be formally separated from those of AFR's Technical Director responsible for programming of AFR's development activities.

2 Objectives

2.1 The Finance, Procurement & Human Resources Administrator will be required to direct the day to day financial management, procurement and administration of AFR, reporting directly to the Services Provider.

2.2 In carrying out the duties of the post, the Finance, Procurement & Human Resources Administrator will be assisted by two AFR administrative and accounts support staff to be recruited by the Service Provider on behalf of AFR.

3 Main duties and responsibilities

3.1 Budgeting and cash flow forecasting

- Prepare a rolling three year budget for AFR's own administrative expenses, on an annual basis, covering staff costs, office costs and Services provider director. The budget will be agreed with the Technical Director and will be submitted to the PIC for opinion.
- Based on estimates from the Technical Director, prepare a rolling three year budget on an annual basis for the AFR covering projected receipts from donors and both administrative and programmatic costs.
- Develop a detailed annual budget and cash flow forecast for AFR, showing estimated expenditure and funding requirements on a quarterly basis. The cash flow forecast should ensure that AFR maintains adequate liquidity at all times to allow for expected variation in timing of receipts and payments and permit a significant level of

DRAFT

unanticipated programme activity. The annual budget and cash flow will be approved by the Technical Director and submitted to the PIC for opinion as part of the annual business plan.

- Update the annual budget and cash flow forecast on a quarterly basis to take account of actual results and changes in and new additions to programme activity.

3.2 Management of grant receipts

- Prepare timely, co-ordinated funding requests (on quarterly or semi-annual basis) to donor partners in accordance with the relevant funding agreements, confirm with technical director and pass to AFR Directors for signature for formal submission.
- Monitor receipt of payments requested under funding agreements, follow up with donor agencies in the event of delays or problems and confirm to AFR Directors and donors all receipts.
- Advise AFR Directors where follow up action required on the part of the Directors to facilitate payments to AFR.
- Prepare specified financial reports required by donor agencies under funding agreements and against specific requests.

3.3 Management of bank accounts and petty cash

- Support opening of appropriate local and foreign currency bank accounts with a banking institution of strong reputation. Proposals for opening of facilities confirming credibility of bank and compliance with donor requirements must be submitted to the PIC for written confirmation of no objection before submission to AFR directors
- Maintain records relating to all bank accounts held on behalf of AFR and undertake routine bank reconciliations.
- Pro-actively manage AFR liquidity position to ensure that AFR has adequate funds to finance its operations at all times. Any projected shortfall must be brought to the attention of the Technical Director and corrective action proposed.
- The Finance, Procurement & Human Resource Director will be responsible to the AFR Directors for ensuring that AFR does not enter into financial commitments without adequate committed financial resources.

3.4 Preparation of funding agreements for AFR projects

- Prepare Funding Agreements to implement funding proposals which

DRAFT

have received a documented no objection from the PIC or are within the discretion of the Programmes manager for ex-post presentation to the PIC.

- Make arrangements for the AFR Directors and the other parties to approve and execute the Funding Agreements, providing the Directors with the documentary evidence that the proposal has been presented to the PIC and received no objection.

3.5 Disbursements of payments

- Receiving disbursement requests under the Funding Agreements, checking against defined funding arrangements and conditions and that the Technical Director has validated the request (ascertained and confirmed that the Partner remains compliant with the terms of the project), preparing payment request and authority for signature by AFR Directors.
- Oversight of payment process to ensure that payments are made expeditiously to recipients, confirming receipt.
- Providing support to the AFR Directors in submitting funding disbursement requests compliant with the conditions specified in the Funding Agreements.

3.6 Support for procurement

- Support procurement of goods and services by AFR in conformance with principles defined in the operating Policies and Procedures including:
 - Issuing of notices/advertisement requesting expressions of interest from goods and service providers;
 - Assessment of EOIs and short listing in conjunction with the Technical Director;
 - Issuing of tender documents to bidders;
 - Managing receipt and validation of tenders;
 - Assessment of tenders in conjunction with the Technical Director;
 - Maintaining records of procurement and use of specific suppliers of goods and services to ensure compliance with competition rules.

3.7 Accounting and financial reporting

- Maintain accounts for the AFR in accordance with generally accepted accounting principles and in conformance with accounting

DRAFT

requirements under donor grant arrangements.

- Prepare quarterly management accounts, comparing actual income and expenditure against budget and (in conjunction with the technical director) draft report with explanation of all significant variances (greater than $\pm 10\%$ of budget) for submission to PIC and AFR Directors as part of quarterly management accounts.
- Prepare annual accounts, comparing actual income and expenditure against budget and (in conjunction with the technical manager) draft report with explanation of all significant variances (greater than $\pm 10\%$ of budget) for submission to PIC and AFR Directors as part of annual management accounts.
- Identify Certified Public Accountants of strong reputation to undertake annual audit, obtaining written confirmation of acceptability from all donors with active funding agreements with AFR and seek written no objection from the PIC on behalf of the AFR Directors in good time to allow the annual audit to be undertaken.
- Commission full annual financial audit by approved CPA, in conformance with generally accepted accounting principles and submit to the AFR Directors.
- Respond expeditiously to all issues raised in annual audit management letter, proposing changes where required to the Policies and Procedures to the PIC and AFR Directors.

3.8 Human resources management

- Prepare/finalize/update detailed job profiles and performance-based contracts for all AFR staff.
- Establish and implement staff recruitment, performance, discipline and remuneration policies in accordance with good international practice.
- Oversee staff recruitment campaigns and convene/chair interview and selection boards as required together with the Technical Director.
- Design and deliver appropriate induction and other staff training programmes for all staff recruited by AFR, in association with the Technical Director.
- Day to day management and supervision of AFR administrative and accounts staff (2 full time posts) and other administrative support staff recruited by AFR.

3.9 Record keeping and office management

DRAFT

- Keeping all financial and contractual records for AFR (in accordance with the Policies and Procedures) including:
 - originals of all funding proposals presented to PIC (both agreed and rejected);
 - contracts issued by AFR;
 - financial reports from AFR partners under funding agreements;
 - payment instructions;
 - bank records and reconciliations;
 - correspondence by AFR;
 - financial reports of AFR, including management accounts and annual audited accounts.
- Keeping all staff and contractor employment contract and other contractual records for AFR (in accordance with the Policies and Procedures) and observing appropriate confidentiality requirements.

3.10 Maintenance of AFR Policies and Procedures

- Development of formal operating Policies and Procedures (in collaboration with the Technical Director) to be submitted to the PIC for opinion and subsequently to the AFR Directors for formal adoption.
- In association with the Technical Director, make proposals for changes to the Policies and Procedures as required, to be submitted to the PIC for opinion and subsequently to the AFR Directors for formal adoption and update to the Policies and Procedures as appropriate.

3.11 Support to AFR Directors and Technical Director

- Provide all reasonable support to the AFR Directors in executing their obligations under the CLG constitution providing information expeditiously where requested and advice on specific issues raised.
- Offer close operational support to the Technical Director in support of effective and efficient execution of AFR's development programme. The Technical Director and Finance, Procurement & Human Resources Administrator are expected to work as an integrated team with the objective of supporting the AFR Directors in achieving the purposes of AFR.

3.12 Fiduciary responsibility

- Take all reasonable steps in execution of role of financial manager of AFR to:
 - avoid financial losses to the AFR,
 - control fraud both internally and externally,
 - comply with operating policies and procedures,

DRAFT

- ensure full transparency and accountability to Directors,
 - maintain and protect key financial records and data,
 - safeguard confidential information, and
 - avoid damage to the public reputation of AFR.
- The Finance, Procurement & HR Director will be obligated to bring to the attention of the Directors and PIC all potential, actual or perceived threats of financial loss, violation of defined operating policies and procedures or other material threats to AFR.

4. Reporting

4.1 The Finance, Procurement & Human Resources Administrator will work alongside the AFR Technical Director but will be directly accountable and report to the Service Provider.

5. Duration and location

5.1 The post will be based in Kigali, Rwanda to ensure close day-to-day co-ordination with the Technical Director. 3 months inception period followed by a 3 year contract.

6. Candidate profile

6.1 Candidates for the post must be a professionally qualified accountant with at least 10 years professional experience and current membership of a professional accounting body that is a member of the International Federation of Accountants (IFAC). He/She should be appropriately qualified with a bachelor's degree in finance, accounting or a related field from a recognised university;

6.2 Candidates should have at least 10 years working experience in a senior management and/or advisory role primarily in financial management, but with experience of human resources management and procurement gained in large development projects, corporations and/or non-governmental organisations.

6.3 Candidates should be fluent in written and spoken English, have a working knowledge of French and have excellent communications and interpersonal skills. Candidates should have proven experience in managing teams and be conversant with employment legislation in Rwanda.