

Terms of Reference

Independent External Compliance Partner

1 INTRODUCTION

The ENTERPRISE Zambia Challenge Fund (EZCF) is a € 25.9 million initiative by the European Union, part of the wider Support to the Sustainable Commercialisation of Zambia's Smallholder Farmers Programme, funded to unlock, accelerate and leverage investments within agricultural value chains (including agroforestry and aquaculture).

The aim is to improve integration of smallholder farmers and agribusiness actors into regional, national and international value chains with additional weighting on gender focused opportunities and nutritionally sensitive (regional/national) value chains. The ENTERPRISE Zambia Challenge Fund will channel investments in agriculture (including fish farming) by providing financial support in the form of grants to agribusinesses with the potential to benefit smallholder farmers through increasing access to services (including agro-inputs, financial services, extension advice, aggregation and transport, climate smart technologies, etc.).

The programme is funded by the European Union and is implemented in parallel with a European Investment Bank (EIB) credit facility and EU funded programme "Technical Assistance and Financial Instrument support for Zambia Agriculture Value Chain Facility" implemented by EIB which will be disbursed through qualifying Zambian financial institutions (commercial banks, micro finance institutions, etc.).

Self Help Africa and Imani Development Limited are the Fund Managers for the Challenge Fund.

The ENTERPRISE Zambia Challenge Fund is designed to integrate smallholder farmers into commercial agriculture and aquaculture. This will be done by addressing identified needs, challenges and opportunities of Zambian farmers to practise environmentally sustainable and climate-smart agriculture as a business in market-integrated value chains. The action is part of the EU/Government of Zambia programme "Support to the sustainable commercialisation of Zambia's smallholder farmers", aimed at leveraging investment with a value chain approach on smallholder inclusivity and agri-business development.

2 SCOPE OF WORK

Assignment Objective

To provide independent assessment of the functioning and probity of the fund management process and act as an internal process audit function to the fund manager.

These terms of reference have the following related work-packages:

- 1) Conduct a process audit on each round to assess compliance with agreed systems, operational manuals and call guidelines for adherence and process effectiveness.
- 2) Attend the meetings of the Independent Investment Committee as an observer and feedback on process quality.
- 3) Using a sample of firms' review whether systems and processes were applied during the concept note submission and business plan development, review and shortlisting.
- 4) Following the award to contract and the commencement of individual value chain projects use a sample of firms to review whether systems and processes were applied during the 24 to 30 month implementation phase as per the challenge fund operations manual and the EU guidelines.
- 5) The Compliance Partner will report to the ENTERPRISE Zambia Challenge Fund Management Board. Reports issued on a regular basis to the Management Board in line with contact milestones.

A detailed workplan and budget will be worked up with the successful company.

3 TIMEFRAME

The project commenced on 1 March 2020 and will run until February 2025.

Task	Timeline
Attend Independent Investment Committee meetings	<ul style="list-style-type: none"> • Nov 2020 • Feb/March 2021 • May/June 2021
Sample firms and review systems, processes during concept note submission and business plan development, review and shortlisting.	<ul style="list-style-type: none"> • Nov/Dec 2020 • March/April 2021 • June/July 2021
Sample firms and review whether systems and processes were applied during the implementation phase as per the ENTERPRISE Zambia Challenge Fund and the EU guideline	<ul style="list-style-type: none"> • Q4 2020 through to Q4 2024

4 BUDGET

The budget set aside for this assignment is in the region EUR 50,000 over the lifetime of the project.

5 PERFORMANCE MANAGEMENT, PAYMENT MECHANISM AND REPORTING

Payment will be in arrears on presentation of an invoice based on the number of days' work carried out in line with the agreed deliverables for the period.

6 BID ASSESSMENT CRITERIA

The contract will be awarded to the tender offering best value for money (i.e. the tender offering the best price-quality ratio).

Weighting of the assessment criteria is as follows:



- Technical Proposal and past experience – 40%,
- Team proposed for the assignment – 20%,
- Cost – 40%.

7 INSTRUCTIONS TO APPLICANTS

Please send Expressions of Interest to: info@enterprisezambia.org

The Expression of Interest should cover:

- Understanding of the assignment and proposed approach,
- Examples of similar assignments completed
- CVs and roles for staff proposed
- Day rates for staff proposed.