REQUEST FOR EXPRESSIONS OF INTEREST FOR INDIVIDUAL SHORT-TERM CONSULTANT

African Development Bank
Headquarters
01 B.P. 1387 Abidjan 01
Abidjan, Côte d’Ivoire

Agriculture Finance and Rural Development Department
Agriculture and Rural Finance Division

Title of assignment: Individual Long-Term Consultant

Brief description of the assignment: The Individual Short-Term Consultant (the “Consultant”) will provide immediate wide-ranging research and analytical support to the Agriculture and Rural Finance Department to facilitate its business development in innovative financing and Small Medium Enterprises.

Department / Division issuing the request: Agriculture and Rural Development Department (AHFR)

Place of assignment: Abidjan, Côte d’Ivoire

Duration of the assignment: Six (6) months

Tentative date of commencement: 07 June 2020

Deadline for applications: 15 May 2020

Expressions of interest should be submitted to: Grace Ochola – Email: g.ochola@afdb.org with a copy to Mr. Henry Verdier, Jr. (h.verdier@afdb.org).

TERMS OF REFERENCE

INDIVIDUAL SHORT-TERM CONSULTANT

1. Introduction and Background

The Bank:

Established in 1964, the African Development Bank (the “Bank”) is the premier pan-African development institution, promoting economic growth and social progress across the continent. There are 80 member states, including 54 in Africa (Regional Member Countries). The Bank’s development agenda is delivering the financial and technical support for transformative projects that will significantly reduce poverty through inclusive and sustainable economic growth. In order to sharply focus the objectives of the Ten-Year Strategy (2013 – 2022) and ensure greater developmental impact, five major areas (High 5s) have been identified for scaling up, namely; light up and power Africa, feed Africa, industrialize Africa, integrate Africa and improve the quality of life for Africans.

The Hiring Department:

The focus of the Agricultural Finance and Rural Development Department (the “Department”) is aligned with the Feed Africa strategies for food and agriculture development in Africa. Specifically, the
Department seeks to achieve the following outcomes: i) contributing to the elimination of extreme poverty in Africa by 2025; ii) ending hunger and malnutrition in Africa by 2025; iii) making Africa a net food exporter; iv) and moving Africa to the top of export-orientated global value chains where it has comparative advantage. The Department has the mandate to achieve the goals of the Feed Africa Initiative by working with and providing financing to the public and private sector to improve agricultural efficiency, output and access to markets throughout value chains.

The Department has the following deliverables:

i. Support Non-Sovereign Operations (“NSO”) targeting large and medium sized agro-companies, private equity funds and impact funds;

ii. Support an enabling environment for private sector development for de-risking investments, and financing agricultural value chains;

iii. Lead strategic partnerships with key private sector clients, financial institutions and commercial banks to finance priority agriculture value chains;

iv. Provide high-quality and innovative debt/equity/quasi-equity/guarantee investments for private sector development aimed at agricultural transformation;

v. Catalyze capital flows, especially commercial lending and private investment to scale agribusiness; and

vi. Mobilize resources and blended finance initiatives to close the financing gap for private sector led development of agricultural value chains.

2. Objective and Activities of the Assignment

Due to a variety of factors, SSA is not a region with significant presence of equity, mezzanine or debt funds made available to the specific segment of SMEs, particularly small enterprises. Recognizing the importance of this segment for generating jobs, the Agriculture Fast Track Fund (AFTF) was launched to help develop this underserved sector. Agribusinesses are not well positioned to borrow from local commercial banks, due to lack of collateral or perceived higher risk of food and agriculture as a sector. AFTF is coming to a close in November 2020 and therefore the lessons should be learned.

Internally there is a need for much internal collaboration for SMEs. As a narrative, there is a much more powerful story that we could tell. From our side, coordinating efforts is key here as the market segment is risky, needs dedicated and follow up along the full cycle of support of the investee. Developing structured lines of communication and feedback amongst all of these groups working on MSME could help have a more comprehensive approach for investing in this segment.

AHHD is working on a proposal for a Youth Entrepreneurship Investment Bank to promote job creation, especially for youth – or could scale-up investment vehicles with employment effects or direct investment to grow youth-centric businesses. Within the Youth Entrepreneurship Investment Bank, rural SMEs are an important target segment. There is thus a need for a dedicated investment/financing platform to fill-in the gap for tailor-made finance and post investment support for agropreneurs. More capital is not enough to help young agro-preneurs and business incubators are needed by many small businesses across the continent to develop their activities.

African Development Bank has been working with smaller enterprises indirectly through private equity funds (PEFs). There have been a number of PEFs including AGRIVIE, Phatisa, Zebu Fund, Moringa, that are dedicated to the agribusiness and forestry sector. It would be beneficial to work with the portfolio management team in the Bank to be able to review the PEFs for investee companies looking for co-investment. There is a need to work with the equity portfolio to find next generation pipeline.
Commodity exchanges, where they exist, can increase transparency and facilitate interaction between buyers and sellers of commodities/commodity-based contracts. A well-functioning, rules-based exchange can significantly improve efficiency of physical trade by lowering transaction costs, improving negotiating terms, ensuring product quality, and managing counterparty risk, and even improving warehouse operations, storage infrastructure and production and transport-related logistics. COVID-19 has demonstrated that in times of crisis, having reserves, both public and private are important. There are a number of donors that are interested to support a proposal for supporting a broader commodity exchange initiative.

3. **Partnerships** are critical, with both development partners and key private sector. In supporting SMEs, there are some development partners that can provide much more flexible support like SATiH and WATiH. In the context of working with the World Economic Forum, we need to identify some key initiatives with the private sector (AFGRI) that we can work with.

The key tasks to achieve the objectives of the assignment will include the following:

- Help with the completion of the Agriculture Fast Track Fund to understand what some of the achievements are so far and how we should work towards completion
- Coordinate internally with different departments working on SMEs, particularly on working out solutions that will work for agribusinesses, and develop an internal roadmap
- Work together with the Jobs for Youth team on developing the idea of a Youth Entrepreneurs Investment Bank focusing on agro-preneurs
- Review ongoing and past portfolios of PEFs to see whether there are deals that may be interesting for debt financing from the Bank
- Finalize a proposal for Commodity Exchanges to be shared with donors for financing (work with capital markets team)
- Discuss with strategic external partners on their SME portfolio (West Africa Trade Hub, South Africa Trade Hub) and identify areas of follow up and concretely working together

4. **Deliverables**

The Consultant will be responsible for delivering the following milestones:

- Lessons learnt of the achievements the Agriculture Fast Track Fund so far and recommendations for completion
- An internal roadmap for coordination in 2020 with internal departments working on SMEs
- Youth Entrepreneurs Investment Bank design developed with AHHD
- Identify companies from PEFs requiring debt financing from the Bank
- A proposal for specific Commodity Exchanges (to be identified) shared with donors for financing
- Strategic partnerships with external partners on an SME portfolio

5. **Administrative and Technical Reporting**

The Consultant will be under the overall supervision of the Director (AHFRO).

6. **Duration of the Assignment**

The assignment will be for six (6) months. For the entire duration of the assignment, the Individual Consultant shall be physically present at the Bank’s offices in Abidjan, Cote d’Ivoire or a member country location as agreed with Management.
7. **Qualifications and Experience Required**

The Consultant shall demonstrate appropriate qualifications and skills necessary for the assignment as described above. Candidates should demonstrate the following qualifications and skills:

- A Masters’ degree (or equivalent) in Business Administration, Economics, Finance / Banking or related field;
- A minimum of two (3) years working experience, including experience in undertaking business development and marketing activities.
- Experience with creating pitch books and presentations used by Management in client meetings;
- Experience in knowledge management and proven experience in coordinating the preparation, overseeing, and dissemination of knowledge products;
- Prior experience with sector diagnostics and analysis of major players and business opportunities in the African Agribusiness space;
- Familiarity with the functioning or previous experience with a multilateral development finance institution, a bilateral institution, investment or commercial bank will be an advantage;
- Excellent and advanced knowledge of Microsoft PowerPoint applications;
- Excellent verbal and written communication skills in English and/or French. A good working knowledge of the other language would be an added advantage;
- Proven ability to manage and deliver products in a timely manner and handle multiple tasks at the same time; and
- A national of the Bank’s Member Country.

8. **Remuneration**

The Consultant will be paid a competitive monthly lump sum for the entire period in accordance with Bank’s remuneration guidelines for Individual Short-Term Consultants.