



**TERMS OF REFERENCE FOR THE FINANCIAL INSTITUTION/S TO MANAGE
THE TPO/USAID LIVELIHOD GRANT FOR CBT/VSLA GROUPS**

FOR

**80 CBT groups to undertake selected enterprises from 6 Sub Counties in
the District of Kitgum, Lira, Gulu and Omoro**

TPO Uganda- Gulu Field Office

Plot 652, Block 257, Wamala Close, Munyonyo P.O Box 21646, Kampala Uganda

Tel: 256(414) 510 256 **Email:** info@tpoug.org **URL:** www.tpoug.org

1. About TPO Uganda

TPO Uganda is rights based Non -Governmental Organization which has been operating in Uganda since 1994, specializing in mental health, psychosocial support, prevention of sexual and gender based violence and OVC & child protection. TPO Uganda works with local communities, Civil Society Organizations to meet the protection, psychosocial and mental health needs of vulnerable people. TPO Uganda cherishes collaboration with government and the private sector to improve the livelihood of marginalized communities. TPO Uganda with support from the American People through USAID is implementing the ***USAID's Promoting Peaceful Coexistence and Resilience Activity in Northern Uganda*** in Acholi and Lango Sub-regions, Northern Uganda. The project is aimed at ensuring post conflict communities are living together in harmony and enjoy good mental health.

One of the project's interventions is improving social functioning of the conflict affected households in the districts of Gulu, Lira, Omoro and Kitgum. To further strengthen this, TPO Uganda is seeking a reputable financial or microfinance institution to manage livelihood grants for 80 CBT/VSLA groups.

The financial institution will receive, manage and account for the livelihood grants for CBT/VSLA groups worth **UGX 210,532,000 (Two hundred ten million five hundred thirty-two thousand shillings only)** on behalf of the project, conduct financial literacy for the groups and strengthen linkage between groups and financial institutions TPO Uganda is a local Ugandan NGO that has been operating in Uganda for the last 25 years and is currently active in 35 districts in the country, working in the promotion and protection of children's rights, socio-economic support and livelihoods improvement, mental health and psychosocial support, disaster risk reduction, and care for Orphans and other Vulnerable Children. TPO Uganda cherishes collaboration with government and the private sector to improve the livelihood of marginalized communities.

The activity objectives are;

Objective 1: *To improve the social functioning of conflict affected households through the provision of psychosocial care, trauma support and socioeconomic empowerment.*

Objective 3: *To promote a culture of peaceful coexistence and tolerance through community-based platforms to build positive relations among warring households and communities.*

According to the Study on the intersection between post-conflict trauma & peacebuilding in Northern Uganda conducted by TPO Uganda indicated that trauma healing, reconciliation and economic empowerment are intricately interconnected and require an integrated and multisectoral approach due to the complex set of phenomena affecting post conflict societies.

To date, the activity has supported total of 198 CBT of 15 members to engage in VSLA. Out of these, 118 groups have already been supported economically to enhance their VSLA last year, as result the groups have a current revolving portfolio of 110 million Uganda shillings. The balance of 80 groups will be supported to access financial support through procured finance institution (s). Access to the livelihood grant by the selected 80 groups from the procured financial institution will be guided by their business plan aimed at sustaining their interventions.

Economic and Livelihood component is intended to support the graduated Cognitive Behavioral Therapies (CBT) groups and other vulnerable households with mental health challenges to access cash grants to boost their livelihood activities that the groups have developed with support from the Business Developed Officer and the Community Developed Officers. The 80 groups that were not supported last year have demonstrated economic hardship and low VSLA portfolios which has greatly affected their growth thus triggering relapse. Acquisition of the cash grant from the selected financial institution (s) will be guided by the group's business plan approved by TPO Uganda and entire group members. Through this, the groups will become self-reliant to sustain their own selected livelihood in the context to their environment.

All the 80 selected CBT groups will be supported with total grant of **UGX 210,532,000** to enable them engage in their selected enterprises. It's upon this background that TPO Uganda with support from USAID is seeking for reputable financial institution to empower 80 selected graduated CBT/VSLA groups experiencing economic hardship that is triggering their relapse. The selected financial institution/s will manage the TPO grant for the 80 CBT groups from a central bank group account and 80 groups will access funds as and when they are ready after an assessment by the financial institution.

2. Project Outcomes

1. Ownership and access to productive assets and increased resource base.
2. Survival and Livelihood protection threshold.
3. Productivity enhancement.
4. Increase and diversification of income sources among the targeted communities.
5. Gain and application of livelihoods activities knowledge.
6. Access to livelihoods support services and markets

3. Goal of the assignment

The 80 CBT groups facing economic hardship that is triggering their relapse will be

supported to access cash grants from the selected financial institution to enable undertake their selected enterprises to improve their livelihood. This is aimed at addressing key triggers of relapse amongst the selected CBT groups/members.

4. Objectives of the assignment

The assignment exercise seeks to establish the;

- a) financial base that empowers the vulnerable groups of people to improve their livelihoods
- b) Human resource aimed at strengthening the capacities of the groups and enhancing project continuity.

5. Geographical location of groups

District	Sub County	Number of groups
Gulu	Awach	13
Omoro	Lakwana	12
Lira	Ogur	19
	Agweng	16
Kitgum	Mucwini	12
	Namokora	8
Total		80

6. Implementation Modality

1. This activity is aimed at empowering 80 graduated CBT groups with livelihood grant through financial institutions. Prior to receiving this grant, the procured financial institution will provide training of the selected groups on; Financial literacy in terms of; record keeping, savings, investment, and personal financial management, Loan management at individual and group level to the groups. The financial institution will inform groups the modalities of accessing and utilization of funds.
2. The selected financial institution will open a central account for TPO where all the money for the 80 groups (**UGX 210,532,000**) will be deposited. The access and utilization of the funds will depend on the assessment reports conducted by the financial institution. The financial institution should ensure that groups access the funds with ease and repay back the borrowed money without challenges.
3. The financial institution should ensure that all the 80 open bank accounts with the selected financial institution so that funds can be easily transferred from the TPO account to the group once approved by financial institution.
4. The financial institution should come up with the best packages to ensure that groups easily access money to improve their livelihood and the TPO revolving fund continues

to grow. Groups will access funds depending on the business plan/enterprises to be undertaken.

TPO Uganda shall:

- TPO shall open an account at the financial institution where **UGX 210,532,000** will be deposited to support the selected CBT groups in the 06 sub counties
- Enhance and support creation of partnerships and networking opportunities between TPO Uganda, financial institutions and the groups.
- Provide support to all the 80 selected groups to implement activities in line with their business /livelihood plans.
- Conduct routine follow-up to the groups to document key achievements and attend to emerging psychosocial challenges.
- Provide relevant information that may be required by the selected financial institution
- Officially communicate to the CBT groups on the process of accessing funds from the microfinance.
- TPO PEACE FAO and COP to conduct monthly visits to financial institution to check on status of funds management and share reports with the Country Director

The financial institution shall

- Conduct financial literacy in terms of; record keeping, savings, investment, and personal financial management, Loan management at individual and group level to the 80 CBT/VSLA groups.
- Financial literacy in terms of; record keeping, savings, investment, and personal financial management, Loan management at individual and group level to the groups. Support TPO in opening an account where the TPO FUND will be deposited.
- Receive, manage and account for the grants received from TPO Uganda following the agreed on TPO formats and system with the highest level of integrity and in accordance to the approved CBT work plan and budget.
- Demonstrate experience of handling and managing funds for VSLA/Community groups
- Have Operations in the northern districts of Uganda namely Kitgum, Omoro, Gulu and Lira
- Support TPO in opening an account where the TPO FUND will be deposited.
- Ensure proper management of funds and notify TPO before any funds are disbursed to groups
- Ensure all the groups comply to the necessary requirements before accessing funds.
- Build the capacity of the 80 groups before availing them funds from TPO in terms of groups dynamics, livelihood diversification and providing linkages to other agro-input dealers
- Provide account opening services to all the 80 groups. Operation of the accounts shall be subject to terms and condition of running the group accounts.

- Provide Loan services to the 80 groups and ensure timely loan repayment by groups at an agreed interest rate with TPO from the TPO fund deposited on the bank account.
- Prepare monthly/quarterly reports on progress of the groups saving portfolios.
- Coordinate with TPO Social Worker based at the Sub-county to support the 80 groups with support from the TPO Chief of Party.
- Demonstrated experience in working with rural and/ or low-income communities

7. Requirements from the financial institution

1. Demonstrate 04 years' experience in working with rural and /or low income communities/VSLA groups in Northern Uganda.
2. License from Bank of Uganda/Micro finance support Centre.
3. Audited financial accounts for the last three years of operation.
4. Percentage loan portfolios at risk and at least 2 recommendation letters from any of the districts in Lango and Acholi sub region
5. Willing to offer affordable packages to the livelihood /VSLA groups.

8. Submission of Proposal

Microfinance /Financial Institutions that meet the above requirements should submit their proposals and letters of interest to the Procurements and Logistics Manager. procurement@tpoug.org or hand delivered to TPO Uganda offices on plot 652, Block 257 Wamala Close Munyonyo. P.O. Box 21646 Kampala or TPO Uganda Gulu field office.

Full Terms of Reference can be accessed from TPO Uganda website. **The deadline for submission is 23rd September 2020.**