

**REQUEST FOR PROVIDING
CONSULTANCY SERVICE TO PASS
LEASING COMPANY**

Terms of Reference

1. Introduction

The Private Agricultural Sector Support (PASS) Trust was established in the year 2000 in order to stimulate investment and growth in commercial agriculture and related sectors. It was registered in 2007 under the Trustee's Incorporation Ordinance, Cap 375, now the Trustee's Incorporation Act, Cap 318. PASS was established for purposes of promoting and facilitating investment in agricultural production, agribusinesses and business development products.

With a view to further promote the financing and growth of the agriculture sector, PASS has established a leasing company- wholly owned and powered by PASS. The PASS leasing company's operations have been granted and authorized by the Bank of Tanzania.

The objective of the PASS Leasing Company is to support the agricultural sector through provision of competitively priced- collateral free lease financing so that producers can reach their productive potential.

PASS leasing company aims at demonstrating that there is a huge market potential in asset-based financing in order to encourage further investment in agriculture by other leasing and financial service providers in the market.

The Company's vision is to be a leading and reputable lease finance provider in the agricultural sector and dedicated promoter of asset-based financing market.

PASS Leasing Company's target market is mainly traditional banking customers and those who are currently unserved by banks and other financial institutions.

2. Purpose

Through this TORs, PASS is sourcing for a local consultant, with extensive knowledge and experience in financial leasing and/or asset financing and in-depth understanding of the Bank of Tanzania (BoT) Regulations, in-order to provide technical support while establishing the Leasing Company. This is a full-time consultancy for a period of two years.

3. Scope of Work

The main tasks for the Consultant will be as follows:

- i. Review Policies and Procedures to ensure that they are in compliance with BOT regulations and that they in line with the current market demands.
- ii. Review the organization structure of the Company with a view to, at this infancy stage, have some of the key functions such as Human Resources, Finance, Risk, legal and internal audit outsourced from the parent entity, PASS Trust, without compromising with regulatory requirement and independence of the company.
- iii. Provide support to the company to ensure that it maintains accounts in accordance with the Accounting Standards as prescribed by the National Board of Accountants and Auditors while observing accounting requirements for provisions from non-performing assets as stipulated in BOT Financial Leasing Regulations.
- iv. Provide support to the company to ensure that at all times it complies with BOT regulatory and approval requirements.
- v. Support management to identify and recruit staff with required knowledge, expertise, experience and attitude for the job in the leasing company.
- vi. Carrying out orientation and couching of Management and staff when they start operations.
- vii. Continuous building capacity of the company's Board and Management on governance, processes, risk and general operations of leasing business.
- viii. Develop and design various lease products as per the market in Tanzania
- ix. Develop a system for proper documentation and procedures for leasing company
- x. Design and develop various reports for managing the lease company
- xi. Assist the management to select appropriate MIS for managing the lease finance
- xii. Assist the management in conducting and arranging meetings with various stake holders for leasing company
- xiii. Assist the management to solicit various donors and partners for supporting the leasing company
- xiv. Consulting on how the preferred supplier can be held responsible for the servicing and maintenance of the leased assets/equipment throughout the duration of the contract and also to employ their own controls such as asset tracking and training of use of the assets to ensure its fair value does not fall below its guaranteed residual value at the end of the lease.

- xv. Developing/Reviewing standard buy back agreements and other documentations with sellers of assets/equipment to be leased to lessees with a view to transfer back to seller as much as possible the risks of:
- a) **Default** when the lessee fails to pay the rental fees for the asset or equipment.
 - b) **Obsolescence** of leased assets in the event that the lessee does not exercise the right to buy the asset/equipment at the end of the lease period.

4. Deliverables

- a) The consultant will prepare and submit a consultancy report to PASS Trust on completion of the assignment.
- b) The report will cover the following deliverables:
 - 1) Startup Action Plan for the leasing company including start up activities and time frame
 - 2) A Study Report, including stakeholder analysis, identification of services and detailed process diagrams for the business processes. The report shall also identify current threats to the organization, bottlenecks and possibilities for improvement.
 - 3) The proposal Organization Structure and staffing of the Leasing Company
 - 4) PASS Leasing business plan through discussions.
 - 5) Different policies and procedures for smooth operation of the Lease company

5. Submission

Interested Consultants will be required to submit their profiles and Proposals as per this TOR Guidelines to the address below to the following websites. <https://pass.or.tz/vacancies>

The Application must be submitted on or before 15th April 2020. For any enquiry please send email to the address below

Email: procurement@pass.or.tz