



AGRICULTURAL FINANCE CORPORATION(AFC)

**GENERAL GUIDELINES FOR SAVINGS AND CREDIT
COOPERATIVES SOCIETIES (SACCOs) AND MICRO
FINANCE INSTITUTIONS (MFIs) IN APPLYING FOR THE
FUNDING FOR SUPPORTING ACCESS TO FINANCE AND
ENTERPRISE RECOVERY (SAFER) UNDER IDA CREDIT
NO. 7018-KE**

**MANAGING DIRECTOR
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NAIROBI**

Background

The Corporation has received funding from the World Bank through the National Treasury for lending on a wholesale lending model. To be able to achieve this objective the Corporation is inviting all qualified and eligible SACCOs and MFIs to apply for consideration.

All applicants must observe the World Bank regulations and requirements in relation to this funding. In particular, the applicants must commit in writing as part of their application, to observe the following:

- i. The bank's anti-corruption guidelines and policies
- ii. The environmental and social guidelines and policies
- iii. The bank's procurement guidelines, where applicable.
- iv. General Conditions for bank's financed projects (Investment Project Financing).

These documents are available on the bank's and NT website.

<https://www.worldbank.org/en/projects-operations/products-and-services/procurement-projects-programs>

<https://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework>

<https://www.treasury.go.ke/wp-content/uploads/2021/11/Supporting-Access-to-Finance-and-Enterprise-Recovery-SAFER-Project.pdf>

In respect to this funding, successful applicants shall be expected to familiarize themselves and comply with the Projects Operation and Reporting Manuals.

For assessment applicants must comply with the following:

Part A: Mandatory Documents

- (i) Certificate of Registration/Incorporation
- (ii) Valid Tax Compliance Certificate
- (iii) Valid License from the regulatory authority
- (iv) Registered trustees/directors and profile showing the top decision-making organ of the Sacco, attach a copy of National IDs.
- (v) Audited financial statements for the last three (3) years
- (vi) Bank reference letter where the sacco holds active bank account(s) stating if it's good for ordinary business dealing.

Part B: Technical Requirements

- a) Demonstrate absorption capacity, and financial and operational capacity.
- b) CAMELS rating compliance, that is, capital adequacy, asset quality, management, earnings, liquidity, and sensitivity.

- c) Demonstrate good performance with adequate Corporate governance structure, sound financial performance indicators, and adequate technical and institutional capacity to operate at competitive market conditions
- d) Experience in serving MSMES and willingness to design/innovate products and services targeting MSME market segment
- e) Experience in targeting, reaching out to, and collecting data for the population segments that are difficult to reach, including women, youth and persons living with disability, owned enterprises

The applicant shall endeavor to support their application with facts and requisite documents. The Corporation may carry out due diligence to ascertain all material facts presented if found necessary.

Part C: Financial

Applicant to indicate the amount applied for and proposed interest, repayment schedules, and Disbursement schedules/plans, Work plans.

Please note successful applicants shall be expected to report monthly in a prescribed format in the Finance Operation and Project operation manuals.