

Terms of Reference (ToR)  
on  
**Fundraising Strategy Development for Local NGOs**

**The Project at a Glance:**

**Title of the Project:** “Strengthening the Role of NGOs and Civil Society Organizations (CSOs) for People Centered and Sustainable Development continuation”.

**Implementing Organization:** ADAB (Association of Development Agencies in Bangladesh)

**Funding source(s):** Bred for the World, Germany

**Project duration:** January 2022- December 2024

**Location of the project:** The project will cover the whole country except 3 hill districts. Primary target groups of this study are the member organizations and other stakeholders i.e. various categories of other NGOs, Govt. officials, NOGAB, Business executive, community leader, NGO/CSO/association leaders, bank officials. The ultimate beneficiary of the project is all the poor and marginalized communities in Bangladesh

**1. Background:**

NGOs have been working since the birth of Bangladesh and have found a role for themselves in the gap between society and state, seeking to promote the people’s welfare through grassroots initiatives and development programs. Various NGOs in Bangladesh are playing a remarkable role in positive changes and visible sustainability in the development movement, though they were not evaluated as they truly deserved. NGOs are also providing much-needed job opportunities, stimulating small enterprise development, and inspiring and equipping people from a traditionally agricultural society to pursue non-farm livelihoods. In short, NGOs in Bangladesh play an indispensable role in partnering with international development partners to bring precious resources to the country during times of devastation and implementing a wide range of activities, including microfinance, health and education services, social safety net programs, agricultural extension, social forestry and environmental protection, safe water and sanitation, disaster management and relief, and legal and human rights education etc.

While NGOs in Bangladesh has a significant contribution to the development process of Bangladesh, their funding opportunity is being shrunk day by day. The institutional funding, particularly the foreign fund is decreasing sharply.

As we know, investing in human capital is the key to ensuring long-term sustainable growth and reducing poverty. But, the Development agencies are more focused on project-based activities and the awareness and right-based programs are declining sharply. Present subcontracting of funding modalities of donor's is making it much more difficult for small and local NGOs to mobilize funds, creating an unhealthy competition among NGOs and initiating a patron-client relationship. The direct involvement of INGOs in project implementation has shrunk the space for small local NGOs to work. The localization commitment of grand bargain agenda is going far away - leaving the local NGOs behind, in the name of so-called capacity lacking. Because of these adverse situations, many NGOs are now on the verge of their existence.

The modality of funding has been changed due to the global economic downturn over the past decade and the global Corona epidemic. As we are moving towards to be a middle-income country from developing country, the NGOs working with foreign grants have intensified the uncertainty about the receipt of funds. Added to that is the global economic downturn caused by the. We all know that the lion's share of foreign grants to NGOs working in Bangladesh come from European countries. European donor countries are the hardest hit by the ongoing global epidemic.

The Small and local NGOs have their commitment to their society, good understanding about local reality, local needs, effective in negotiating with the local government, design projects based on homegrown experience, can operate programs with low cost, but they are facing the challenges of capacity lacking. Now the crying agenda for LNGO is to raising the fund to do work evenly on humanitarian activities. The funding challenge is a common dilemma for a great number of NGOs.

ADAB has also been building capacity of NGOs on resource mobilization, Project Proposal writing, Organizational Capacity Assessment, Organizational Development and Management, ICT, Financial Management etc. so that they may be more capable to work for sustainable development of Bangladesh.

Recently, ADAB has conducted a study to identify the potential scope of funds and develop the capacity of local NGOs for exploring such opportunities. As utmost goal, ADAB is intended to formulate a detail strategy to develop the capacity of LNGOs relating to fundraising from local and international donors to overcome the obstacles of funding and finding out the scopes/possibilities of alternative fundraising leading to its organizational sustainability.

## **2. Salient information on fund raising:**

Bangladesh is 7th among 10 countries have most increased their World Giving Index score on donating over the past five years. However, despite their significance to society NGOs do not receive these funds, as people in Bangladesh tends to donate individually not to the organization like NGOs.

Other than the direct donor funds, the bilateral agencies support NGOs through the specific development projects of the Government of Bangladesh. The specific project proposals and the corresponding budgets require to be approved by the concerned department of Bangladesh government. In addition, many bilateral funding supports to the government or any other government agencies, specify the percentage of funds that must be spent through the NGOs. There are mostly three types of arrangements: (a) sub-contract; (b) joint implementation; and (c) Government as financier of NGO projects. The most common collaboration is the sub-contracting arrangement where Government agencies enter into contracts with NGOs. Joint implementation on a partnership arrangement, where NGOs are involved either as co-financier or joint executing agency with the Government. But always there are some ambiguity and so-called bureaucracy in this process which basically adulterating the philanthropic characteristics gradually.

Different embassies also offer financial assistant for development purposes based on MoU NGO and Foreign Govt. They offer those funds by bidding, call for proposals, agreement, MOU etc.

CSR (Corporate Social Responsibility) could be another potential source for social development activities. CSR is often seen in terms of financial spending in a particular area of socio-economic or development activity. Though the government has no explicit policy on CSR, Bangladesh Bank has made it mandatory for Banks to practice CSR, and some private bank and also some of the ministries, such as the Ministry of Commerce and the Ministry of Information, are encouraging private industry to engage in CSR activities. The central bank has formulated an indicative guideline for bank's CSR spending. As per the guideline awaiting clearance, banks and NBFIs (Non-Banking Financial Institution) will henceforth have to spend 2.5 per cent of their net profits on CSR activities. By CSR events, business groups can do societal and charitable events for fostering justifiable and supportable social progress. However, some NGOs are mobilizing small CSR funds from some local industries by using their personal linkage, but it is not much general. The CSR could be a good source of local funds for philanthropic activities. But it needs good attention of the Govt. and its administrative decisions, engagement for NGOs and friendly disbursement procedure.

Fund mobilization is one of the most challenging issues for the mid and local level organizations, hence they have the full commitment and devotion to their community. NGO's needs to have sustainability strategy to ensure flow of funds for its program and work towards financial sustainability. This strategy will be developed taking into consideration of Bangladesh experience, capacity and funding potentials from global and local grants market and philanthropic opportunity. This sustainability strategy would present explaining on what, from where and how NGO's should be able to raise fund for its strategic plan, sustainability and other priorities identified in due course.

ADAB has already conducted a study to identify the potential scope of funds and develop the capacity of local NGOs for exploring such opportunities. In the current project, ADAB has also been aimed to conduct a study to formulate a detail strategy to develop the capacity of LNGOs relating to fund raising from local and international donors to overcome the obstacles of funding and finding out the scopes/possibilities of alternative fundraising leading to its organizational sustainability.

### **Specific Objectives:**

- a. Desk research on fund raising potentials of NGOs; past practices of NGOs for fund raising; barrier and challenges in fund raising.
- b. Identify all possible funding sources for social development activities;
- c. Identify the fundraising strategies, instruments and channels for small and mid-level NGOs may consider to approach and apply
- d. Suggest role of ADAB to foster fundraising by the NGOs including capacity building initiative for NGOs on fundraising
- e. Enhance the capacity of Resource Pool Members on fund raising techniques and approaches

### **4. Scopes of work for the consultant:**

The major scopes of work for the selected consultants are, but not limited to, the following:

- **Fundraising Needs Assessment:**
  - Conduct need assessments to identify their specific fundraising needs, challenges, and opportunities.
  - Analyze the financial sustainability and resource requirements of SCRC.
  - Identify key funding gaps and areas for improvement in its current fundraising practices.
- **Research and Potential Funding Sources:**
  - Conduct research to identify potential fundraising sources, including international donors, grant-making organizations, foundations, corporate sponsors, and government agencies, local resource mobilization
  - Assess the eligibility criteria, application processes, and timelines for each funding source
- **Fundraising Strategy Development:**
  - Based on the fundraising needs assessment and research findings, develop a tailored fundraising strategy for NGOs
  - Provide a step-by-step guide and recommendations for the NGOs to implement the fundraising strategy effectively.

- Outline key fundraising goals, target sources, strategies, and timelines for NGOs.
- Incorporate best practices for donor relationship management, proposal writing, and reporting requirements
- Inclusive of updated mapping of potential donors,
- Formulate a workshop module on the fundraising strategy
- **Capacity Building and Training:**
  - Organize a validation workshop on the prepared module to for building the capacity for ADAB’s Resource Pool and other Members on fundraising techniques, donor engagement, and proposal development.
  - Provide training materials, resources, and tools to enhance their fundraising skills and knowledge.

**.6. Supports from ADAB**

- a. ADAB will provide all necessary documents, data and information felt necessary and asked for the purpose of carrying out this assignment by the consultants.
- b. The project staffs will extend required cooperation and arrange all meetings with all concerned as mentioned in this ToR and as required by the study team during the process of performance of the assignment.
- c. ADAB will extend all necessary cooperation and supports to the consultants for proper execution of the assignment.

**7. Time Frame:**

The assignment will be completed within 30 working days spread over in two calendar months. The consultants will accomplish the entire assignment of project evaluation within this time frame.

<b>Serial</b>	<b>Major activity</b>	<b>No. of working days</b>
1	Review of relevant documents made available to consultant.	03
2	Development of data/ information collection tools including study questions, checklists for FGDs, KIIs and case stories.	02
4	Field testing of data collection tools and revising accordingly	02
5	Field work: FGDs, case stories preparation, meeting with key informants, etc., including checking and editing of collected data/	07

	information and ensuring total quality control at every stage of performance of the assignment	
6	Processing/ tabulation of collected data/ information	5
7	Preparation of Draft report and the workshop module	5
8	Conduct the validation workshop	3
8	Finalize the strategy paper, Workshop module based on comments/suggestions of the validation workshop.	3
	<b>Total</b>	<b>30 days</b>

## 8. Expected deliverables/products from the Consultant(s)

The consultant is expected to prepare an analytical report in English including an Executive Summary where the details of findings, working papers, tables etc. may be presented as appendices. The recommendations should be presented in such way that they are useful for developing a concrete action-plan. The details are as follows:

- a. The Consultant will submit brief inception report which includes a presentation of the assignment concept, detailing the methodology and approaches, time frame and potential risks etc;
- b. The consultant will confirm the work plan and deliverables
- c. Draft fundraising strategy and plan in line with an agreed table of content
- d. The consultant will provide table of content for the envisaged fundraising strategy along with a workshop module.
- e. By the end of the agreed period, the consultants will submit a draft strategy paper along with the workshop module in hard copy and soft copy to ADAB.
- f. The Consultant will conduct a validation workshop arranged by ADAB on the workshop module and gathered the observations and suggestions of the participants.
- g. The final strategy paper and the workshop module will be submitted after accommodating comments/ observations/ suggestions
- h. After finalization of the strategy paper and the workshop module the consultants will submit in hard copy (6 Copies) and soft copy to ADAB.
- i. The consultant will complete the work meeting the timeframe and deadlines agreed upon with ADAB

## 9. Consultant team's requirements:

ADAB expects a team comprising lead consultant having post-graduation degree on social science or in the relevant field and a management specialist to carry out this assignment. The lead consultant in consultation with management specialist will develop tools and

methods to conduct the study. The research team is expected to have the following qualification/expertise:

- The lead consultant is expected to have Post-graduation in social science/relevant field with at least twenty years of working experience in development field and possess extensive experience of over fifteen years in managing quantitative and qualitative social research, analysis; training material development and facilitation skill; proven ability to secure programmatic and core funding with a strong understanding of donor relations, including CSR, private, individual donors etc.
- S/he should have significant knowledge, experience and skill in assessing organizational management, practice, trends, capacity building and scope of resource mobilization, funding source and fundraising options for NGOs in different region and categories, welfare organizations, cultural organizations etc. active in Bangladesh; analysis of legal instruments, organizational capacity assessment, case studies and best practice documentation related to these in the local and global context etc.
- S/he must have skills in statistical data analysis and analytical report writing etc.
- S/he should possess excellent proficiency in written and spoken English.

**09.1 CVs of all Team members to be involved:** highlighting their relevant experience and qualifications.

## **09.2 Technical Proposal**

**a) Technical Approach, Methodology, and Organization of the Consultant's team:** Please explain your understanding of the objectives of the assignment as outlined in the Terms of Reference (ToR), the technical approach, and the methodology you would adopt for implementing the tasks to deliver the expected output(s); the degree of detail of such output; and describe the structure and composition of your team.

**b) Work Plan and Staffing:** Please outline the plan for the implementation of the main activities/tasks of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and tentative delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan and work schedule showing the assigned tasks for each expert. A list of the final documents (including reports) to be delivered as final output(s) should be included here.

**09.03 Financial Proposal. (Please break down of each cost Item)**

- 09.3.2 Travel cost
- 09.3.3 Food and accommodation
- 09.3.4 Stationeries and printing

(Add more if you feel necessary. Please include VAT and Tax which will be deducted at Source)

**09.04 Sample of previous work similar to this assignment:** Please send the soft copy of the document attached with the Technical Proposal.

**10. Application Evaluation Criteria:**

- Consultant qualifications and relevant experience
- Methodology and workplan
- Budget feasibility
- Quality of previous work samples

**Contact Person:**

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