

## Terms of Reference:

# International Consultant to Conduct an Institutional Assessment of the Cooperative Societies Council in the Kingdom of Saudi Arabia

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## 1. Background

The KSA's economy has been mainly based on extractives industries (crude oil and gas) since oil was discovered in the country. Data from the third quarter of 2021 estimated that crude petroleum and natural gas activities represented 26.6 per cent of the GDP, followed by Government services at 17.4 per cent and wholesale and retail trade, restaurants, and hotels at 9.3 per cent. In recent years, the country has been moving toward a more sustainable and diversified economy, in line with the national priorities articulated in its [Vision 2030](#). The diversification strategy seeks to transition the country from an oil-based to a knowledge-based economy by promoting innovation and research and development and encouraging high value-added sectors.

Cooperative development has been identified as a strategic entry point for the country, as the Saudi Vision of 2030 calls for reduced unemployment rates among Saudis by creating productive employment opportunities including for women, ensuring food security and rural development, and reducing inequalities to empower marginalized groups. As of 2023, a total of 410 cooperatives were operating in the Kingdom, predominantly multi-purpose in nature. There was substantial growth between 2019 and 2023 in emerging sectors including: housing (80 per cent); professional services (53 per cent); services (103 per cent); healthcare (46 per cent); and tourism (60 per cent). To further support such growth, KSA's Ministry of Human Resources and Social Development (MHRSD) has undertaken recent efforts to formulate a National Cooperative Strategy and amend the cooperative law. The ILO is contributing to these initiatives in line with [ILO's Promotion of Cooperatives Recommendation, 2002 \(No. 193\)](#). It is supporting the implementation of a cooperative support programme with MHRSD. The programme is designed to achieve five main outcomes:

- **Reviewing policy and legal frameworks:** by analysing the National Cooperative Strategy and the Executive Regulation of the Amended Cooperative Law in line with international labour standards, the national context, and international good practices.
- **Enhancing institutional support** by strengthening the role and capacity of Cooperative Societies Council, the APEX organization for cooperatives, which aims to support cooperatives in the country through fostering a collaborative work culture, building human, financial and technical capacities, and establishing strong partnerships.
- **Building technical capacities** of MHRSD, primary and secondary cooperatives and education institutions on cooperative development and management. Training efforts

under this outcome aim to institutionalise learning among cooperative service providers and educational institutions, complemented by study tours to create partnerships with other countries and benefit from good practices.

- **Advancing statistical data** by producing a report on the state of national statistics concerning cooperatives in the country and developing a roadmap in close collaboration with the General Authority for Statistics (GASTAT) towards improving them in line with the ILO Guidelines concerning Statistics on Cooperatives.
- **Promoting co-operators and raising awareness** about innovative cooperative experiences from around the world through virtual study tours, webinars, and videos.

## 2. Scope of the assignment

Acknowledging the important role that cooperatives play, also in building back better, the Kingdom exerted efforts in recent years to develop the sector by developing a national cooperative strategy, proposing amendments to the cooperative law, and establishing a Cooperative Societies Council (CSC) under the Ministry of Human Resources and Social Development (MHRSD). CSC is an independent organization comprising primary and secondary cooperatives and including two Federations. It aims to support cooperatives in the Kingdom including through the deployment of collaborative work culture, building human, financial and technical capabilities, and building effective partnerships to establish a collaborative work culture for the benefit of the community and the Saudi economy.

While this Council is operational, a review of its functions, mandate and responsibilities is critical to enable it to effectively assume the role of an Apex organization capable of acting as an overarching body of the cooperative ecosystem in the Kingdom, including through a clear strategic plan to promote its technical and financial sustainability.

To this end, the ILO is seeking to assess the role of the Council and identify strengths, weaknesses/gaps, and opportunities in the institutional capacity of the CSC. The assessment is expected to ultimately help in the development of a detailed definition of the Council's mandate, functions, and responsibilities. It will also aim to identify capacity building needs to ensure effective and proactive involvement of the Council in assuming its role.

The assessment will inform the provision of a supportive policy and legal framework consistent with the nature and function of cooperatives and guided by the cooperative values and principles. In particular, it will provide recommendations concerning the role and functions of the Council, its organizational structure, as well as the potential establishment of a cooperative development fund (e.g. Italian, Canadian, US models) to ensure financial independence and sustainability, and other supporting units, including for training and capacity building, for example. The assessment will build on a consultative approach, including with relevant tripartite constituents and cooperative actors, to meet national expectations and identify technical and capacity building needs. It will ensure that all of its recommendations support the cooperative values and principles aligned with [ILO Recommendation 193](#).

### 3. Objectives of the assignment

The ILO is seeking an international consultant to conduct a comprehensive institutional assessment of the Saudi Cooperative Societies Council (CSC). S/he will be responsible for the following tasks:

- a. **Desk review:** Carry out a desk review of existing documents relevant to the understanding of the mandate and role of the CSC in promoting cooperatives, including the existing Saudi cooperative law and relevant literature of ILO and other actors (using international R.193, Guidelines on Cooperative Legislation, policy papers, studies, etc.).
- b. **Institutional and organisational assessment** of the CSC by reviewing, analysing, and providing recommendations on the following elements:
  - **Enabling Environment:** ensuring that policy and legal frameworks support cooperative values and principles.
  - **Core functions of the CSC** including internal management, registration, auditing, coordination with other ministries, donor coordination, promotional function, technical advisory, and awareness-raising functions.
  - **Promoting Cooperative Identity:** CSC strategies in place or to be developed to raise awareness about cooperative principles and values among members, potential members, and the broader public.
  - **Governance and Accountability:** The internal governance of the CSC including internal bylaws, rules and regulations, alignment with other laws (e.g. finance, agriculture, housing) and structures to promote transparency, accountability and democratic control by members.
  - **Organizational structure** of the CSC including organogram of the CSC, department/units, job descriptions, roles and responsibilities of staff, staff capacity needs, administrative and business processes, management information systems.
  - **Financial operations** of the CSC focusing on annual budgets in relation to annual targets and results-based management indicators.
  - **Capacity building:** The technical function and capacity of the CSC, i.e. services provided to promote cooperative principles and efforts, and adaptation of these services to specific target groups including women, youth, people with disability, vulnerable groups.
  - **Inclusivity and Equal Opportunity:** CSC measures to promote inclusivity and equal opportunities for women, youth, and marginalized groups.
  - **Feasibility and planning to potentially establish a cooperative training institute and cooperative development fund** within CSC to provide technical and financial resources, supporting cooperative development in line with cooperative values and principles.
  - **International Cooperation:** CSC's efforts to promote international cooperation and learning from global best practices to foster international cooperative solidarity.

- **Sustainable Development:** CSC's role in contributing to national and international sustainable development goals, including economic, social, and environmental sustainability.
- c. **Mapping of current initiatives,** the added value, roles, and responsibilities of different stakeholders involved in the cooperative sector, and suggestions for a coordination role for CSC to ensure harmonization and creation of synergies between the different initiatives.
  - d. **Consultative process:** The above-mentioned assessment and mapping of initiatives will be based on interviews and consultative meetings with MHRSD and CSC key staff members, ILO constituents, relevant ministries, and other stakeholders, including the local employers' and workers' organizations, cooperative support institutions and other cooperative organizations (at secondary level). The consultations should use a variety of methods, such as focus group discussions, KIIs where relevant (to be facilitated by a key MHRSD/CSC staff member supporting this work).
  - e. Based on the assessment and consultations, develop **a detailed report** analysing the above-mentioned elements for CSC's institutional assessment, providing technical and strategic recommendations, and proposing a detailed and concrete plan for the implementation of recommendations including capacity building activities.

The international consultant is expected to undertake a fact-finding mission to KSA to engage directly with key stakeholders. S/he will be accompanied by MHRSD/CSC key staff members to help identify key interviewees and relevant institutions and facilitate interviews and the overall assessment process.

#### 4. **Main deliverables**

The consultant is expected to submit the following deliverables in English:

1. **Inception Report:** This initial report will outline the framework for the institutional assessment including:
  - A summary of the desk review as previously described.
  - The methodology and approach planned for the assessment focusing on the elements listed above: enabling environment, CSC's core functions, cooperative identity, governance and accountability, organizational structure, financial operations, capacity building, inclusivity and equal opportunity, international cooperative, and sustainable development.
  - A proposed outline for the final assessment report.
  - Interview guides and tools, with guiding questions and a list of suggested key interviewees, including MHRSD and CSC staff members, and representatives from other relevant institutions.
2. **Fact-Finding Mission Report:** detailing proceedings and findings from the interviews conducted with various stakeholders during the mission to KSA.

3. **Final Assessment Report:** A comprehensive report of the institutional assessment of the CSC, incorporating analysis from the interviews and complementary desk research. This report should be revised according to feedback from the ILO and include:
- Clear recommendations regarding the CSC's role, mandate, and capacity.
  - Specific, actionable steps designed to achieve the targets recommended by the assessment.

All deliverables will be translated from English to Arabic by the ILO.

## 5. Timeframe

Deliverable	Number of days	Indicative deadline
Inception Report including desk review, assessment methodology and approach, outline of the report, interview tools and guides	6	15 August 2024
Fact-finding mission report including interviews summary and findings and mapping of current initiatives	8	15 September 2024
Final institutional assessment report	10	30 September 2024

The contract duration is expected to be from 1 August 2024 to 30 September 2024 with an estimated 24 working days.

All work mentioned in this ToR should be finalized by 30 September 2024 at the latest with completion of the above-mentioned deliverables to the satisfaction of ILO HQ COOP/SSE Unit and ILO Regional Office for Arab States.

## 6. Reporting lines

The international consultant will report to the COOP/SSE Head of Unit and Technical Officer based in Geneva, in close coordination with the Senior Employment Specialist who oversees the overall implementation of the programme and the Enterprise Development Specialist at the ILO Regional Office for Arab States.

## 7. Required qualifications

The consultant is expected to have the following minimum qualifications:

- Advanced degree (Master's or PhD) in Economics, Business Management, Public Administration, Law, Social Sciences, or a related field.
- Minimum of 7 to 10 years of experience in cooperative and social and solidarity economy development, preferably in the Arab region.
- Experience in conducting institutional/organizational assessments, preferably with APEX organizations, or within the cooperative development sector.
- Knowledge of ILO's work in the area of cooperative and social and solidarity economy development.
- Proven ability to conduct and document interviews using focus group discussions and key informant interviews as well as carry out interactive exchanges with key stakeholders.
- Excellent communication and interpersonal skills for engaging diverse stakeholders.
- Experience with international organizations on similar assignments.
- Excellent analytical, research, and writing skills in English as evidenced in writing samples and previous reports.
- Fluency in both written and spoken English is required. Proficiency in Arabic is highly desirable.
- Willingness to travel for a fact-finding mission to the Kingdom of Saudi Arabia.

## **8. Application submission procedure**

Interested consultants should submit their application including the following documents to [coop@ilo.org](mailto:coop@ilo.org) and [yassinj@ilo.org](mailto:yassinj@ilo.org) by 22 July 2024 (midnight Geneva time):

- Copy of the consultant's curriculum vitae (CV)
- Detailed technical proposal highlighting a proposed methodology and plan for the assignment responding to the requirements of the above terms of reference.
- Sample of a past similar assignment including a written report in English.
- Financial proposal including a clear budget breakdown, daily fees, and any foreseen expenses.

Selection will be made against the required experience and based on the proposal with the highest value for money. Clarity of the proposal, provision of all required documentation, and innovative delivery are considered as a cross cutting measurement criteria.