



## Setting up of a Network Coordination Office

### Practical issues

#### Manager

Since the Network is not a legal entity and we do not want to create a legal entity for the Secretariat / Coordination office, one institution must be in charge of employing the local staff and managing the common account (the “Manager”). For practical reasons (being on the spot, supervising the person), that institution will be either KfW or AFD. This service will be delivered as one part of the contribution of KfW/AFD to the network and is free of any remuneration such as management fees.

In the case of the NEFI<sup>1</sup> secretariat, KfW is the institution employing the contact person and in charge of the account. The KfW office is legally considered a liaison office.

The aim of the permanent Coordination office is to provide stability. Hiring a person also implies that the setup is considered for several years, i.e. the Manager should be in charge for several years.

#### Hiring of local staff

- The Network coordination officer (the “Coordinator”) will be an employee of the Manager.
- The Coordinator will be hired in Belgium under local law. The contract will be for two years, renewable once, after which a further renewal is automatically for an unlimited duration (according to Belgian law).
- Staff costs include a monthly salary, estimated at €2,500 per month for a half-time, plus social contributions at about 35% of the gross salary, plus a 13<sup>th</sup> month and an annual bonus (source is a legal councillor consulted by KfW for the recruitment of the NEFI contact person).
- The main qualifications required are mentioned in the terms of reference that were sent to the think tanks some time ago (see attachment 1)
- The network being a young and flexible structure, we also need flexibility in terms of staffing. The solution with one half-time permanent secretary may be valid for two or three years, and may have to be adapted later on. The experience of KfW Brussels office shows that there are basically two profiles that we can find for that on the market.
  - o A number of young people are in Brussels to try and enter the European Institutions. They would take a job in a representation office but will leave as soon as they have the possibility to join the one of the European Institutions.
  - o There are also people with young children, whose partner is working in Brussels and who are looking for a part-time job, as a solution for a few years. This profile might be more reliable.

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<sup>1</sup> Network of European Financial Institutions (SME promotion inside EU 27)

## **Recruitment process**

- Recruitment will be organised by the Manager. It should be an open call in one or more of the respective Brussels E-media (European Agenda, EuroActive,...). The estimated costs will be 600,- EUR.
- Selection will be operated by the Manager together with two “troika” members from the Core Group, forming together the selection committee.
- The Manager will receive all applications and send them to the two other members of the selection committee. On the basis of CVs, the selection committee will prepare a shortlist of 3 to 5 candidates (this can be achieved through email and telephone calls).
- The selection committee will interview the candidates, make written evaluations of each candidate and prepare a justified recommendation to the Network for one candidate.
- The selection committee will send its recommendation to all network members and ask for a reply within 2 weeks, after which a lack of response will be considered as an approval.
- The Manager will be in charge of materialising the recruitment.

## **Supervision**

- Supervision of the Coordinator will be ensured by the Manager, being the employer. His superior will be the head of representative office of AFD or KfW.
- To evaluate the Coordinator's performance, especially in the first two years, the Manager can resort to one or two network members who have had the opportunity to work closely with the Coordinator.
- The Manager will consult with the Network members before considering increasing the salary or changing work conditions of the Coordinator.

## **Offices**

In the current multi-stakeholder office where KfW and AFD have their Brussels representation is a 12 m<sup>2</sup> office available (€ 1,230 per month). A conference room for shared use as well as technical facilities (copy machine, kitchen, etc.) are available as well.

## **Common bank account**

- The bank deposit account will be opened in the Belgian bank where the Manager's representative office has its own account. The bank account will be owned by the Manager and can be opened in the name of the Practitioners' Network.
- Habilitated persons will be the Coordinator, the head of the Manager's representative office and the head of the other institution's representative office, in order to ensure the presence of a second person, besides the coordinator, at all time (e. g. during holidays).
- Contributions to the account would be called once a year (in order to avoid a multiplicity of payments of small amounts,).

- Interests will accrue on the account and be used for the Coordination office purposes.

### **Accounting and auditing**

- Accounting will be carried out by the Coordinator.
- Given the simplicity and probably low number of transactions, audit could be ensured once a year by two member organisations (this is the solution chosen by NEFI, to avoid excessive costs). Alternatively an external auditor can be hired.

### **Costs**

A preliminary estimation sets the level of annual costs at about € 80,000, as follows :

Office manager, 1/2 time (basis : gross salary € 2,500 per month, plus social security contributions 35%, 13 months + annual premium, according to Belgian law)	€ 46,000
Office rent (€ 1,230 per month for 12 m <sup>2</sup> and participation to common facilities, energy, cleaning services and other ancillary costs, incl. taxes)	€ 15,000
Telecommunication and other office costs	€ 12,000
Travel costs	€ 5,000
Leaflet printing or other external communication costs	€ 4,000
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Total, per year	€ 82,000

Added to this, must be estimated for the first year a budget for office equipment that will not have to be renewed every year. However, after a first year of activity the annual budget will be adjusted to a more precise level of effective costs.

A projection over a 12 month period is provided in attachment 2. These costs include the investment in office equipment. Under the above assumptions on the costs, an initial contribution of 90,000 would be enough to cover initial and on-going costs. However, it is felt that setting the contributions so as to start with an envelope of €100,000 would provide some leeway and avoids the risk of asking for a additional contributions before the end of the year.

### **Budget**

The budget will be prepared by the Coordinator, validated by the Core Group and approved each year by unanimous consent of the contributing members, as well as the corresponding level of contributions. Contributions will be called by letter from the Coordinator to each contributing member.

### **Contributions**

Several institutions have agreed in principle to pay bigger amounts than the smaller members. An order of magnitude was indicatively set some months ago at 1:5. On this basis, and for an annual budget of €100,000, a possible distribution of contributions would be the following, assuming that all current members would contribute, except

some newcomers who will be given the opportunity to experience the Network, or who currently don't have the legal possibility to contribute yet :

ADA	€ 3,000
AECID	€ 15,000
AFD	€ 15,000
BTC-CTB	€ 3,000
CzDA	0
DFID	€ 15,000
EuropeAid	€ 15,000
GTZ	€ 15,000
InWent	€ 3,000
KfW	€ 15,000
Lux Development	€ 3,000
Polish Aid	0
SlovakAid	0
<b>Total</b>	<b>€ 102,000</b>

Members should be invited to clearly express their commitment to financially contribute to the Network for the above proposed amounts. Initial commitments should be for two years (if necessary, subject to the necessary budgetary approval) in order to match the duration of the employment contract.

### Next steps

Directors' Meeting, 22 October 2009	Oral commitment by the above institutions to contribute to the costs of the Coordination Office for the proposed amounts
November	Beginning of the recruitment process : announcement in the press
November or December	Signature of a MoU
December/January	Calls for contributions
January	Interview of candidates Decision for one candidate
March	Start of the new Coordination office (ideally Coordinator in place for the Annual Meeting)

## **Recruitment of a Network Coordination Officer Profile of the candidate**

Ensuring the coordination of the Network requires in-depth knowledge of development cooperation issues :

- Professional experience in a development organisation (at least 3 years)
- familiarity with the European and international agendas in the field of development cooperation

The coordination office should be an independent and at the same time very well connected unit, which requires subsequent skills :

- Autonomy and initiative
- Openness and good interpersonal skills.
- Experience in working with different cultures.
- Proven capacity to write summaries, reports, short texts
- Willingness to travel.
- Flexibility in working-times •

Other qualifications and competences :

- Bachelor or Master or comparable degree
- Fluency in written and spoken English, which is the communication language for the Network.
- French understanding and speaking would be an advantage (as Brussels context)
- Computer skills: excellent working knowledge of Microsoft Office (Word, Excel, PowerPoint, Outlook, etc.) and excellent internet research skills.
- Experience of website management would be an advantage (the website is run under Typo3)



**Treasury forecast over 12 months**

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total for 1 year
Contributions	90.000												
Interests @ 2%		131	120	111	100	91	73	64	53	44	33	24	842
Expenses :													
Staff	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	8.750	45.875
Rent	1.230	1.230	1.230	1.230	1.230	1.230	1.230	1.230	1.230	1.230	1.230	1.230	14.760
Initial equipments	6.000												6.000
Telecom and office costs	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	12.000
Travel costs		1.000		1.000		1.000		1.000		1.000			5.000
Leaflets						4.000							4.000
Cash at end of month	78.395	71.921	66.436	59.941	54.436	43.922	38.390	31.849	26.297	19.736	14.164	3.207	