



# Making Access Possible (MAP) Nepal

Pre-bid briefing

21 May 2015



Mal Making financial markets work for the poor



# Agenda

1. MAP Objectives
2. MAP Process
3. The MAP Nepal project management landscape
4. The MAP Research process
5. MAP Quality Control
6. MAP Nepal deliverables
7. MAP Resources

# MAP Objectives

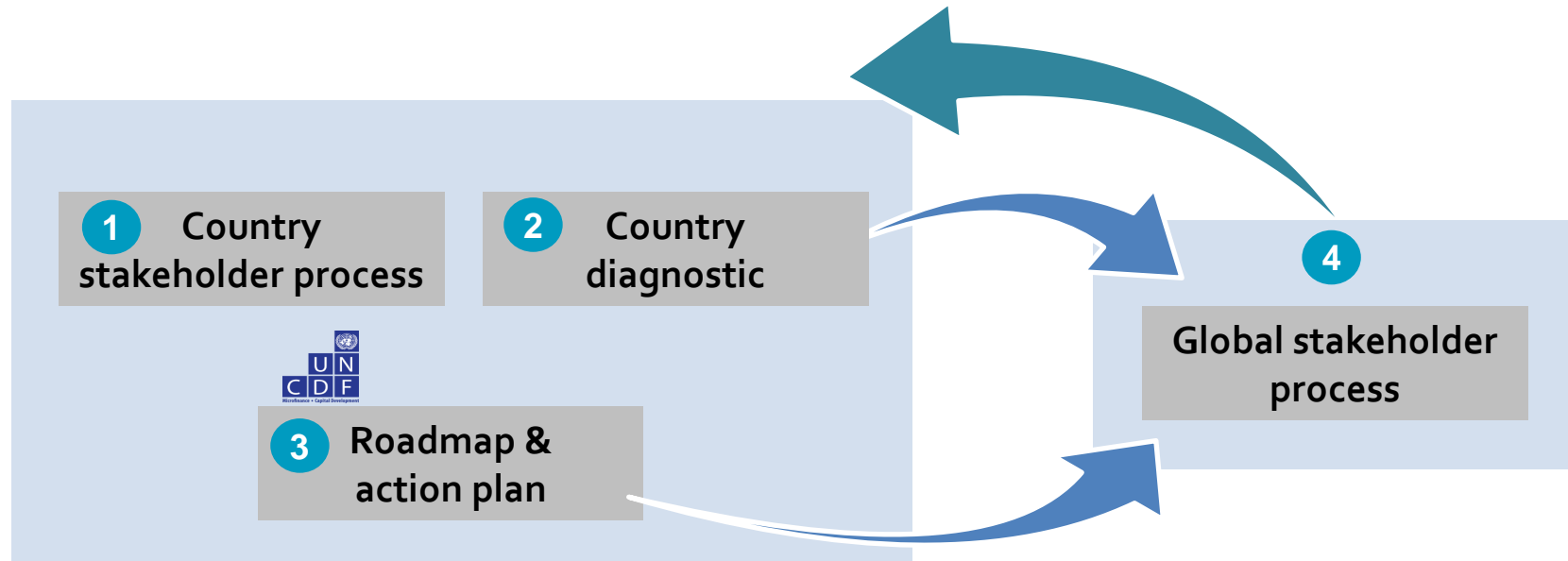
## MAP aims to influence:

- Financial sector policy
- Private sector financial services delivery
- Donor funding activities
- Link to broader economic growth
- Link with equity

To support and promote financial inclusion in Nepal through a process of evidence-based analysis feeding into a diagnostic report and financial inclusion roadmap jointly implemented by a range of local **stakeholders** from within government, the private sector and the donor community to create a set of practical actions aimed at extending financial inclusion in Nepal.

# MAP Process: Partners

MAP engages at four levels:

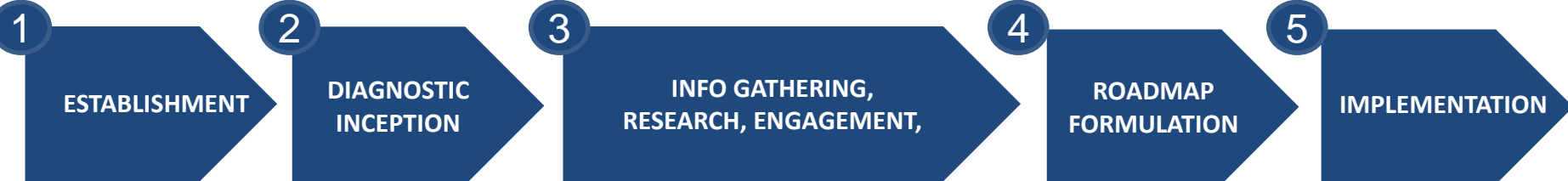


## MAP Partners



# MAP Process

## 3 Roadmap & action plan



8 – 12 MONTHS

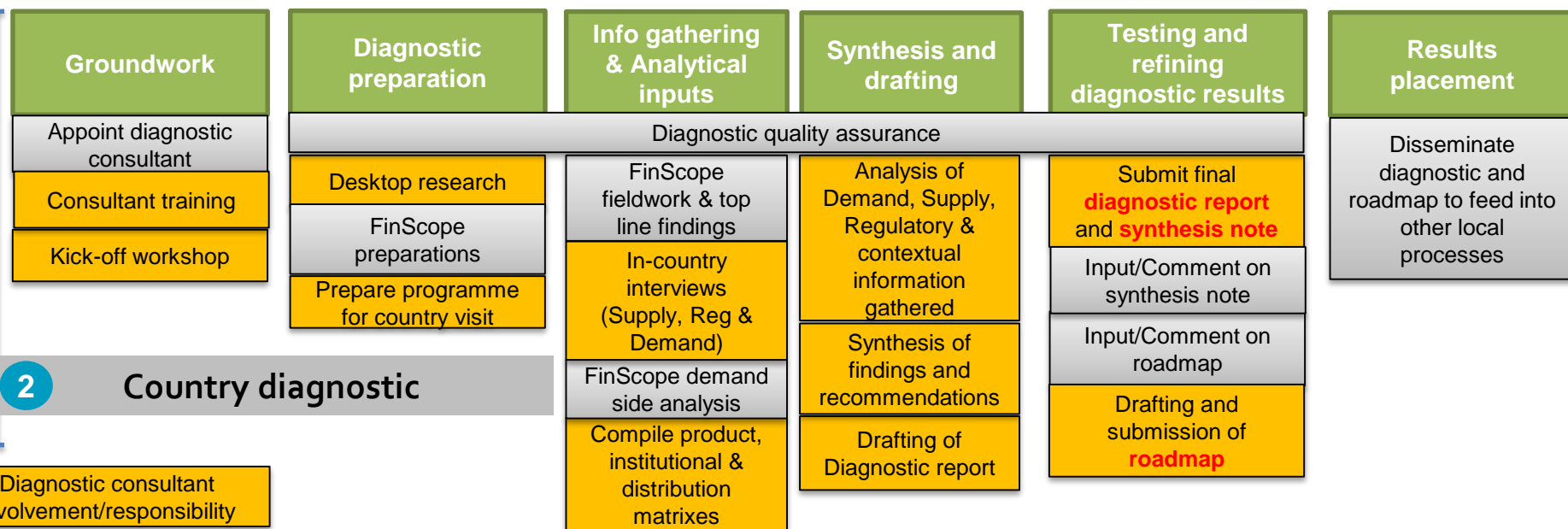
2+ YEARS

Stakeholder Engagement



## 1 Country stakeholder process

Diagnostic Process



## 2 Country diagnostic

Diagnostic consultant involvement/responsibility

# MAP Nepal project management landscape



**FinScope:** FinMark Trust oversees the design and implementation of the FinScope survey. Furthermore, a brief analysis of FinScope will be done by FinMark Trust.

FinScope  
fieldwork & top  
line findings

FinScope  
preparations



**FinScope:** A more comprehensive FinScope analysis will be required for the diagnostic document. This will be done by Cenfri .

FinScope demand  
side analysis

**Quality control and technical support:** Cenfri, in its role as MAP technical partner, will provide overall guidance and quality control to the consultants implementing the analysis, including a detailed briefing session. The consultant will need to work closely with Cenfri, as set out in the quality control standards (see later slides) and a brief description of Cenfri's role.

Diagnostic quality  
assurance

Input/Comment on  
synthesis note

Input/Comment on  
roadmap

**Synthesis note and roadmap:** Cenfri will also review the synthesis note and roadmap produced by the consultant.

Stakeholder  
Engagement

Disseminate  
diagnostic and  
roadmap to feed  
into other local  
processes



**UNCDF country presence:** UNCDF Nepal will be provided support for arranging country meetings, collect supplemental product level data and convene stakeholder working sessions.

# MAP Nepal project management landscape

## Cenfri role and deliverables:



- Train and brief the consultant commissioned to draft the MAP Nepal diagnostic report in Cape Town, including the provision of training materials;
- Provide overall technical support to the consultant commissioned throughout the diagnostic process (Including FinScope slide pack);
- Participate in an in-country information collection visit;
- Review and comment on the diagnostic document development;
- Facilitate a synthesis working session held in Cape Town;
- Review the summary synthesis findings document that will serve as the summary of the main findings and insights, as contained in the larger diagnostic.
- Attend synthesis presentation where MAP findings are presented to the Steering Committee; and
- Review the MAP Roadmap for Nepal for further refinement by UNCDF with country stakeholders.

Consultant training

FinScope demand  
side analysis

In-country  
interviews  
(Supply, Reg &  
Demand)

Diagnostic quality  
assurance

Input/Comment on  
synthesis note

Input/Comment on  
roadmap



# MAP Research Process

## MAP diagnostic topics covered

MAP does not have a microfinance bias.  
Banks are equally as important as MFIs

Across all 4 product categories

Credit



Savings



Payments



Insurance



Regulation



Regulatory landscape by product category

National objectives

Sector strategy and objectives

Institutional structure

Policy and regulatory laws and structure



Supply



Supply landscape by product category

Providers, products and services

Financial sector infrastructure and distribution

Distribution and connectivity

Information and information providers



Demand



Quantitative research

Target markets

Needs, Livelihoods and behaviour

Current uptake

Barriers and opportunities

Qualitative research

Macro economic context, political economy, physical infrastructure etc.

Formal

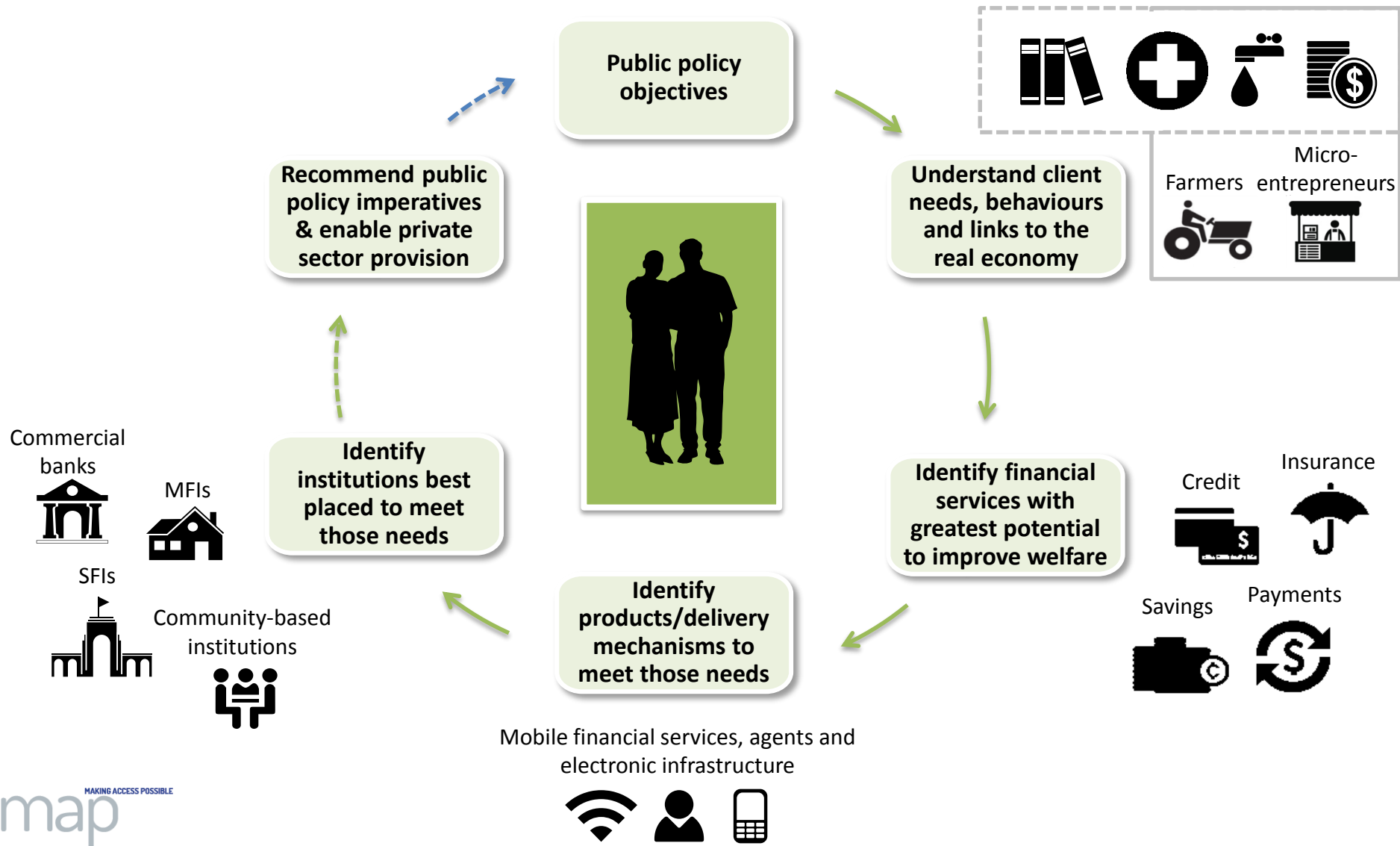
Informal

Integrated MAP Diagnostic



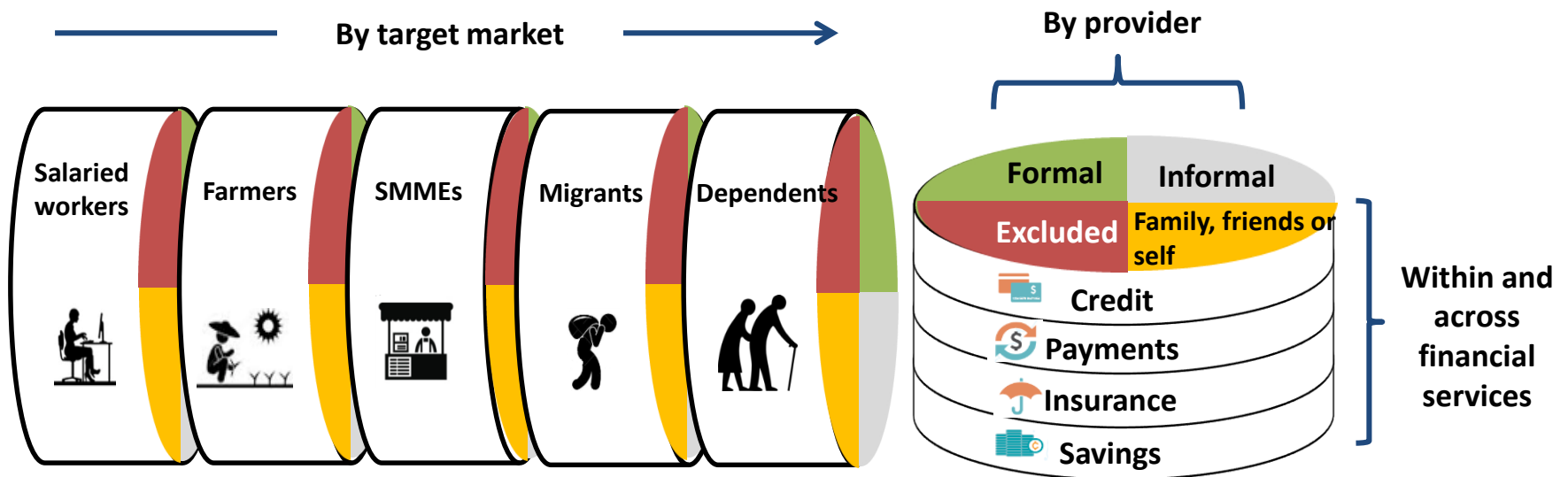
# MAP Analytical Process:

## Focused recommendations



# MAP Analytical Process:

MAP analyses the data by target market, financial service and provider category





Quality control

# MAP Quality control

Quality assurance standards relating to the research process:

Information gathering (details and examples are available in the toolkits):

- Sufficient information must be gathered on financial products available to the low income target markets, including product characteristics, user charges, interest rates, and service elements that affect client perceptions.
- Informal products and markets are a focus area for MAP. Sufficient information should be collected and analysed to provide insights into this market across product areas.
- Supply-side and regulatory interviews must cover the full spectrum of suppliers for the low income target market, without omitting critical supplier categories.

# MAP Quality control

## Quality control standards relating to the analytical framework and process:

The analytical process must be integrated to include demand, supply (formal and informal) and regulation of all four product markets. This process needs to include the following (refer to the toolkits for details):

1. A comprehensive **target market segmentation** based on FinScope data will be conducted by Cenfri and must be incorporated by the diagnostic consultant as core to the diagnostic analysis. This must include the four access strands for each target market as well as a description of the main characteristics of each target market. These descriptions must be adequate to explain their current usage of financial services, their financial services needs and how they can be served in future to improve the quality and quantity of their usage of financial services.
2. Four separate analyses of the markets for respectively **payments, savings, credit and insurance**, as well as an integrated analysis looking at the cross linkages across all product markets. Each of which must include the following as set out in the MAP toolkits:
  - the **use cases** or main applications/needs for each product market as these emerge from the FinScope data (see the toolkits for an explanation);
  - the **provider landscape**, including the range of providers, their core focus, incentives for expanding financial inclusion and financial performance. For both formal and informal providers;
  - the range and features of all notable **distribution channels**;
  - the range, **key features** and fee/interest rate structure of current products on the market, as well as product pipeline plans;
  - the **take-up** of products and the main **barriers to uptake** (consisting of *access* barriers such as affordability, proximity, eligibility and appropriateness well as *usage* barriers such as knowledge, awareness, perceptions and trust from a demand-side perspective, as set out in the toolkits); of features, as
  - the material **regulatory features** of relevance to financial inclusion in each of the four product markets and on an overall regulatory framework level, as well as any regulatory constraints; and
  - by means of conclusion, **gaps and opportunities** for extending and deepening the reach of products that are appropriate to target market needs and provide consumer value in each product market, specifying the key target market needs and priorities for the specific target market in light of the financial sector, country context, regulatory and demand-side features relevant for that product market. For all four markets the focus must be on growing financial access.

# MAP Quality control

## Quality control standards relating to the synthesis process:

Synthesis refers to the distillation of diagnostic findings and the formulation of recommendations. Since a key objective of the MAP process is to arrive at a practical and realistic roadmap of activities that can improve financial access, the findings and recommendations cannot be vague and must have enough rigour and credibility to trigger government action given the huge investment made in the MAP process.

As a minimum, the MAP analysis must conclude on:

- The main factors that will determine the success or failure of financial inclusion over the next 3-5 years. The impact of these factors must be described. These factors are likely to be found not only in the financial sector, but beyond it in the wider social, political and economic context. Policy-makers must be able to judge the likely relative impact of different financial inclusion strategies based on these drivers.
- Which target market segments, if given access to which financial services, will deliver the highest impact in terms of improved household welfare and real economy outcomes for the country?
- Which suppliers, using which distribution methods, are best suited to deliver the financial services referred to in 2. How well placed are they to deliver these services?
- The systemic market, regulatory and other obstacles that hinder both the supply and uptake of these services.

The diagnostic report must contain all the material evidence required to ensure that these findings are credible. The MAP toolkits provide extensive guidance to assist with the compilation of the evidence base.

The findings must form the basis for a set of practical recommendations to the government and those categories of financial service providers best placed to advance financial inclusion. Recommendations must not be vague, but actionable and fit to be included in a roadmap. Consultants must not set out a broad menu of recommendations, but must focus on a few core actions that are likely to have the most impact.





## MAP Deliverables & Timelines



# MAP Nepal Deliverables

## Key Deliverables:

- Provide input to the monthly progress report (narrative and financial) that will be prepared by the local coordinator
- **Full Diagnostic report, Synthesis note and Roadmap**
- **Presentation** of findings at a steering committee, stakeholder and roadmap working session respectively.
- Participation in a training session, a synthesis session and fortnightly project calls with the MAP partners





**MAP Resources**



# MAP Resources

## Toolkits:

- TOOLKIT 1: MAP Background and High-level Overview
- TOOLKIT 2: The MAP Process
- TOOLKIT 3: Performing the MAP Diagnostic: Analysing the country context
- TOOLKIT 4: Performing the MAP Diagnostic: Analysing the regulations, policy and supervision
- TOOLKIT 5: Performing the MAP Diagnostic: Analysing the demand side
- TOOLKIT 6: Performing the MAP Diagnostic: Analysing the supply side
- TOOLKIT 7: Completing the MAP Diagnostic: The diagnostic report and recommendations, and the roadmap
- TOOLKIT 8: Additional Resources and Support

## Completed MAP diagnostics:

- MAP Thailand
- MAP Myanmar
- MAP Lesotho
- MAP Swaziland
- MAP Malawi (forthcoming)

# MAP Responsibility matrix

Role	Brief description	Responsible
<b>Stakeholder engagement</b>	Strategic – inception, buy-in, relationship building, formation of steering committee, MAP findings advocacy, official invitations	UNCDF
	Logistics – scheduling meetings, identifying appropriate stakeholders, convening stakeholders, ad hoc translation	Diagnostic consultant
<b>Demand-side</b>	FinScope data collection and top-line findings	FMT
	Supplemental data slide pack from FinScope	Cenfri
<b>Diagnostic report</b>	Data collection, analysis and integration of demand, supply, regulation and determination of priority findings to improve financial inclusion, in line with toolkits and quality control standards.	Diagnostic consultant
	Product Matrix	Diagnostic consultant
	Quality control of diagnostic report	Cenfri
<b>Synthesis note</b>	Summary synthesis note based on diagnostic report	Diagnostic consultant
	Quality control of synthesis note	Cenfri
<b>Roadmap</b>	Drafting of roadmap recommendations	Diagnostic consultant
	Identification of implementation agents, timelines and refinement with stakeholders	UNCDF



*Thank You!*

*Please contact us at...*

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