

TERMS OF REFERENCE

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| Reference | PN/FJI/030/20 |
| Location | Home-based, with travel to Vanuatu, Solomon Islands and Fiji |
| Application deadline | 5 th April 2020 |
| Type of Contract | Individual Contractor |
| Post Level | International Consultant |
| Consultancy Title | Senior Advocacy Consultant – Electronic Know Your Client (eKYC) and Digital Credit History |
| Languages required: | English |
| Duration of Initial Contract: | 20 days (From April 2020 to August 2020) |

BACKGROUND

Background UNCDF and PFIP

The UN Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 47 least developed countries. With its capital mandate and instruments, UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. UNCDF's financing models work through two channels: financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments—through fiscal decentralization, innovative municipal finance, and structured project finance—can drive public and private funding that underpins local economic expansion and sustainable development. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.

Launched in 2008, PFIP is jointly administered by the UN Capital Development Fund (UNCDF) and the United Nations Development Programme (UNDP) and receives funding from the Australian Government, the European Union and the New Zealand Government. The Programme operates in Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu.

Our objective is to increase the number of low-income Pacific Islanders who adopt formal financial services. PFIP achieves this objective by supporting financial service providers to innovate with products and services for mass market customers, supporting governments to create an enabling policy environment for financial innovation, and empowering consumers.

PFIP has funded more than 40 projects with financial service providers who have innovated with technology and products, enrolling over two million customers in services such as agency banking, mobile wallets, micro insurance, micro loans, remittances and savings groups.

Background on the assignment

Identification credentials for the purpose of accessing and using financial services continues to be a barrier worldwide with an estimated 1.7 billion people being unable to prove who they are. At the request of the Central Banks of Vanuatu, Solomon Islands and Fiji, the UNCDF's Pacific Financial

Inclusion Programme (PFIP) is planning to support the implementation of an e-KYC and digital credit history reporting solution to help advance financial inclusion in those Pacific countries.

Based on the experience from UNCDF colleagues in Sierra Leone, the initiative plans to use a two-pronged open-source secure digital solution targeting self-sovereign identification of individuals and businesses as well as for the storage of credit history. When integrated into the financial sector, it extends reliable, secure credit reporting to all levels of the economy, and provides a pathway for unbanked borrowers to use their informal financial history to become banked.

The initiative envisions an integration of the solution with existing government identity systems and with financial service providers, as well as the creation of a digital, self-sovereign credit bureau. Once fully integrated, the e-KYC and Digital Credit History Reporting Platform will enable nationwide e-KYC and credit reporting by all financial institutions in Vanuatu, Solomon Islands and Fiji.

As part of this work, the UNCDF-PFIP has already commissioned an initial scoping study for Fiji specifically and is now planning to undertake a more detailed country diagnostic exercise for Vanuatu, Solomon Islands and Fiji at the specific request of its central bank partners in those countries. The primary objective of these country diagnostics is to understand the current situation in Vanuatu, Solomon Islands and Fiji and to provide recommendations in regard to a potential implementation of the e-KYC and digital credit history solution.

The objective of this consultancy assignment is to support PFIP and the consulting firm undertaking the country diagnostics with advice during the in-country consultations, meetings with stakeholders, data collection and report writing.

DUTIES AND RESPONSIBILITIES

Scope of Work

Support PFIP and the consulting firm undertaking the country diagnostics with:

- The assessment of the policy, legal and regulatory environment in each of the three countries by providing advice on:
 - Existing ID schemes and credit reference bureaus that can participate in a unified scheme for e-KYC and Digital Credit Bureau.
 - The institutional and legislative ability to establish supportive regulatory frameworks in the implementation of e-KYC and Digital Credit Bureaus, such as:
 - Strengths and weaknesses of the country's policies and legal framework on data privacy, collection and storage, as well consumer protection
 - Existing mechanisms and regulations on data and consumer protection and recommend appropriate framework that help build consumer trust in financial service institutions.
 - Availability and effectiveness of existing complaint handling mechanisms and design appropriate grievance redressal systems, protection of user information mechanism.
- The assessment of the enabling infrastructure and stakeholders in each of the three countries by providing advice on:

- Identification of stakeholders and potential champions in implementing the e-KYC and Digital Credit Bureau solution.
- Strategies and capacities of all stakeholders involved that impact this initiative and provide input to the on the recommendations on how these can be strengthened.
- The possibility and the capacity to form a cross-sectoral and inter-agency steering committee that can drive the agenda with minimal political interference or sectoral bias.
 - Define and elaborate on coordination and governance necessary to successfully implement the solution.
 - Identify the roles and responsibilities of solution provider vis-a-vis UNCDF-PFIP vis-a-vis local institutions.
- The assessment of the Trust Framework, Governance Scheme in each of the three countries by providing advice on:
 - Potential designs for a trust framework and structure of scheme governance and how this relates to the existing legislative environment and rules together with adjudication.
- The review of the reports (inception and draft reports) prepared by the consulting firm for each of the three countries.

Expected Outputs and Deliverables:

- Reviewed inception report, with specific input on the advice areas as described above;
- Reviewed draft report.

Institutional Arrangement

- The consultant will report to the PFIP Programme Manager, or a designated PFIP member of staff.
- The consultant will provide feedback to PFIP and the consulting firm undertaking the country diagnostics by engaging via weekly calls (or more frequently if necessary), or a designated PFIP member of staff.

Timeline and duration

PFIP will contract the Sr Advocacy Consultant – eKYC and Digital Credit History for 20 working days over the period from April to August 2020.

Duty Station

- Home-based, with travel to Vanuatu, Solomon Islands and Fiji

COMPETENCIES

Skills:

- Strong interpersonal and communication skills;
- Ability to interact and work with senior level government officials and private business

professionals at Director/ Board Level;

- Listens to develop awareness for needs of stakeholders;
- Advocates, in speaking and written form able to convince others of key ideas;
- Proactively identifies, develops and discusses ideas and solutions for stakeholders;
- Builds trust in interactions with others, facilitates partnerships;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Strong analytical, reporting and writing abilities skills;
- Demonstrates integrity and ethical standards.

REQUIRED QUALIFICATIONS AND EXPERIENCE

Educational qualifications:

- At a minimum a master's degree in banking, economics, finance or related discipline.

Experience

- Minimum 20 years of progressive experience in banking, financial services, preferably with legal and regulatory experience;
- Minimum of 10 years of experience working with various stakeholders in financial services in the Pacific, both from the public/regulatory space, as well as development partners and private sector;
- Minimum of 8 year of experience working on financial inclusion and/or digital finance and solid working knowledge of concepts in financial inclusion and digital finance;
- Experience working with organizations active in the space of innovations in financial services and digital finance, such as UNCDF, IFC/Worldbank, ADB, etc or a similar type of organization is desired.

Language requirements

- Fluency of English language is required.

Price Proposal and Schedule of Payments

Consultant shall quote an all-inclusive **Daily Fee** for the contract period. The term "all-inclusive" implies that all costs (professional fees, communications, consumables, etc.) that could be incurred by the IC in completing the assignment are already factored into the daily fee submitted in the proposal. If applicable, travel or daily allowance cost (if any work is to be done outside the IC's duty station) should be identified separately. Payments shall be done on a monthly basis based on actual days worked, upon verification of completion of deliverables and approval by the IC's supervisor of a Time Sheet indicating the days worked in the period. The primary contacts for reporting for this TOR shall be the PFIP Programme Manager.

In general, UNDP shall not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the event of unforeseeable travel not anticipated in this TOR, payment of travel costs, DSA and terminal expenses should be agreed upon, between the Programme Manager and the Individual Consultant, prior to travel and will be arranged by PFIP.

Evaluation Method and Criteria

Cumulative Analysis

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (70%). and financial criteria (30%) = 100%.

Technical Criteria for Evaluation (Maximum 70 points) [Please add/adjust the below criteria and points awarded to each as necessary]

- **Criteria 1:** Education: master's degree in banking, economics, finance or related discipline. Max 10 points
- **Criteria 2:** Minimum 20 years of progressive experience in banking, financial services, preferably with legal and regulatory experience. Max 20 Points
- **Criteria 3:** Minimum of 10 years of experience working with various stakeholders in financial services in the Pacific, both from the public/regulatory space, as well as development partners and private sector. Max 20 points.
- **Criteria 4:** Minimum of 8 year of experience working on financial inclusion and/or digital finance and solid working knowledge of concepts in financial inclusion and digital finance. Max 15 points
- **Criteria 5:** Experience working with organizations active in the space of innovations in financial services and digital finance, such as UNCDF, IFC/Worldbank, ADB, etc or a similar type of organization is desired. Max 5 points

Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

Documentation required

Interested individual consultants must submit the following documents/information to demonstrate their qualifications.

- **Letter of Confirmation of Interest and Availability** using the template provided in Annex II.
- **Personal CV or P11**, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references.
- **Technical proposal**, including a) a brief description of why the individual considers him/herself as the most suitable for the assignment; and b) a methodology, on how they will approach and complete the assignment.
- **Financial proposal**, as per template provided in Annex II. Note: National consultants must quote prices in United States Dollars (USD).

Incomplete, joint proposals and proposals sent to the wrong mailing address will not be accepted and only candidates for whom there is further interest will be contacted.

Individuals interested in this consultancy should apply and will be reviewed based on their own individual capacity. The successful individual may sign an Individual Contract with UNDP or request his/her employer to sign a Reimbursable Loan Agreement (RLA) on their behalf by indicating this in the Offerors letter to Confirming Interest and Availability using Annex II.

Annexes

- Annex I - [Individual IC General Terms and Conditions](#)
- Annex II – [Offeror’s Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template](#)

Proposal Submission

- All applications must be clearly marked with the title of the consultancy (**Senior Advocacy Consultant – Electronic Know Your Client (eKYC) and Digital Credit History**) with reference **(PN/FJI/030/20)** and submitted via email on etenderbox.pacific@undp.org by **11.59pm 5th April 2020 – Fiji time**.
- For further information concerning this Terms of Reference, please contact UNDP Pacific Office by email: procurement.fj@undp.org

Women applicants are encouraged to apply