A. General Background

UNCDF is the UN’s capital investment agency for the world’s least developed countries. It creates new opportunities for poor people and their communities by increasing access to microfinance and investment capital. UNCDF focuses on Africa and the poorest countries of Asia and the Pacific, with a special commitment to countries emerging from conflict or crisis. It provides seed capital – grants and loans – and technical support to help microfinance institutions reach more poor households and small businesses, and local governments finance the capital investments – water systems, feeder roads, schools, irrigation schemes – that will improve poor peoples’ lives.

Recently, UNCDF has formulated its strategy ‘Leaving no one behind in the digital era’ based on over a decade of experience in digital finance in Africa, Asia and the Pacific. UNCDF recognizes that reaching the full potential of digital financial inclusion in support of the Sustainable Development Goals aligns with the vision of promoting digital economies that leave no one behind. The vision of UNCDF is to empower millions of people by 2024 to use services daily that leverage innovation and technology and contribute to the Sustainable Development Goals. For further detail on UNCDF strategy, refer to; https://www.uncdf.org/article/4931/global-strategy-leaving-no-one-behind-in-the-digital-era

UNCDF in Myanmar

UNCDF has been operating in Myanmar since 2012 with a capital mandate to expand savings-led financial inclusion and use localized investments to drive poverty reduction and sustainable development. The country program seeks to improve financial service access and usage to achieve equitable, sustainable, and inclusive growth within the UN’s Sustainable Development Goals (SDGs) and the Myanmar Sustainable Development Plan (MSDP), which includes the use of innovate solutions to bring formal services for people at the bottom of the pyramid. In 2020, an updated Financial Inclusion Roadmap prepared with support from UNCDF (and the DaNa Facility) was approved by the Government of Myanmar, and soon will be launched in conjunction with the Government of Myanmar as the nation’s highest-level financial inclusion policy document.

Role of Digital and Financial literacy in Myanmar

The Roadmap highlights digital and financial literacy as a key enabler of financial inclusion in Myanmar, as the lack of adequate knowledge and confidence in accessing financial services remains a key barrier for a majority of the population. Access to digital financial services in particular can be expected to be a big driver of financial inclusion in Myanmar, and the Roadmap outlines the objective of supporting growth in use of digital financial services with
percent of population actively using DFS growing from 4% in 2018 to 25% in 2023. This growth is much dependent on the roll out of a digital and financial literacy strategy that will support uptake and responsible use of services.

The Government of the Union of Myanmar and other parties are also rolling out a number of specific projects that will benefit from increased digital and financial literacy at grassroots level. For example, the government intends to expand its National Social Protection Program, including the Maternal and Child Cash Transfer (MCCT) program, to a national scale over the next several years. For the programme to be efficient and nationwide, it will require a digital delivery component, either to a mobile accessible account (wallet or bank) or an over the counter code delivery mechanism. This project has identified as a key bottleneck the lack of digital and financial literacy of low income, rural women to use the service. Similarly, Humanitarian and development organizations delivering electronic cash transfers (ECTs) have identified that lack of digital literacy is impeding the expansion and sustainability of ECT activities in Myanmar. Lack of digital capability makes the implementation of activities costlier and more resource consuming, while low levels of financial literacy are harmful with beneficiaries being more prone to harmful financial decisions.

In a pre-pandemic scenario, the need for electronic cash transfers was a good accomplishment for humanitarian and development actors. In the current COVID-19 pandemic, with an increasing number of destroyed livelihoods, restricted mobility, and a stringent need for maintaining social distancing, digital payments became critical. Critical to deliver resources to vulnerable population in hard-to-reach areas; and critical to reduce the number of contagions.

The need for digital literacy extends far beyond humanitarian activities, and the economy stands to benefit a great deal by encouraging formal financial mechanisms to be used, in particular digital technology. The pandemic gives new impetus on this front, where activities that are impossible with physical restrictions become possible due to the wider use of technology.

This consultant will support UNCDF’s efforts to promote financial literacy and financial technology (fintech) for financial inclusion in Myanmar. She or He will continue the work already done under an earlier ToR supported by DaNa and UNCDF, including completing a market review of current financial and digital literacy programming in Myanmar, and the consulting of a wide range of private sector stakeholders on appropriate prioritising of the most needy consumer segments.

Specifically, the consultant’s expertise will be applied toward developing a national digital and financial literacy strategy to advance the public’s financial aptitude and confidence. The strategy will entail a blended traditional and contemporary (i.e. digital) approach to support legacy face to face financial services as well as the advent of fintech services within Myanmar’s evolving financial services landscape featuring a rapidly digitizing economy and increasing access to digital financial services.

B. Objective of assignment

1) To advise the Roadmap Pillar 5 (consumer empowerment) Working Committee and other relevant stakeholders such as the newly formed National Payment System Governing Committee1 and its Working Committee on how best to design promotional literacy programs that encourage adoption of existing and emerging financial technologies and support the growth of e-commerce. The Consultant will work with the existing Financial Inclusion Secretariat to support the ongoing agenda and activities of the Roadmap Pillar 5 Working group.

2) To carry out the design/scoping of a national program to develop digital and financial literacy in Myanmar, with particular emphasis on mobile and electronic payments, e-commerce and digital/online transactions (referred to as the “National Digital & Financial Literacy Initiative”). The program must also encompass diverse customer segments (consumer, rural/urban, women, SMEs, students etc.) with an emphasis on those identified as the most needy in the market review already conducted.

3) To prepare a strategy document consisting of at least:

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1 This committee is chaired by the Minister, Planning and Finance, with the CBM Governor acting as Vice Chair. Its membership comprises several government bodies, including the Office of the Attorney General, the Ministry of Commerce, and the Ministry of Post and Telecommunications. A Working Committee will provide ongoing support and guidance, headed by CBM Deputy Governor.
An overview of the financial literacy resources prepared and/or planned for the general public or specific targeted segments.

A plan for the National Digital & Financial Literacy Initiative that identifies objectives, timelines and resource requirements, and outlines the Initiative’s Key Performance Indicators (KPIs) to be agreed with the Central bank of Myanmar (CBM) and the Financial Regulatory Department (FRD).

Recommendations to ensure the successful implementation of the strategy, learning from other existing interventions within government.

Suggested monitoring and evaluation mechanisms to independently assess the state of digital and financial literacy on a periodic basis.

4) To support and lead, as needed, stakeholder consultations and workshops conducted to obtain insights, market understanding and engagement with the National Digital & Financial Literacy Initiative.

5) To establish and commence the mechanism for monitoring and evaluating the KPIs for the National Digital & Financial Literacy Initiative and the general state of digital and financial literacy in Myanmar.

6) To engage (e.g. delegate tasks, accompany interviews, research etc.) with Myanmar UNCDF staff, as practical in the strategy development process and any other tasks seen as relevant.

### D. Deliverables and Final Products Schedule

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Activities</th>
<th>Deliverables</th>
<th>Expected No. of Days</th>
<th>% Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1: The policy and regulatory environment is strengthened</td>
<td>Convene, prepare for and facilitate stakeholder Workshop(s) with both government and non-government parties (such as DPs, Associations, FSPs, DFSPs, Universities, etc.) to obtain (i) feedback and suggestions for draft Strategy; (ii) Buy in and industry acceptance for the strategy</td>
<td>Stakeholder workshops to solicit inputs and ensure ownership of developed Strategy</td>
<td>15 days</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Conducting Government Stakeholder consultations including preparing summary of progress and key issues</td>
<td>Strategy draft 1 (Word document + introductory PPT)</td>
<td>13 days</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Drafting complete National Digital and Financial Literacy Strategy incorporating all elements and submit for government review (Draft 1)</td>
<td>Drafting final strategy document incorporating all comments and agreed suggestions; and high-level implementation plan</td>
<td>5 days</td>
<td>35%</td>
</tr>
<tr>
<td>Output 2: Strengthened capacity of selected market participants</td>
<td>Commencing rollout of the strategy including any launch, detailed implementation plans, coordination with stakeholders, commencement of governance meetings, assisting with design related products and monitoring process</td>
<td>Implementation plan and M&amp;E process in place and is linked to MSDP and FI Roadmap M&amp;E</td>
<td>14 days</td>
<td>35%</td>
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<tr>
<td></td>
<td>Supporting regular meetings of the Pillar 5 Working Group (potentially quarterly), to oversee the National Digital and Financial Literacy Strategy, drafting</td>
<td>Secretariat and Financial Literacy Working Group has capacity to start</td>
<td>12 days</td>
<td>35%</td>
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<tr>
<td>Reports</td>
<td>and lead on implementation process</td>
<td>8 days</td>
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<tr>
<td>Capacity building and working with the Government and private sector parties on Digital and Financial Literacy tools, Apps, documents, teachings and other means of providing trainings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designing, consulting and obtaining agreement on a potential national product, such as a basic transaction account, utilizing DFS as much as possible, and on bank, MFI, MFSP and other platforms, and which can be linked with the National Strategy</td>
<td>Decision made on whether / how to implement national basic transaction account</td>
<td>15 days</td>
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<td></td>
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</tbody>
</table>

<table>
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<tr>
<th>Output 3: Knowledge Management and Sharing</th>
<th>Designing a strategy or plan, including the funding plan for a national survey of Digital and Financial Literacy in Myanmar, linking with a broader Fi survey if appropriate / advisable, and circulating it and obtaining agreement to conduct such a survey, working with OECD or another suitable agency</th>
<th>Plan including funding requirements for a national survey developed</th>
<th>8 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioning the Survey of Digital and Financial Literacy, funding plan implemented and beginning work on it</td>
<td>Funding proposal for survey drafted and submitted</td>
<td>10 days</td>
<td></td>
</tr>
</tbody>
</table>

| Total | 100 days | 100% |

**E. Institutional Arrangement**

The Consultant will closely work with the UNCDF Team, in-country and international, under the overall guidance of UNCDF Country Coordinator or his designated representative, and with core support from the UNCDF Digital Financial Services and Financial Inclusion teams. The UNCDF Country Coordinator will approve the consultant’s payment based on the deliverables listed in these TORs.

**F. Duty Station**

This consultancy requires the presence of the consultant in Yangon and Nay Pyi Taw, Myanmar with potential travel to other states/regions.

**G. Qualifications of the Successful Individual Contractor**

**Education**

- Minimum Master’s degree or equivalent diploma in Technology, Economics, Finance/Banking, Social Studies, Development Studies, or any other relevant discipline.

**Experience**

- Experience working in the field of financial inclusion, particularly in emerging economies that have enjoyed rapid and widespread adoption of digital payments;
- Knowledge of effective/good practices in promotion of digital and financial literacy worldwide, including in the ASEAN region;
- Experience in the design of programs/interventions related to digital and/or financial literacy;
- Good working knowledge of recent developments in financial regulation related to payments and fintech, particularly from a developed market or “newly emerging” country perspective;
- Capacity to facilitate small group discussions on the above-related topics;
• Capacity to carry out highly focused topical research on the above-named themes/issues, and ability to prepare concise reports within potentially tight deadlines; and
• Preferably, recent experience in rolling out or assessing digital and financial literacy programmes in ASEAN.

Language
• Fluency in oral and written English is a requirement.
• Fluency in Burmese language is a strong asset

Competences
• Demonstrated ability to work effectively as an integral part of multi-disciplinary, multi-cultural and multi-agency teams.
• High level of energy and initiative, and ability to deal with rapidly shifting priorities and work demands.
• Demonstrated exemplary diplomatic, management and interpersonal skills. Strong relationship building skills and ability to work with partners from a variety of backgrounds is essential
• Organized, punctual and detailed; good negotiation skills, the ability to persuade others, excellent judgement and effective problem-solving ability
• Ability to stay calm under pressure, a heavy workload and during emergency situations
• Strong communication skills (written and verbal) across various media, email, phone, in-person and in group settings
• Proficient in use of MS office
• Ability to negotiate with different persons having different agenda
• Knowledgeable of the UN system functioning and programming is an asset.
• Strong leadership and planning skills.
• Strong analysis and synthesis skills.
• Cultural, gender, religion, race, nationality and age sensitivity and adaptability.

Evaluation Process and Criteria
Individual consultants will be evaluated based on the following methodology:

Preliminary Evaluation - Step I: Screening:
Technical Evaluation Weight - 70% = Step II: Shortlisting (100 points) and Step III: Desk Review; Financial Evaluation Weight - 30% = Step IV. Scoring evaluation – Step V: Selection

Step I: Screening:
Applications will be screened and only applicants meeting the following minimum criteria (listed under education and experience) will progress to the pool for shortlisting.

Step II: Shortlisting by Desk Review:
UNCDF will conduct a desk review to produce a shortlist of candidates and technically evaluate them. As applicable, only the first top 3 ranked applicants achieving 70% of the points at this stage shall be considered for a desk review.

Step III: Desk Review Technical Evaluation:
The top 3 shortlisted candidates will be considered by the evaluation panel.
The technical qualification of the individual is evaluated based on the following technical qualification evaluation criteria (it depends on TOR):
• Relevance of education – Max 10 points
• Experience in financial inclusion - Max 30 Points
• Technical skills in digital and financial literacy – Max 20 points
• Experience in design of programs/interventions related to digital and/or financial literacy – Max 10 points
Step IV: Financial Proposal Evaluation:
The following formula will be used to evaluate financial proposal: Lowest Financial proposal/price of the proposal being evaluated X 30%. Lowest Financial Proposal refers to the lowest price offered by Offerors scoring at least 49 points in the technical evaluation.

Step V: Selection
The contract shall be awarded to the best applicant whose offer have been evaluated and determined as: responsive/compliant/acceptable and having received the highest combined weight technical proposal 70% + financial 30%= 100%.

References

This TOR is approved by

Paul Luchtenburg

Paul Luchtenburg
UNCDF Myanmar Country Coordinator