

## Terms of reference

# MAP Diagnostic Refresh Approach for Cambodia

Ref: 71282

## 1. GENERAL BACKGROUND

### 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.

Since 2008, UNCDF has been supporting digital finance with significant success, with digital finance currently the largest part of its inclusive finance portfolio. This includes digital innovations linked to on an off-grid energy, agriculture, employment, health and transport. UNCDF's digital team and resources are currently spread across several programmes and UNCDF is in the process of consolidating its financial and technical resources to create a comprehensive team of experts in various domains to drive the new strategy "[Leaving no one behind in the digital era](#)"

UNCDF is also host to the Secretariat of the Better than Cash Alliance, a partnership of governments, companies, and international organizations that accelerates the transition from cash to digital payments in order to reduce poverty and drive inclusive growth.

Please refer to [www.uncdf.org](http://www.uncdf.org)

### About SHIFT

UNCDF's 'Shaping Inclusive Financial Transformations' (SHIFT) program aims to catalyze access to formal financial services to advance women's economic empowerment and gendered financial inclusion for millions of women and small businesses in the ASEAN markets. SHIFT leverages product and business model innovations, data analytics, technical training, and policy advocacy services at different levels to change the behavior of market players. Data and research crosscuts into all SHIFT's activities as the shaping of inclusive financial transformations cannot be accomplished without the use of good data and research to inform and facilitate markets and address the gender research gap. SHIFT advocates

evidence-based financial inclusion policies and practices that expand access and usage of financial services for women by facilitating, informing and incentivizing FSPs, regulators and governments and by stimulating collective dialogue between them.

The program works through four interrelated outputs: The Data and Analysis Hub produces and disseminates knowledge on supply, demand and regulation in financial markets to strengthen the evidence base and investment decisions of providers, regulators and policy makers to advance women's financial inclusion. This is closely integrated with the Learning and Skills Development facility that capacitates technical service providers to scale viable learning and training models for financial institutions. The Policy and Advocacy component stimulates dialogue among policy makers in FSPs and governments to enable financial market policies to be more responsive to the needs of women. Finally, the Innovation Facility offers various types of incentives to FSPs to pilot new prototypes and scale viable innovative (digital) finance business models to advance access to and usage of finance for women.

In Cambodia SHIFT has invested in various finance business models while offering further data, learning and capacity-development assistance to FSPs and regulators to move markets. For example, the formal domestic remittance market which was further developed through SHIFT's investment in Amret's remittance-linked savings account 'Family+' service. SHIFT has used data insights from a customer journey action research to train and build the capacity of FSPs and through the trainings AMK has for example been able to use data analytics to identify customers having multiple loans across different institutions and subsequently amended their credit policy to better meet customers' demands. From the policy perspective, SHIFT has supported the National Bank of Cambodia (NBC) in developing its National Financial Inclusion Strategy including support on a demand-side survey collecting 3.125 data points using the FinScope methodology. Through these interventions have helped to strengthen the gender lens in Cambodia's financial inclusion work and the country's journey towards women's financial inclusion.

### **About MAP**

Making Access Possible (MAP) is a multi-country diagnostic and programmatic framework to support expanding access to financial services for individuals and micro and small businesses. MAP has been initiated by UNCDF as one of its main programmes to enhance financial inclusion in LDC's.

Through a dialogue and evidence-based process, MAP aligns a broad range of stakeholders from within government, private sector and the donor community to create a set of practical actions aimed at extending financial inclusion tailored to that country. Importantly, financial inclusion is pursued not as an objective in and of itself, but for its role in achieving the core public policy objective of enhancing household welfare, supporting livelihoods and contributing to economic growth and employment (the so-called "real economy").

The MAP methodology has been jointly developed by UNCDF, FinMark Trust and Cenfri. This methodology spans the country context, supply, regulatory framework and demand for financial services across four product markets: credit, payments, savings and insurance. These terms of reference provide background to what MAP is, what the objectives are of MAP in order to guide the analytical framework and objectives of the MAP refresh to be undertaken in Cambodia.

The initial MAP country diagnostics, including the 2015 Cambodia diagnostic, was able to build a substantial evidence-base that allowed stakeholders, both Government and policy-makers to engage with the research and its findings for implementing financial inclusion in the country. By taking an *integrated view* of the financial sector – covering demand, supply and regulation across product areas – that places various products and players in context and explores the ability and willingness of the formal sector to serve the excluded and underserved market, the diagnostic was able to build a *holistic picture* of the drivers of financial inclusion and the eco-system within which the financial services sector operates. The

research was used to generate an *evidence base for a process* of engagement to generate buy-in and catalyse a practical set of actions and demonstrate *opportunities* for and identify context-related, market-related and regulatory *obstacles* to expanding financial inclusion

Continued engagement of stakeholders was ensured through the implementation of the national roadmap, which also ensured buy-in and ownership from various public and private sector stakeholders.

It is within this context of the initial MAP Diagnostics and research, that the UNCDF MAP programme are seeking to update the current evidence-base in selected countries.

## 2. OBJECTIVES OF THE REFRESH

Given the pace of and changes in financial markets, the limited shelf-life of demand side data, and the need to fine tune the focus of financial inclusion activities at national level, a MAP refresh is proposed in Cambodia. The refresh is targeted at improving the focus and relevance of financial inclusion interventions to ensure maximum impact, with the following objectives:

1. Evaluate implementation progress against the existing roadmap, on an overall strategic level as well as for specific indicators. Provide feedback on the implementation progress, issues, and gaps remaining
2. Provide an update of the overall market, regulatory and supply side context
3. Where possible, provide an update of the realities of key target markets and households in terms of income and financial services usage, relating back to the frameworks used in the original diagnostics
4. Provide data and analysis on new market developments that were not covered by the original 2015 MAP diagnostic in order to assess the roadmap implementation and update as necessary;
5. Prioritise key sectors in the diagnostic and incorporation into the roadmap, which have a real economy focus. This aspect will make up about half of the required analyses
6. Assess the impact of the national MAP roadmap at country level by:
  - Measuring the market development since the undertaking of the original MAP diagnostics and unpack the development of the financial services market against the FinScope access strand;
  - Understanding the drivers of market development and it's context;
  - Check and update the original research assumptions in line with the market development;
  - Incorporate implementation learnings from the last five years,
7. Take into account new measurements frameworks incorporated and tested in the MAP demand side survey and supported by the Insights to Impact( i2i) programme
8. Fine tune the national priorities as defined in the MAP based National Financial inclusion Roadmap (or Strategy, or Policy as the case may be), based on the MAP refresh findings.
  - a. This should be done by specifically aligning the financial inclusion objectives with real economic implications in terms of consumption of basic goods and services and the productive capacity (MSME sector) of the selected countries.
9. Rejuvenate the MAP brand and process at country level, ensuring that MAP remains relevant and responsive to stakeholder needs.

MAP refresh country focus and status: A refresh will be provided for Cambodia. The key findings and priorities for the diagnostic and roadmap should carefully be studied. Details on the process and outputs are as follows:

- A FinScope survey was conducted in 2015, for which a nationally representative dataset is available which was used as the primary demand side data source for the 2015 Diagnostic

- A diagnostic was conducted in 2015, based on the demand side data collected, as well as supply side consultations and a regulatory review.
- A steering committee was set up to oversee the development and roll out of the survey and diagnostic exercise, and to provide ownership and oversight to the development of the roadmap and implementation.
- MAP Cambodia (2015) represented a partnership between the Bank of Cambodia , UNCDF, jointly undertaking the Making Access to Finance Inclusive for Poor People (MAFIIP) programme with Australian Government funding, and FinMark Trust for the development of a Strategic Framework for Financial Inclusion in Cambodia.
- A Roadmap was initially produced by a UNCDF consultant (in 2015) as part of the larger MAP diagnostic work in Cambodia, then revised by Bank of Cambodia through the stakeholders' consultation process.
- A national financial inclusion strategy was developed based on the roadmap and adopted in 2019. The roadmap is the basis of the MAP refresh.
- A new demand side mobile survey will be conducted to feed into the refresh – not providing a dataset, but a set of preformulated indicators which can be used to measure progress on financial inclusion for topline indicators since 2015.

### 3. SCOPE OF WORK

The report will provide an updated evidence base and integrated analysis of country context, demand, supply and regulatory information across the payments, credit, savings and insurance markets. The approach will be to update, document and analyse changes in the key elements as set out below based on the original diagnostic. As such, the market analysis needs to consider the following:

- **Market and national Context.** The country context is the backdrop against which the financial services market develops. The context analysis includes the macro, socioeconomic and demographic context, the political economy as well as the general and social infrastructure underlying financial services provision and usage.
- **Demand.** The 2015 FinScope and 2021 Mobile Tracker survey results to be integrated into the research components in order to ascertain the features of demand in the particular context and how it differs across product markets. The research needs to check if the original target markets are still applicable within the updated market context.
- **Supply.** The supply-side analysis spans providers, products and distribution channels across four product markets: payments, savings, credit and insurance. The analysis should span the nature, operations and financial performance of the different providers, the nature, features and reach of the various distribution channels used (current as well as potential), as well as the key features (including functionality, entry or eligibility requirements and fees) of a representative range of entry-level products in each product market.
- **Regulation.** As regulation represents the “rules of the game” for all financial service providers, it is important to benchmark the progress of the financial sector policy framework and any reform processes. The review must also analyse all relevant acts and other regulatory materials, including stakeholder interviews to build an understanding of the regulatory framework and its implications for market development, since the original diagnostic and roadmap.
- **Donor landscape:** The donor landscape as it impacts on financial inclusion is critical in order to understand how activity at a national level can be better coordinated, and the research will identify key donors in the country, and the main projects undertaken or planned.

Additionally, progress on the roadmap and national commitment must also be established. To this end, the research must consider:

- Extent of political buy-in and support for the roadmap implementation,
- Suitability and effectiveness of national stakeholder and co-ordination structures around the roadmap development and implementation,
- Dedicated capacity for national co-ordination and programming in the ministry/department of finance,
- Extent of roadmap priority implementation
- Extent of donor co-ordination and support for the roadmap implementation
- National monitoring and evaluation frameworks development and implementation

We encourage new ideas, but the suggested final report should cover the following,

- Introduction
- Evolution of socio, political and economic environment
- Keys social and economic questions in relation to financial inclusion
- Achievements resulting from the initial roadmap
- Economic sectors that can drive inclusive growth (supported by financial inclusion)
- Revised roadmap/recommendation

## 4. COMPARISON TO MAP DIAGNOSTIC

MAP refresh will be designed to have a lighter touch than the full MAP diagnostic, relying on the initial diagnostic to develop a more hypothesis driven approach (checking what has changed rather than what is), fine tuning the questionnaires and research questions more precisely given the knowledge from the initial study and MAP ongoing involvement in the countries, and basing any recommended future actions at national level based on what is already in place. The table below shows a more detailed comparison:

*Table 1: Comparison between MAP Refresh and MAP Diagnostic*

	MAP Diagnostic	MAP refresh
Stakeholder process	Establishes a stakeholder process, including the necessary approval structure	Leverages the existing MAP stakeholder processes
Demand side data	Nationally representative FinScope survey, which depends on detailed pre-survey field studies to identify key issues and to localize questionnaires and data collection	Nationally representative Mobile Tracker survey, which depends on prior FinScope and in-country experience to identify key issues. Other data available in country.
Research focus	A full green fields diagnostic, assessing the financial inclusion landscape from first principles to develop national priorities.	Focuses on a review of changes since the previous diagnostic, helping to fine tune the national priorities.
Nature of recommendations	Recommends National priorities, and identifies approaches that are likely to be successful given the local political economy.	Recommends changes to already identified priorities, and identifies successful approaches to be strengthened. This should highlight relationships between financial inclusion objectives and their

		implication for consumption of basic services and supporting MSMEs
Outputs	Detailed MAP Diagnostic Report Summary Synthesis Report National FI Roadmap	Revised Diagnostic Report and Roadmap
Timeline	8-12 months	2-3 months

## 5. CONTENT OF PROPOSAL

Bidders should submit a detailed technical and financial proposal. The technical proposal is expected to be clear and concise and should be a maximum of 10 pages. It should include:

- Methodology: the approach to be implemented in conducting the scoping exercise;
- Sample design for the mini-demand and supply side diagnostic: a detailed overview of key stakeholders who will be approached for in-person engagements;
- Timeline: a detailed timeline for executing all project activities;
- Risk management: a comprehensive list of anticipated project risks and contingency plans;
- Skills and qualifications: evidence of technical capacity to undertake this study;
- Name and qualifications of staff members responsible (i) for overseeing the work; (ii) for undertaking the work;
- Output: outline and structure of the comprehensive research report, and
- Financial proposal: detailed costing for each activity, broken down by professional fees and expenses.

## 6. REQUIRED SKILLS AND QUALIFICATIONS

Applications from interested bidders must provide evidence of the technical capacity to undertake this exercise. This includes capacity to deliver the results in the timeframe provided, as well as some indication of prior experience in coordinating large projects and supporting stakeholder engagement within the financial services and SME sector. Individuals /core team members' CVs must be included, as well as a description of any further resources that may be required. Required skills / qualifications include the following:

### 1. Expertise of the firm (30 points)

- A firm and/ or its key partner(s) having been in operations for not less than five years (5 points),
- A firm and/ or its key partner(s) having a minimum of five years of relevant experience in financial inclusion, microeconomics, and financial sector development policy review and evaluation (10 points),

- A firm and/ or its key partner(s) demonstrated capacity to apply analytical frameworks and results uptake and usage (5 points),
- A firm and/ or its key partner(s) having experience in project management with an excellent understanding of the local financial system (5 points).
- A firm and/ or its key partner(s) having Excellent computer literacy, including research and report writing skills, communication - written and verbal skills both in English (5 points)

## **2. Methodology: Proposal to include methodology (40 points)**

- A clear approach/methodology for performing intended tasks considering the following (30 points)
  - a. To what degree does the Offeror understand the task?
  - b. Is there evidence that the proposal been prepared based on an in-depth understanding and prior knowledge of the project environment?
- An activity plan for achieving objectives, with clear budget and timelines considering the following (10 points)
  - c. Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?

## **3. Management structure and qualifications (30 points)**

- Detailed CVs and / or short bios of at least 3 of the key staff to be involved in the assignment, including the authorized representative submitting the proposal. Key information for inclusion in the CV may include: college or university degree in Economics, International Trade, Social Science, Development Finance, International Development, or other relevant field, the current roles of the individual, the number of years worked and relevant working experience (number of years). Where some of the staff are going to be outsourced please provide a short bio for each of them indicating their name, current designation, qualification and relevant working experience (number of years). Also indicate if they have had experience in relevant local financial system. Experience and qualifications will be scored as follows:
  - i. Education (6 points)
  - ii. Relevant experience (24 points), including any of/a combination of the following
    - a) Prior experience in financial inclusion strategies
    - b) Demonstrated experience in report writing and authoring publications
    - c) Prior experience in diagnostic studies of financial inclusion landscape in Cambodia and/or in the region
    - d) Prior experience on data and information analysis related to financial indicators in Cambodia and/or in the region

## 7. SELECTION CRITERIA

Contract selection criteria and award will be made on the basis of the following scoring mechanism:

Combined Scoring Method, using the 70%-30% distribution for technical and financial proposals, respectively, where the minimum passing score of technical proposal is 70%

### **Technical Proposal (70%)**

	<b>Evaluation Criteria</b>	<b>Score</b>
1	Expertise of the firm	30
2	Methodology: Proposal to include methodology	40
3	Management structure and qualification	30
	<b>Maximum score</b>	<b>100</b>

### **Financial Proposal (30%)**

In the second stage, the financial proposal of all bidders, who have attained the minimum 70% score in the technical evaluation, will be evaluated. The following formula will be used to evaluate financial proposal:

Lowest priced proposal/price of the proposal being evaluated x 30%. The contract will be awarded based on the Cumulative analysis weighted-scoring method. The award of the contract will be made to the tenderer whose offer has been evaluated and determined as:

- a) Responsive/ compliant/ acceptable with reference to this RFP, and;
- b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation, with the ratio set at 70:30 respectively in technical and financial offer (this is to reflect the high-level skills mix required).

Approved by:

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