

TERMS OF REFERENCE (TOR)

FINAL EVALUATION OF SIERRA LEONE NATIONAL FINANCIAL INCLUSION STRATEGY

1. Background

In 2016, the Bank of Sierra Leone (BSL) launched the National Strategy for Financial Inclusion (NFIS) 2017-2020. The Strategy is a four-year plan that was developed through a consultative process in order to ensure that key stakeholders work together in driving financial inclusion.

The Strategy is made up of six (6) strategic intervention areas:

- Responsive Policy Regulations and Coordinated Actions;
- Client-centric Products and Services;
- Digital Financial Services;
- Access to Finance for MSMEs in Growth Sectors;
- Financial Literacy, Financial Education and Consumer Protection;
- Data and Measurement.

Working groups were formed for each of these thematic areas comprising key stakeholders in the financial sector where BSL acts as the Secretariat. The main objective of the working groups is to provide technical support in the implementation of the Strategy.

The implementation of the Strategy is being spearheaded by the Financial Inclusion Secretariat in BSL. The UNCDF has been supporting its implementation since 2017.

The Strategy vision is to **make financial services available, accessible and affordable to all Sierra Leoneans and MSMEs, and support inclusive and resilient private-sector led growth.**

The Strategy objectives are:

- To ensure that regulators' capacity is responsive to emerging opportunities in new areas such as digital financial inclusion and supportive of economic growth in Sierra Leone.
- To enable financial services and delivery channels to leverage technology to design and deliver services for a diverse range of population including women, youth, rural-based population and MSMEs.
- To improve access to finance for domestic MSMEs in agriculture and other growth sectors identified through demand analysis.
- To ensure all Sierra Leoneans have sufficient financial competencies to better utilise the financial services available and ensure consumers are protected.
- To build a robust financial inclusion measurement system, including use of digital data that will encourage and support evidence-based policymaking and improve credit profile of borrowers.
- To grow financial inclusion among Sierra Leoneans through a multi-stakeholder and collaborative approach.

Link to the National Financial Inclusion Strategy:
<http://www.bsl.gov.sl/SL%20FI%20Strategy%202017%20-%202020.pdf>

2. Scope and Purpose of the Evaluation

UNCDF is seeking the support from a firm to conduct an evaluation of the National Strategy for Financial Inclusion 2017-2020. More specifically, the objectives of the assignment are to

- 1) Take stock of the implementation status of the Strategy;
- 2) Assess the contribution of the undertaken initiatives to the Strategy objectives and targets; and
- 3) Capture lessons learnt and formulate recommendations for the drafting of the new NFIS.

The assignment is for 50 working days.

3. Methodology and evaluation Questions

The evaluation should draw upon mixed methods of quantitative and qualitative data using both existing secondary data sources and primary data to be collected during the evaluation, ensuring evidence-based findings and recommendations. Note that primary data collection will involve BSL, financial service providers, relevant Ministries Departments Agencies (MDAs), private sector associations and if possible consumer groups. It will not include a customer survey.

The evaluation of the Strategy will be carried out in accordance with UN Evaluation Norms and Standards of Evaluation and Ethical Standards. The table below outlines key questions (preliminary) that will guide the evaluation. These questions relate to the objectives of the evaluation listed above.

Interested bidders should use the below outline to submit a detailed matrix, to include also possible performance indicators/judgement criteria as part of their technical proposal as well as the likely sources of information that will be used to answer the evaluation questions.

The evaluation matrix will be finalized during the inception phase.

Question 1: Relevance	1.1 To what extent are the Strategy initiatives relevant to the key stakeholders that are supported and consistent with the Strategy objectives?
	1.2 Is the formulation of the Strategy realistic, appropriate and adequate for achievement of the results?
	1.3 To what extent is programme design sufficiently taking cross-cutting issues such as gender and human rights and social and environmental performance into account? Was the conception of the Strategy gender-differentiated and was a gender analysis conducted?
	1.4 Are the objectives of the Strategy still valid?
Question 2: Effectiveness	2.1 To what extent are the stated outcomes and outputs for the Strategy on track?
	2.2 What factors have contributed to achieving or hindering achievement of the intended outputs and outcomes?
	2.3 Is there a suitable M&E framework to monitor and support the implementation of the targeted results?
	2.4 How can Bank of Sierra Leone strengthen data collection tools (leveraging and harmonizing existing tools for regulatory and supervisory reporting where possible) to regularly measure the most relevant financial inclusion indicators?

	2.5 Are the management approaches and tools effective in delivering results?
Question 3: Efficiency	3.1 Is the process of achieving results efficient? Were the resources effectively utilized?
	3.2 What factors are contributing to implementation efficiency?
	3.3 Could a different approach have produced better results?
	3.4 Do the activities of the Strategy overlap and duplicate other similar interventions (funded nationally and/or by other donors? Are there more efficient ways and means of delivering more and better results (outputs and outcomes) with the available inputs?
	3.5 What are the strengths, weaknesses, opportunities and threats of the Strategy implementation process?
Question 4: Likely impact	4.1 What has been the (likely) impact of the Strategy initiatives on making financial services available, accessible and affordable to Sierra Leoneans and MSMEs, and support inclusive and resilient private-sector led growth? What is the relative contribution of the different initiatives to that change?
Question 5: Sustainability	5.1 To what extent are the benefits of the Strategy likely to be sustained after the completion of the Strategy?
	5.2 What are the key factors that will require attention in order to improve prospects of sustainability of the new Strategy outcomes and the potential for replication of the approach?
	5.3 Are capacities sufficiently strengthened at the government, individual and organizational level (including contributing factors and constraints)? What are the challenges and how can this be strengthened?

4. Expected Timeline and Deliverables

The table below shows the evaluation phases, corresponding deliverables and tentative timeline.

	Activities	Deliverables	Number of days
Phase 1:	Kick-off meetings with BSL and UNCDF; Finalize evaluation design and workplan.	Inception report incl. final evaluation matrix and detailed workplan (10-15 pages)	5
Phase 2:	Desk review of key documents; Review and analysis of secondary data available from all stakeholders; Key information interviews with public and private sector stakeholders; Workshop with BSL and UNCDF to discuss findings.	Data analysis files; Transcripts from interviews; Draft Evaluation report. Workshop minutes	40
Phase 3:	Final report writing	Final Evaluation Report including lessons learnt and recommendations for the next NFIS	5
			Total: 50 days

The evaluation will be conducted from November 2020 for an estimated 50 working days. Upon signing of the contract, the consultant will be given the necessary working documents for reference.

5. Institutional Arrangements

The evaluation will be managed by the UNCDF in collaboration with the Bank of Sierra Leone. UNCDF shall be the focal point for the evaluation and the personnel of the Financial Inclusion Secretariat of the BSL shall be responsible for providing the logistical support to the consulting firm, such as arranging for interviews, among others. UNCDF will provide overall guidance and direction for the review process in coordination with the BSL.

6. Duty Station

Freetown, Sierra Leone.

The consulting firm may conduct most activities virtually but should also be available for in-person meetings in and near Freetown as needed.

7. Scope of Price Proposal and Schedule of Payments

The consulting firm shall be paid the consultancy fee upon completion of the following milestones.

Outputs	Percentage	Timing	Condition for Payment Release
Kick-off meetings with BSL and UNCDF; Inception report including the final evaluation matrix and detailed workplan (10-15 pages)	30%	December 2020	Inception report including the final evaluation matrix and detailed workplan (10-15 pages) Kick-off meeting minutes
Desk review of key documents; Review and analysis of secondary data available from all stakeholders; Key information interviews with public and private sector stakeholders; Workshop with BSL and UNCDF to discuss findings.	40%	January 2021	Data analysis files; Transcripts from interviews; Draft Evaluation report. Workshop minutes
Final Evaluation Report including lessons learnt and recommendations for the next NFIS	30%	February 2021	Final Evaluation Report including lessons learnt and recommendations for the next NFIS

Consultancy fees instalments will be paid as Lump Sum Amounts inclusive of expenses related to the consultancy). The contract price will be fixed regardless of changes in the cost components.

8. Professional Qualifications of the Successful Contractor and its key personnel

The team shall include at least a Team leader/ senior specialist and a junior specialist.

Team Leader / Senior Specialist
Master's degree in Business Administration, Accounting, Development Studies, International Development, or any other relevant university degree;
Ten years of experience in designing and conducting market systems analyses and impact studies qualitative and quantitative surveys in the field of financial inclusion
Five years of experience in MSME segments, financial inclusion, financial and digital literacy preferably in the context of Sierra Leone
Prior experience working with financial inclusion stakeholders (public and private) in Sierra Leone will be considered an advantage;
Excellent oral and written English
Junior Expert (s)
Bachelor degree in Business Administration, Accounting, Development Studies, International Development, or any other relevant university degree;
At least two years of experience in designing and conducting market systems analyses and impact studies qualitative and quantitative surveys in the field of financial inclusion
Prior experience working with financial inclusion stakeholders (public and private) and facilitating workshops.
Excellent oral and written English

9. Evaluation Criteria

Applications will be rated on both technical and financial submissions. The following selection method will be used: Highest rated proposal using the combined scoring method, which assigns the weight distribution between the technical and financial proposals.

The overall combined score will be 100 points, where weight distribution shall be 70% technical and 30% financial.

UNCDF will technically assess the proposals by evaluating the following criteria with corresponding points (up to 100 points weighted by 70%).

☐ Expertise of the Firm: up to 35 points

Expertise of the firm	Points Obtainable
At least 10 years of experience in designing and implementing impact evaluations of inclusive development programs;	15
At least 5 years of experience in the field of financial inclusion, MSMEs development, and/or financial literacy;	10

Experience in supporting governments and regulators in the formulation of national financial inclusion or financial education strategies;	10
Total Expertise of the firm	35

☐ Methodology, its Appropriateness to the Condition and Timeliness of the Implementation Plan 30 points

Expertise of the firm	Points Obtainable
The proposal addresses the scope of the research as outlined in the TOR in a comprehensive and innovative way	10
The design of the proposed methodology is well-substantiated, structured, and appropriate	10
The proposed methodology builds on existing research and data	5
Quality assurance procedures and mechanism, guarantee provided by the firm	5
Total Methodology	30

☐ Qualification of Key Personnel 35 points

The team shall include at least a Team leader/ senior specialist and a junior specialist.

Expertise of the firm	Points Obtainable
Senior Expert (s)	25
- Relevant Education	5
- Experience	15
- Language	5
Junior Expert (s)	10
- Relevant Education	2
- Experience	6
- Language	2
Qualification of Key Personnel	35

Only firms obtaining a minimum of 70% of the total technical points would be considered for the Financial Evaluation.

Financial Proposal (up to 100 points weighted by 30%)

To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.

The offer will be evaluated by using the Best value for money approach (combined scoring method). Technical proposal will be evaluated on 70%. Whereas the financial one will be evaluated on 30%.

10. Submission Form

Interested firms should apply by submitting a proposal that includes the following documents

- a) Letter of Confirmation of Interest and Availability using the template provided as Annex 1
- b) Technical Proposal using the template provided as Annex 2
- c) Financial proposal with all-inclusive fixed total contract price, supported by breakdown of costs as per template provided as Annex 3.
- d) Certificate of registration/incorporation of the applicant
- e) Audited financial statements for at least the past two years
- f) Tax Payment Certification

The proposals shall be submitted by email to digital.procurement.bru@uncdf.org cc: uncdf.procurement@uncdf.org by Monday, October 26, 2020 23:59 pm (New York Time).