# TERMS OF REFERENCE

**POST TITLE:** National - Microfinance Technical Consultant  
**AGENCY/PROJECT NAME:** UNCDF; Expanding Financial Access (EFA)  
**TYPE OF CONTRACT:** Individual Contract  
**STARTING DATE:** May 1, 2022  
**DURATION:** 1st May 2022 – 31st December 2022  
**COUNTRY OF ASSIGNMENT:** Myanmar  

## 1) GENERAL BACKGROUND

UNCDF is the UN’s capital investment agency for the world’s 46 least developed countries. It creates new opportunities for poor people and their communities by increasing access to microfinance and investment capital. 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.

UNCDF has formulated a strategy of ‘Leaving no one behind in the digital era’. The vision of UNCDF is to empower millions of people by 2024 to use services daily that leverage innovation, technology and contribute to the Sustainable Development Goals.

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.

**Assignment context:**

The microfinance sector in Myanmar has developed rapidly since the enactment of the Microfinance Law in November 2011. The sector continues to grow but is in need of support at nearly every level. UNCDF has been involved in issues of financial inclusion in Myanmar since shortly after the enactment of the law and continues to support the development of the sector.

**Leaving No One Behind (LNB):**  
With regards to financial inclusion expansion UNCDF has an ongoing partnership with the UNOPS -managed LIFT Fund. One initiative currently underway since January 2020 is the Leaving No One Behind (LNB) project. With LIFT funding, UNCDF is collaborating with LIFT in an implementing partner (IP) role, over a 39-month period (October 2019 to December 2022) to:
1. Provide technical experience and apply professional services (legal and audit) to carry out transformation support for nine MFIs undergoing a country-specific commercialization process from an NGO to a limited liability company (LLC) in accordance with prevailing Myanmar Company law and microfinance regulatory standards
2. Deliver specialized technical services to microfinance institution (MFIs) sub-grantee(s) extending financial services to marginalized sectors and areas throughout Myanmar
3. Provide institutional development services to position commercial MFI partners for commercial lending opportunities

Market Development Facility (MDF):
In order to increase the access to and usage of formally regulated pro-poor financial services in Myanmar, EFA has commissioned a consultant to develop the foundational MD framework. The MDF functions as a risk-taking catalytic agent able to leverage outside sources of capital to financial service providers (FSPs) operating in Myanmar. The purpose of the MDF is to help “open up” funding to a more market driven sector of FSPs with the inclusion of domestic and international sources of capital in the form of refundable loans and investments. New sources will be able to help diversify not only the institutions but also, more importantly, the services and products available to poor clients, in particular, credit, savings and micro insurance.

Within the EFA Market Development Facility, 25% of the funds will be reserved for special groups, women and youth. In addition, some grants to entrench innovation and good practices especially as regards to policies, capacity, systems and products in FSPs have been planned. The EFA MDF will be mainly a lending facility with the inclusion of a grant component.

2) OBJECTIVES OF THE ASSIGNMENT
The main objective of the assignment is the strategic application of the consultant’s skills toward successful implementation of the Market Development Facility and Leaving No One Behind project.

Specifically, the consultant will seek to:

- Prepare a contingent of MFIs, mostly local, to obtain debt financing from a corporate structure base through addressing the need for capital and technical services among national and international financial service providers (FSPs) with an emphasis on strengthening second and third tier FSPs with little to none borrowing experience;
- Provide technical advisory services to MFI partners undergoing commercialization in facilitating the handover of operations, assets, liabilities, staff etc. from the MFI NGO to the MFI Company during the transformation process. Consultant engagement with professional services agencies such as auditors and legal advisors will be required to confirm the handover and asset transfer process
- Provide capacity building and backstopping for MFI partners expanding financial inclusion within Myanmar’s unserved and underserved markets and demographic groups

3) RESPONSIBILITIES
• Provide technical assistance (e.g. guidance, training, and backstopping) to MFIs for the operations transfer stage and asset conversion process
• Field and desk support for MFI operational assessments leading to additional technical support to strengthen areas of need arising from the mid-term evaluation
• Prepare and strengthen MFIs’ operation by offering portfolio and risk management training
• Ongoing technical assistance and support, as needed, in the coordination, implementation, and donor relations for the Leaving No One Behind project – a LIFT/UNCDF initiative seeking to transition MFIs to the commercial market as well as expand financial inclusion in under-served Myanmar sectors.
• Perform ongoing individual lending support to LNB partners
• As needed, work with UNCDF Myanmar staff in providing technical assistance planning and services to partner FSPs
• Support UNCDF-sponsored seminars on an industry and community level with preparation and delivery of training material, logistics support, and facilitation efforts
• Assistance to a local MFI in piloting individual lending support for women's enterprise lending initiative
• Perform close monitoring and support to local MFI in the northern Rakhine for the project implementation.
• Support to local MFI in its merger with its MFI Company
• Provide technical assistance to MFIs during their respective steps toward transformation from NGOs to a Company.

4) EXPECTED OUTCOMES AND DELIVERABLES

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<tr>
<th>#</th>
<th>DELIVERABLE</th>
<th>Target date</th>
<th>Payment %</th>
<th>Review and approval</th>
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<tbody>
<tr>
<td>1</td>
<td>Support 3 MFIs for operations transfer process</td>
<td>30th June, 2022</td>
<td>20%</td>
<td>Country Technical Lead and National Programme Officer</td>
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<tr>
<td></td>
<td>• Operation training advisory notes and presentation reports</td>
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<td>• Technical review sheets and training process documents</td>
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<td></td>
<td>• Operation transfer process completion documents</td>
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<tr>
<td>2</td>
<td>Asset conversion process for 3 LNB MFIs</td>
<td>1st September, 2022</td>
<td>20%</td>
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<tr>
<td></td>
<td>• Technical advisory sheets and conversion documents</td>
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<td>• Training notes and presentation reports</td>
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<tr>
<td></td>
<td>• Miscellaneous additional support documents</td>
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<tr>
<td>3</td>
<td>Portfolio and risk management training</td>
<td>10th November, 2022</td>
<td>20%</td>
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<tr>
<td></td>
<td>• Training notes, guidance documents and presentation slides</td>
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<tr>
<td></td>
<td>• Technical review and advisory sheets</td>
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<td></td>
<td>• Operations manual training to MFIs</td>
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<tr>
<td>4</td>
<td>Ongoing assistance and support to LNB MFI partners</td>
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5) INSTITUTIONAL ARRANGEMENT

The Consultant will closely work with LIFT Programme Manager under the overall guidance of UNCDF Country Coordinator. The UNCDF Country Coordinator will approve the consultant’s payment based on the deliverables listed in these TORs.

The LIFT Programme Manager will technically review all the outputs, provide comments and UNCDF Myanmar Country Coordinator will certify the approval of the consultant’s work in 2 weeks’ time from the delivery of work.

Travel costs associated to the assignment will be borne by UNCDF and the Daily Subsistence Allowance will be paid as per UN Rate.

6) DURATION OF THE WORK

From 1st May 2022 for an estimate of 60 days of work until 31st December 2022. The UNCDF Country Coordinator and/or National Programme Officer will review the deliverables, give comments and certify approval of the consultant’s work in 2 weeks’ time from the delivery of work.

Professional Fee: The consultancy fee up (equivalent to a maximum of 60 days) will be paid according to the table above, upon approval of the deliverables submitted. Reimbursable costs incurred with permission will be borne by UNCDF.

7) DUTY STATION:

Yangon, Myanmar
8) DEGREE OF EXPERTISE AND QUALIFICATIONS

- Postgraduate qualification in finance, business or economics
- Strong knowledge of microfinance and financial inclusion projects and processes
- At least 7 years of professional financial services experience with proven competence in microfinance and financial inclusion
- Practical experience demonstrated by technical assistance for NGO to MFI transformations, preferably in Myanmar
- Experience in financial inclusion activities in Myanmar is a strong asset.
- Good working knowledge of Myanmar microfinance regulatory policy framework and company operations as prescribed by relevant government authorities
- High level of communication and interpersonal skills and experience in working effectively in a multi-cultural environment
- Ability to travel broadly throughout Myanmar to conduct MFI assessments

Language Requirement:

- Fluency (reading, writing, and oral) in English and Myanmar languages is required

Competencies which the candidate must have:

- Demonstration of integrity by modelling the UN’s values and ethical standards
- Promotes the vision, mission, and strategic goals of UNDP/UNCDF
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability
- Treats all people fairly without favouritism
- Fulfils all obligations to gender sensitivity and zero tolerance for sexual harassment

Evaluation Process and Criteria

Individual consultants will be evaluated based on the following methodology:

All applications must contain the following information:

- Cover letter;
- Earliest availability and proposed schedule for consultancy;
- Complete and signed P11 or CV, Personal History Form with names and current contacts of 3 referees (available from http://sas.undp.org/documents/p11_personal_history_form.doc)
- Signed financial proposal for the assignment outlining: all-inclusive fee (including professional fees and other professional expenses, such as insurance, taxes, etc.). Template for this is available at http://procurement-notices.undp.org/view_file.cfm?doc_id=29916).
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):

<table>
<thead>
<tr>
<th>Technical Evaluation Criteria</th>
<th>Obtainable Score</th>
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<tbody>
<tr>
<td>• Postgraduate qualification in finance, business or economics</td>
<td>20</td>
</tr>
<tr>
<td>• At least 7 years of professional financial services experience with proven competence in microfinance and financial inclusion</td>
<td>20</td>
</tr>
<tr>
<td>• Practical experience demonstrated by technical microfinance sector development assistance preferably in Myanmar</td>
<td>20</td>
</tr>
<tr>
<td>• Strong knowledge of microfinance and financial inclusion projects and processes</td>
<td>20</td>
</tr>
<tr>
<td>• High level of communication and interpersonal skills and experience in working effectively in a multi-cultural environment</td>
<td>20</td>
</tr>
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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
UNDP’s Individual Consultant’s General Terms and Conditions are provided here: