



More than 20 years of
making financial markets
work for the poor

Terms of Reference

Consultant Monitoring, Evaluation and Learning Support on a three-year programme

For the Inclusive Digital Payments programme

28 November 2023

Prepared by FinMark Trust

1. About FinMark Trust

FinMark Trust is an independent trust whose purpose is to make financial markets work for the poor by promoting financial inclusion and regional financial integration. FinMark Trust does this by conducting pilots and research to identify the systemic constraints that prevent consumers from accessing financial markets and economic opportunities, by advocating for change based on research findings and by facilitating change by bringing market actors together to address blockages in the financial system. Thus, FinMark Trust has a catalytic role, driven by its purpose to start processes of change that ultimately lead to the development of inclusive financial systems that can benefit all sectors.

2. Background and contextual information

In 2018 FinMark Trust began to shift its strategic focus from traditional financial inclusion, which emphasised financial access via formal products and services, to what is now known as Financial Inclusion 2.0 (FI 2.0). FI 2.0 seeks to contribute more directly to real sector outcomes and shifts FinMark Trust's strategic focus to the real economy and the broader development agenda through the United Nation's Sustainable Development Goals.

FinMark Trust's theory of change reflects this commitment to real sector outcomes and is detailed below.

Figure 1: FinMark Trust's Theory of Change

Social and Human Development Impacts			
	Inclusive economic growth characterised by increased and retained access to jobs and improved livelihoods	Increased access to basic goods and services - for example, health, affordable housing, food, and energy	Sustainable futures characterised by development processes that can create and sustain resilience, equality, fairness, and social well-being for individuals and communities
A financial system that delivers real value to the economy and low-income people			
Financial Sector Development Outcomes	Financial solutions are useful and more affordable , especially for marginalised groups, and there is greater trust across financial markets		More capital formation (especially domestic) and more efficient and effective allocation to finance long-term inclusive economic growth
	Effective policy, regulation, and incentives Effective policy and regulatory environment; incentives aligned with the public good; standards to drive good conduct making misallocation of resources and illicit financial flows less likely	Value-enhancing financial solutions for households and businesses Financial Service Providers, financial infrastructure, financial models, and financial technologies in place to make finance flow to solutions that meet people's and business's current needs, enable them to invest for the future, and help them to manage risk and respond to shocks	More investment in solutions Significant sources of capital (DFI, institutional, retail, etc) invested in financial market innovations responding to specific real economy challenges, their scale-up, and replication

As a part of the Financial Inclusion 2.0 agenda, FinMark Trust conceptualised the Inclusive Digital Payments programme, which consists of five separate projects that contribute to it.

The programme theory of change for the Inclusive Digital Payments programme, with high-level programme outputs, is as follows:

Figure 2: Inclusive Digital Payments Programme Theory of Change

Impact	Increased incomes and improved livelihoods through inclusive payments digitalisation for poor women and men within the targeted project localities		
Long-term outcomes	Increased acceptance and use of digital payments by traders, merchants and consumers	Financial service providers and fintechs provide appropriate and affordable digital payment products	A regulatory environment that is conducive to lower-cost digital payments
Intermediate outcomes	Increased digital financial literacy		Increased use of M&E by central banks to further policy and regulation
		Improved institutional and professional capacity and skills	
	Reduced cost of cross-border remittances		
	Low-cost digital payment services platform for informal cross-border traders developed		
Outputs	Financial literacy training workshops through the Community Digitalisation, Digitalising Informal and Low-Income Workers’ Payments and Cross-border Remittances Projects		SADC templates and financial inclusion indicators to support monitoring and evaluation in the region are operationalised through the SADC Financial Inclusion Strategy Monitoring and Evaluation project
	Pilot designed and implemented to enable merchants and consumers to benefit from a community-based inclusive digital payment ecosystem through the Community Digitalisation project		
	Pilot designed and implemented to enable low-income and informal workers to receive their tips digitally through the Digitalising Informal and Low-income Workers Payments project		
	Pilot designed/implemented and related interventions to introduce a low-cost digital payment services platform for informal cross-border traders for the South Africa-Lesotho corridor introduced through the Informal Cross-border Trade project		
	Low-cost fully digital cross-border remittance products piloted through the Cross-border Remittances project		

This programme is made up of five distinct projects that each contribute to the ultimate theory of change in separate and overlapping ways. These projects are being conducted in separate localities across the SADC region with some in South Africa and others in neighbouring countries and some having ambitions to cover localities across multiple SADC countries.

The five projects are as follows:

1. Community Digitalisation

Aim: To leverage payments infrastructure to address community-level economic realities through the development of an open digital ecosystem.

Primary outcome: Increased acceptance and use of digital payments by merchants and consumers in pilot sites.

Target recipients: Merchants and community members in Tembisa and Hammanskraal.

2. Digitalising Informal and Low-income Workers

Aim: To pilot the digitalisation of tips and other payments for informal and low-income workers in South Africa

Primary outcome: A scalable digital payments solution for tipping

Target recipients: Informal and low-income workers eg car guards, petrol forecourt attendants and restaurant service staff.

3. Informal Cross-border Trade

Aim: Support low-income women cross-border traders in the SADC region in increasing their income and inclusion in the formal economy

Primary outcome: Low-income women cross-border traders can manage their payments digitally

Target recipients: Women cross-border traders in Lesotho and Zimbabwe (trading across the South African border).

4. Cross-border Remittances

Aim: Reduce AML/CFT frictions and digitise the remittances first-mile to reduce costs for the main SADC remittance corridors (South Africa to Zimbabwe, Malawi, Mozambique, and Lesotho)

Primary outcomes: More people can access formal cross-border remittances and cross-border remitters have more money to remit (due to lower fees).

Target recipients: Senders and receivers of remittances in the South Africa to Lesotho, South Africa to Malawi and South Africa to Zimbabwe corridors.

5. SADC Financial Inclusion Strategy Monitoring and Evaluation

Aim: Develop a uniform regional monitoring and evaluation framework and build the SADC Remittances Data Portal to monitor and evaluate gains made in increasing the usage of formal cross-border remittances platforms and reducing average prices.

Primary outcome: Increased use of monitoring and evaluation by central banks to further policy and regulation.

Target recipients: Regulators in 15 SADC member states.

3. Objectives of the monitoring and evaluation partnership

FinMark Trust is seeking an individual, organisation or academic institution as a monitoring, evaluation and learning partner. The objective of this partnership is the management of a large and complex monitoring and evaluation framework, across all five projects detailed above, that keeps each programme accountable and feeds seamlessly into the overarching framework.

4. Scope of Work

The chosen service provider will be expected to:

- Review the existing, funder-approved, logical framework and programme design
- Engage with the project teams to finetune the existing logical framework while ensuring it maintains alignment with what has been approved by the programme funders
- Work with the project teams to develop a set of SMART indicators for measurement
- Develop a measurement plan for indicator means of verification collection
- Manage this means of verification collection plan for the duration of the programme (costs for primary data collection should not be included in the response to this terms of reference as they will need to be determined when the measurement plan is developed).
- In consultation with the project teams compile quarterly and annual monitoring, evaluation and learning reports on the programme
- In consultation with the project teams compile organisational and programme learnings coming from the projects to be shared quarterly with the wider FMT team
- Attend quarterly collaborative workshops with M&E partners on other FMT programmes to share, workshop and document organisational and programme learnings that apply across multiple programmes or can be applied to other programmes
- In consultation with the FMT communications team draw quarterly learnings or other insights related to the monitoring and evaluation of this programme to assist them in the dissemination of these learnings to FMT's wider stakeholder audience
- Compile a monitoring, evaluation and learning close-out report at the conclusion of the programme
- Propose recommendations for impact assessment to be conducted post-programme completion.

5. Output/ Deliverables

The output and deliverables for this study will include:

- A finalised, but living, logical framework including indicators and milestones for indicator measurement
- A measurement plan for indicator means of verification
- Quarterly monitoring and evaluation reports on the programme covering the following:
 - A context analysis, highlighting any key economic or social developments that may influence programme progress

- Highlights from programme implementation for the quarter
- Reporting on indicator achievement
- Challenges experienced and mitigating actions
- Lessons learned and
- Plans for the coming quarter
- Updating of the risk matrix
- Any, to be agreed upon, additional elements that are considered valuable in quarterly reporting by the chosen service provider
- Quarterly learnings presentations to FMT staff
- A quarterly summary report on wider learnings following the quarterly learnings workshop with all FMT M&E partners
- Annual monitoring and evaluation reports will provide:
 - A summary and overview of the year including key programme achievements
 - Major lessons learned
 - Evidence generated
 - Recommendations for the coming year
 - Any required actions following on from the report.
 - Any, to be agreed upon, additional elements that are considered valuable in annual reporting by the chosen service provider
- The close-out report should follow the same structure as the annual reports, with the actions following the report focusing on potential programme extensions or potential new programmes coming from the findings of this programme. Recommendations for the final impact assessment of the programme are to be included in this close-out report.

6. Proposal Content

Organisations/Individuals should submit a 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:

- An overview of the method the service provider will use
- A detailed timeline for executing all activities with the start date for the programme being 1 March 2024.
 - Logframe review and indicator measurement planning to be largely in place in time for this programme start date.
- Risk management: a comprehensive list of anticipated risks and contingency plans
- Skills and qualifications: evidence of technical capacity to undertake this project
- Name and qualifications of staff members responsible for overseeing and undertaking the work
- A financial proposal with detailed costing for each activity, broken down by professional fees and expenses.

7. Safeguarding

The selected service provider has the responsibility to consider and be aware of potential safeguarding issues and the project's potential to integrate gender dimensions and contribute to the advancement of gender equality in addressing the terms of reference and be able to demonstrate due diligence in relation to the protection and safeguarding of children and vulnerable groups as per strategies designed to support and manage ongoing risk and abuse, exploitation or neglect of participants in this research project.

8. Required skills and qualifications

Applications from interested individuals/organisations must provide evidence of the technical capacity to undertake this exercise. This includes the capacity to deliver the results in the timeframe provided, as well as some indication of prior experience in coordinating similar projects. 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:

- College or University degree in Economics, Social Science, Statistics, International Development, or other relevant field
- Experience in monitoring and evaluation
- Experience in financial inclusion or economic development is advantageous
- SADC regional experience is advantageous
- Experience in project management
- Excellent computer literacy, including research and report-writing skills
- Personal commitment, efficiency and flexibility, teamwork spirit with the ability to work independently or under minimum supervision and
- Excellent communication, written and verbal skills in English is essential.

9. Selection criteria

Contract selection criteria are based on the following scoring mechanism:

	Criteria	Weighting
1	Competence and previous experience	35%
2	Knowledge of the economic development, social development or financial inclusion environment	30%
3	Demonstrated writing skills	15%
4	Local capacity	5%
5	Budget	15%
	Maximum score	100%

10. Submission and timing

Proposals: Proposals for the project should be submitted by close of business on 10 January 2024 at 17:00 (SAST) by email to Shirley Jeoffreys-Leach, shirleyj@finmark.org.za. The successful bidder will be notified by 22 January 2024.

Timing: It is envisaged that the project duration will be **forty months** from the date of the contract signature.

The selected consultant must be prepared to meet with FinMark Trust on a date to be announced, for a briefing. Once the selection process has been completed, FinMark Trust will issue a contract confirming the appointment of the consultant. Any queries relating to the preparation of the application should be referred to Shirley Jeoffreys-Leach, shirleyj@finmark.org.za on or before 6 December 2023. Responses to queries will be addressed by 12 December 2023.

In line with FinMark Trust's policy of transparency, answers to queries from one candidate will be circulated to all who indicated their intention to submit a proposal.

Guidance notes to bidders

FinMark Trust reserves the absolute right to use its discretion in the interpretation of these award criteria. The following notes are intended to provide broad guidance only on how proposals will be evaluated. Bidders may be required to clarify their proposals by way of a telephone call or presentation.

"Relevant, demonstrated competence of firm(s) in this area" - you should aim to demonstrate how the firm's collective past experience can be applied (or adapted) to address the specific brief set out in the terms of reference. You are welcome to describe the firm's general experience of financial sector development issues (e.g. in other geographies or topical areas) but the evaluation will focus particularly on the application of that experience for the specific task at hand.

"Demonstrated expertise of key individuals to be involved in this project" – the evaluation places considerable emphasis on the role and demonstrated expertise (i.e. track record) of the key individuals to be involved in the project rather than on the expertise of the firm itself.

"Use of local professional capacity (consulting, analysis, coordination etc.)" – FinMark Trust wishes to ensure that local capacity is used and developed. International firms are therefore encouraged to partner with local organisations.

"Content, quality and originality of proposal" – proposals should address the brief set out in the terms of reference in a comprehensive manner. Bidders should aim for innovation as well as professional presentation. Whilst similar, relevant experience in other markets will be an advantage for a bidder, each market is different so proposals need to reflect the particular characteristics of that market, as well as the challenge set by the terms of reference.

"Fee basis" – value for money, as well as absolute cost, will be taken into account.

11. Important to note

If no communication has been received from FinMark Trust after 1 month of your submission, please consider yourself unsuccessful.