
TERMS OF REFERENCE

For a Research House to conduct a repeat survey on financial inclusion in Botswana

FinScope Consumer Survey Botswana 2024

FinMark Trust

Block B West, First Floor,
Central Park, 400 16th Road, Randjiespark
P.O. Box 61674, Marshalltown, 2107, South Africa

www.finmark.org.za
F +27 (0) 86 518 3579

Trustees

C Coovadia (Chairman), EG Matenge-Sebesho,
I Mkhabela, L Mondli, V Tsopotsa, B Pearce (CEO)
VAT no. 4710213044, ITrust 4167/02

FinMark Trust invites proposals from reputable research houses/ companies with relevant research experience and expertise to conduct the FinScope Consumer Survey Botswana 2024. The scope of work is provided in the following terms of reference.

1. Introduction and background

FinMark Trust (FMT) is an independent trust established in 2002 with the objective of making markets work for the poor. Initial core funding was provided by UKaid from the Foreign, Commonwealth & Development Office (FCDO) formerly the Department for International Development (DFID) through its Southern Africa office. Thus, FMT 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 consumers.

In order to fulfil its objectives, FMT developed the FinScope Survey. It is a nationally representative survey of how individuals source their income, and how they manage their financial lives. It also provides insight into attitudes and perceptions regarding financial products and services. To date, FinScope Surveys have been conducted in 37 countries. Further details on these surveys are available from www.finmark.org.za or on request. The first FinScope Consumer Survey in Botswana was conducted in 2004, then in 2009 and 2014, with the last repeat in 2020. The 2024 study is a repeat survey, and as such, it aims to update the 2020 information and providing an assessment of changes thereof, adding new information, and hence driving the financial inclusion agenda in Botswana.

This survey is based on a national representative sample size of about 3 000 households.

2. Survey objectives

The key objective of FinScope is to measure and profile levels of access to and use of financial services by all bankable adults, across income ranges and other demographics, and making this information available for use by key stakeholders such as policy-makers, regulators, and financial service providers.

The information provided by this survey will help extend the reach of financial services in Botswana as it provides an understanding of the Botswana's adult (18 years or older) population in terms of:

- Their livelihoods and how they generate their income
- Their financial needs and/or demands
- The levels of financial inclusion (formal and informal) and the types of financial products (formal and informal, credit, savings, etc.)
- Their financial perceptions, attitudes and behaviours
- Their demographic and geographical distribution
- The obstacles they face and the factors that would have an influence on their financial situations
- Current levels of access to, and utilisation of, financial services and products (formal and/or informal)
- The landscape of access (i.e. types of products used in terms of transactions, savings, credit, insurance and remittances)
- Drivers of financial products and service utilisation
- Barriers to, utilisation of, and access to, financial products and service

As such, the **main objectives** of the FinScope Survey are:

- To **measure the levels of financial inclusion** (i.e. the proportion of the population using financial products and services – both formal and informal)
- To describe the **landscape of access** (i.e. the type of products and services used by financially included individuals)
- To determine the **needs for financial products**, as well as the gap between need and:
 - Financial products (formal and informal) available, and
 - Financial product usage (formal and informal)
- To identify the **drivers of, and barriers** to the usage of financial products and services
- To compare survey results with the last two FinScope surveys in Botswana and provide an assessment of changes and reasons thereof (including possible impacts of previous interventions to enhance access)
- To provide an assessment of whether the current financial policy and regulatory environment creates a conducive environment for deepening financial inclusion
- To stimulate evidence-based dialogue that will ultimately lead to effective public and private sector interventions that will increase and deepen financial inclusion strategies

3. Scope of work

For the implementation of the FinScope Consumer Survey Botswana 2024, the Research House will be required to:

- a) Participate in a one-day FinScope **briefing session** conducted by FinMark Trust (in Gaborone or online)
- b) Participate in **meetings of the Steering Committee** that will oversee the implementation of the FinScope Survey (in Gaborone, Botswana)
- c) Input into the design of the **sample** for the survey in close cooperation with the Statistics Botswana (SB). The methodology assumes a sample size of about **3 000 adults**. The sample should be representative on the following levels: national, urban/rural, and district – using the following approach:
 1. Maps and listing exercise:
 - A list of all census enumerator areas (EAs) per district is obtained from SB based on the latest Census 2022 data. It may be decided to conduct a listing exercise in each EA.
 - EAs are then stratified into urban and rural areas
 - EAs are sampled for each stratum using probability proportional to size (PPS), selecting at least 250 EAs
 - Maps for the selected EAs (and substitution EAs) are obtained from SB (photocopying, etc. to be included in the cost)
 - Listing of households in the sampled EAs is important. Note that all sampled households in the selected EA are listed (i.e. household register (short listing form) to capture the number of all members in the households)
 - Within the households, all adults who are **18 years** or older are then identified
= **Sampling frame**
 2. Survey:
 - Within **each selected EA**, about **8-12 households** are selected systematically, selecting every k^{th} household (systematic random selection)
 - Within selected households, where there is more than one qualifying respondent, an electronic Kish Grid is used to randomly select the one household member with whom to complete the

- interview (this individual will be the ultimate sampling unit) – interviews are to be conducted using **Computer Assisted Personal Interviewing (CAPI)** or **Electronic Device Interface (EDI) with GIS enabled devices to capture GIS coordinates**
- If a selected person is unavailable, then up to three recalls at different times of the day and days of the week are made to maintain the integrity of the sample
 - If a person is repeatedly unavailable or refuses participation, then very strict substitution rules are applied
 - The substitute is also chosen using randomisation techniques
 - No substitution of individuals within a household is allowed
- d) **Instrument design:** review the 2020 FinScope questionnaire and contextualise it to suit the revolving context in Botswana, including workshops to obtain stakeholder input, as well as translations of the final questionnaire (into Setswana). The first review of the questionnaire will be conducted by the FMT and RH team and signed off by the Steering Committee. Questionnaire administration takes about **70 minutes**.
- e) **Pre-test** the translated version of the questionnaire in field by conducting a number of face-to-face interviews and adapt the translation where necessary
- f) Recruit an adequate number of supervisors with appropriate skills and enumerators to ensure that **fieldwork is completed** within a period of **six weeks**
- g) Update previous enumerator **training materials** and **field manuals** (in English and Setswana)
- h) Conduct supervisor and enumerator **training** with assistance from FinMark Trust, allowing up to **ten days** of training which will include a **pilot** survey to test enumerators' readiness to go to field in terms of having mastered the questionnaire as well as the sampling approach
- i) Conduct a pilot survey at the end of the enumerator training to test the ability of the enumerators to conduct the fieldwork in terms of:
- Implementation of survey methodology (selection of EAs, correct listing, selection of right respondent)
 - Administration of the FinScope Botswana questionnaire
- j) Conduct the **fieldwork** for the FinScope Consumer Survey Botswana 2024 on the following basis:
- Data collection is likely to be from June 2024 to July 2024 depending on questionnaire finalisation and necessary initial milestone approvals
 - Obtaining the EA maps for the selected EAs in the sample from SB and then making enough photocopies for your field team
 - Conducting **about 3 000 face-to-face interviews using CAPI methodology** with each of the selected respondents (duration of the interviews is about 70 minutes)
 - Implementing necessary **quality control** measures to ensure the validity and accuracy of the data collected by:
 - Having adequate supervision teams and processes in place
 - Ensuring that adequate back-check procedures as well as questionnaire checking processes are in place
- k) **Capturing Script for the survey data** and produce a **clean dataset**. Quality control measures should include:

- a. Data capture training - ensuring inter alia a thorough understanding of the questionnaire
 - b. Data checking procedures and data validation programmes
- l) Produce a **final clean dataset in SPSS** for the purpose of data weighting and analysis – ensure the correct weighting is done by RH in consultation with FMT
 - m) Produce a **technical report** in English addressing the sampling approach, the fieldwork and quality control process as well as data capture and cleaning processes
 Deliverables: Well labelled, clean and unweighted dataset in SPSS (in English) as well as technical report
 A listing exercise at EA level may be required. Please show this cost separately for consideration purposes only. Also indicate the amount of time this will impact on the data collection.
 - n) Data analysis will be done with the assistance of FinMark Trust
 - o) Report writing is required to produce a final survey report with findings.
 - p) Dissemination workshop where results will be presented.

4. Technical and financial proposals

Research houses are invited to submit technical and financial proposals clearly indicating the budget for sample of n=3 000 that address the scope of work outlined above within the suggested timeframe.

5. Timeline

The anticipated timing of the project is **up to four months** (assuming no delays) from the time of selection of the Research House. The Research House should provide a detailed timeline for executing the project activities as outlined above including perceived project risks and contingency plans. Questionnaire and sample design phases are estimated to be completed within three weeks running concurrently. The data collection phase needs to be completed within six weeks.

6. Budget

The financial proposal should provide a detailed costing for the scope of work and deliverables described above. Costs should be broken down into professional fees and expenses and quoted in **Botswana Pula (BWP) and United States Dollars (USD\$)**.

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. COVID-19

The chosen service provider and FinMark Trust recognize the need to minimize the spread of the Corona virus and other communicable diseases and, if necessary, the parties will agree on appropriate non-face-to-face methods of communication and completion of requirements tasks to ensure that work on the project is able to proceed effectively. However, the situation will be closely monitored by both parties on an ongoing basis.

9. Required skills and qualifications

Proposals from interested research houses must provide evidence of the technical capacity of the Research house to undertake this exercise. This includes capacity to deliver the results in the timeframe provided, as well as some indication of prior experience in conducting a survey of this magnitude within the financial services sector.

The application must identify the core management and technical team, their technical expertise in sample design, data management, scripting, field work, questionnaire design and review, and overall project management. Core team members' brief CVs must be included, as well as a description of any further resources that may be required. The company's client portfolio and past experience in the financial services industry must be included.

10. Selection criteria

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

	Criteria	Weighting
1	Technical soundness of the proposal and the specific approach	35%
2	Competence and previous experience of the research house	25%
3	Knowledge of the financial services sector in Botswana	10%
4	Involvement of local (Botswana) capacity	10%
5	Financial proposal	20%
	Maximum score	100%

11. Submission and Communication of the bids

Proposals should be addressed to Abel Motsomi, FinMark Trust, Block B West, First Floor, Central Park, 400 16th Road, Randjiespark, Midrand, 1685, Johannesburg, South Africa **via email**. The deadline of submission is **10 May 2024 (16h00 SAST)**. Research houses should provide electronic versions of all documentation.

Shortlisted research houses may be invited to make a virtual presentation of their proposal on a date to be announced. The selected research house and its key project personnel 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 research house. If no communication has been received from FinMark Trust after 1 month of your submission, please consider your bid as unsuccessful.

Any queries relating to the preparation of the proposal should be referred to Abel Motsomi by email: abelm@finmark.org.za and Dr Kingstone Mutsonziwa at kingstonem@finmark.org.za.

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 on 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 and 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.

-END-