

Mid-Term Evaluation of the Expanding Financial Access in Myanmar (EFA) Programme

Countries in which Expanding Financial Access has been implemented: Myanmar

Executing Agency: UNCDF

Timeframe of programme implementation: 2015 - 2021

Total programme budgets: USD 25,414,052

As of March 20, 2020

Total commitments (including new initiatives): USD 9,032,392

Total disbursement (including new initiatives): USD 4,242,726

1. Background

1.1. The United Nations Capital Development Fund

The United Nations Capital Development Fund (UNCDF) is the UN's capital investment agency for the world's 47 Least Developed Countries (LDCs). UNCDF uses its capital mandate to help LDCs pursue inclusive growth. UNCDF uses 'smart' Official Development Assistance (ODA) to unlock and leverage public and private domestic resources; it promotes financial inclusion, including through digital finance, as a key enabler of poverty reduction and inclusive growth; and it demonstrates how localizing finance outside the capital cities can accelerate growth in local economies, promote sustainable and climate resilient infrastructure development, and empower local communities. Using capital grants, loans, and credit enhancements, UNCDF tests financial models in inclusive finance and local development finance; 'de-risks' the local investment space; and proves concept, paving the way for larger and more risk-averse investors to come in and scale up.

1.2. UNCDF's Financial Inclusion Practice Area

The main challenge the UNCDF's Financial Inclusion Practice Area (FIPA) tries to address is the reality that currently globally about 1.7 billion adults remain unbanked while 2 billion adults - more than half of the world's working adults - are still excluded from formal financial services. This is most acute among low-income populations in emerging and developing economies. Including people in the formal economy is a critical contribution to poverty reduction, tackling inequality, and fostering inclusive growth.

UNCDF's FIPA contains a mixture of country, regional and global programmes. It supports 33 LDCs and is serving 8 million clients through the Financial Service Providers (FSPs) in which it invests. FIPA follows a sector-based approach and, more recently, has been implementing its programmes through a series of thematic initiatives. These initiatives are designed to test promising models or solve specific problems across a range of countries to demonstrate a new approach or model typically through private sector actors such as financial service providers or mobile network operators that if successful

can then be taken to scale by them. Global programmes often work in countries closely with country or regional country programmes, if present¹.

1.3. The Least Developed Countries (LDC) Investment Platform

UNCDF is beginning to play an active role in mobilizing investments in local economies through the application of catalytic loans and guarantees that mitigate risks for public and private investors. The enabling mechanism for these activities is the LDC Investment Platform (the “Platform”), which is creating new opportunities for UNCDF to expand its support for local infrastructure and businesses in the last mile.

The Platform is helping UNCDF programmes to structure, produce credit ratings and mitigate risks in investment opportunities they have sourced, both from the private and public sectors. UNCDF has put in place new loan and guarantee policies, strengthened its due diligence requirements and transaction documentation, launched a credit scoring model and enhanced the process to support the selection and approval of relevant loan and guarantee transactions.

To ensure development and financial additionality, the LDC Investment Platform looks to invest in niche market opportunities, where finance is not yet flowing predictably because of real and perceived risks; where the recipient can make productive use of the capital and ensure repayment; where UNCDF has the potential to mobilize additional capital flows; and where there is scope to achieve significant development results².

1.4. UNCDF in ASEAN

UNCDF has extensive experience working in the ASEAN region through comprehensive country programmes, thematic project initiatives, strategic alliances with governments – including at the ASEAN level -, and longstanding engagement with market leaders.

1.5. Financial inclusion in Myanmar

Myanmar is a lower middle-income LDC which continues to navigate multiple transitions: from conflict to peace, from military/autocratic rule to a democratic civilian Government and from a largely closed economy to an open market economy³. These transitions are occurring in a complex development context where: high concentrations of poverty in rural areas contrast with accelerated development in urban centres; armed conflict is still occurring in some parts of the country; and frequent natural disasters pose an increasing risk⁴.

¹ A detailed explanation of FIPA’s approach can be found at <http://www.uncdf.org/financial-inclusion>

² More information about LDCIP’s approach can be found at <https://www.uncdf.org/least-developed-countries-investment-platform>

³ UNCT Myanmar. *Situation Analysis for the United Nations Development Assistance Framework (UNDAF) 2018-2022*.

⁴ Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services. *Country programme document for Myanmar (2018-2022)*.

With high levels of financial exclusion, Myanmar lags behind its neighbors in the ASEAN region, both in terms of economic and social development. As of 2018⁵, over half of adults lack formal access to credit, deposit and other financial services like insurance and remittance channels. Few use more than one financial service, with many of the available products unable to meet the client needs in terms of loan size, loan term, cost or quality. The majority of citizens rely on unregulated financial services—often at a substantially higher cost than those offered by regulated providers—or on family and friends to meet their money management needs. This means individual people, micro-entrepreneurs, and small- and medium-sized enterprises are denied the protection, choice and reliability of regulated financial services. The unregulated financial service market is also larger and more prevalent than the regulated one.

1.6. UNCDF in Myanmar

UNCDF has been working in Myanmar since 2012, beginning under the 2012-2015 UNDP Country Programme Action Plan (CPAP), then under its extension to 2017 and the UNDP Country Programme 2018-2022, with a capital mandate to expand savings-led financial inclusion and use localised investments to drive poverty reduction and sustainable development.

UNCDF's work in Myanmar⁶ helps create inclusive financial sectors by providing access to financial services for individuals and micro and small businesses through several key programmes:

- Shaping Inclusive Finance Transformations (SHIFT)⁷;
- MicroLead Expansion Myanmar⁸;
- Making Access Possible (MAP), which set out the basis for the EFA programme;
- EFA, which is the subject of the current ToRs.

The **Shaping Inclusive Finance Transformations (SHIFT)** funding facility aims to improve the living standards of vulnerable groups by opening the door towards digital financial inclusion, expanding the potential for enterprise development, employment, and increased economic participation. SHIFT works on changing the behavior of market actors to stimulate investment, business innovations, and regulatory reform to advance financial inclusion and accelerate economic participation of and opportunities for low-income groups, especially women.

MicroLead Expansion encourages formal FSPs to reach out to rural unbanked populations, particularly women, with deposit products and financial education tailored to clients' needs. By deploying alternative delivery channels, such as agency banking and digital financial services (DFS), and predominantly working through informal groups, the programme has set the business model for FSPs and reached over one million rural dwellers who were previously considered unbankable populations.

Originally designed in 2012, and formalized into a full UNCDF programme in 2015, the **Making Access Possible (MAP)** programme is a multi-country initiative intended to support the development of national financial inclusion roadmaps and strategies in partner countries through the generation and

⁵ UNCDF, FinMark Trust. *Making Access Possible (MAP) Myanmar Diagnostic 2018*.

⁶ For more information on UNCDF's work in Myanmar, see also <https://www.uncdf.org/myanmar>

⁷ For the mid-term evaluation report of SHIFT in the ASEAN, see <https://erc.undp.org/evaluation/evaluations/detail/9971>

⁸ For the mid-term evaluation report of MicroLead Expansion, see <https://erc.undp.org/evaluation/evaluations/detail/8294>

use of evidence-based country financial inclusion diagnostics. The roadmaps identify the key drivers of financial inclusion within each country and provide a set of recommended practical actions tailored to each country that can be implemented by governments and key actors from the private sector and the donor community. These actions are expected to support the expansion of access to, or consolidating the provision of, financial services for individuals and micro and small businesses in partner countries.

2. Expanding Financial Access (EFA) in Myanmar

2.1 The Myanmar Financial Inclusion Roadmap

In 2013, UNCDF assisted the Government of the Republic of the Union of Myanmar (“the Government”) with the preparation of a financial inclusion strategy intended to complement the country’s broader poverty alleviation strategies. The objective was to ensure that financial sector development would complement development policy and poverty alleviation objectives. As part of the MAP programme, a comprehensive demand-side survey (FinScope survey) was conducted in 2013, followed by a diagnostic study⁹ of the financial sector in 2014. The MAP Diagnostic addressed financial service demand as well as its supply and regulation. Arising from the survey data was a range of gaps and opportunities for financial sector development, from the perspective of financial inclusion.

MAP’s data, analysis and conclusions laid the foundation for the National Financial Inclusion Roadmap 2014–2020 (“the Roadmap”). Endorsed in September 2014 by a Government-led Steering Committee in September 2014, and approved in February 2015 by the Government’s National Cabinet, the Roadmap is the highest-level policy document on financial inclusion in Myanmar and provides a framework to define, agree, coordinate, measure and track efforts to address barriers to widespread financial inclusion in the country¹⁰. It does so by laying out an overview of the key activities to be undertaken by development partners and their timelines to strengthen and deepen financial inclusion in Myanmar. The Roadmap calls for a stronger financial sector and an increase in both the rate of people who use financial services and the quality of financial service products available. In addition, it lays out key market segments to be prioritized within the broader client base, such as poor and low-income households, micro-entrepreneurs, and small- and medium-sized businesses, with a special focus on women, young people and the agricultural sector¹¹.

2.2 The EFA programme

Launched in 2015, Expanding Financial Access (EFA) was designed as a USD 25 million UNCDF country programme designed to support the Roadmap implementation, with the central goal of accelerating

⁹ UNCDF, FinMark Trust. *Making Access Possible (MAP) Myanmar – Demand, Supply, Policy and Regulatory 2014*. Available at https://www.lift-fund.org/sites/lift-fund.org/files/publication/MAP_Myanmar_Diagnostic_full_report_Final.pdf

¹⁰ The National Financial Inclusion Roadmap 2014-2020 is available at <https://www.uncdf.org/article/806/myanmar-financial-inclusion-roadmap-20142020-migration>

¹¹ The MAP diagnostic was updated in November 2018.

financial inclusion in Myanmar. More specifically,¹² EFA aims to achieve three main objectives by 2021¹³:

- Increase the rate of financial inclusion among the country's 53.7 million adults from 30 to 40 percent;
- Raise the number of financial service clients using more than one financial service from 6 percent to 15 percent of adults;
- Ensure that at least 300,000 people—half of them women—benefit directly with another 600,000 benefitting indirectly.

Through EFA, UNCDF assists the Government to mobilize stakeholders around the Roadmap to ensure it is implemented and achieves its broader goal. While the rationale around EFA is to support the Roadmap implementation, the programme also provides further specific support and deploys additional resources for selected areas of the Roadmap where UNCDF's capabilities are aligned, particularly in the effort to strengthen the financial sector to more effectively serve low-income people. UNCDF and the Government play an active role in inviting other key stakeholders to support and contribute to different aspects of the Roadmap to ensure its full implementation.

The theory of change combines a number of work streams focusing on strengthening the policy and regulatory environment including the capacity needed to implement the Financial Inclusion Roadmap, as well as strengthening the capacities of targeted FSPs and cooperatives in the low income segment to generate and share knowledge so as to support the implementation of the financial inclusion roadmap and support the country in meeting its financial inclusion goals.

As a consequence, the programme has three key components, namely: support to ensure the Roadmap implementation; initiatives to strengthen regulators and Financial Service Providers (FSPs) operating in the low-income market segment; and learning and knowledge sharing to complement the other work in the low-income market. The components in turn translate into the following three outputs:

- **Output 1 - Policy & Regulation:** The policy and regulatory environment is strengthened by enhancing the capacity of the regulators to implement the financial inclusion roadmap through Secretariat, and other related support. As well as by facilitating an enabling regulatory environment necessary for expanding and deepening financial inclusion in Myanmar, by building the institutional capacity of key government counterparts and creating regional linkages.
- **Output 2 – Strengthening FSPs:** UNCDF aims at utilizing grant and non-grant instruments to support financial service providers to create and increase the range of affordable, quality and effective financial services which comply with international standards of responsible finance to key market segments (in particular small-scale farmers, urban poor and low income, youth, and women-led MSME). Within the intervention, UNCDF aims to ensure that supported FSPs implement global best practices in critical areas including gender, youth and responsible finance.
- **Output 3 - Knowledge Sharing:** Knowledge Management and Sharing. Learning and knowledge dissemination are implemented to dynamically adapt the project over time, and to encourage good practices in the regional financial inclusion agenda and hence contribute to the global

¹² For the full EFA Project Document, see <https://www.uncdf.org/efa-myanmar-prodoc-migration>

¹³ The programme was extended to 2021.

financial inclusion agenda. The knowledge management plan is focused on the 5Ps of the knowledge management strategy: People, Processes, Products, Platforms and Partnerships.

EFA aims to create a more enabling environment for financial inclusion through each of its outputs. By supporting the structures and actions needed to resource and implement the Financial Inclusion Roadmap, the EFA project aims to ensure a deeper and broader financial sector in Myanmar, providing greater access to financial services for people (and especially women and youth), small businesses and small-scale farmers in supporting sustainable improvements in the livelihoods of poor people through increased incomes, employment creation and long-term security against shocks and hence equitable and sustainable inclusive growth at a national level.

2.3 Expansion of scope and programme design

Since its launch, EFA has gradually evolved from a mostly Roadmap-led intervention with additional targeted resources to a broader, more ambitious Framework Programme that seeks to improve financial service access and usage to achieve equitable, sustainable and inclusive growth within the UN's Sustainable Development Goals (SDGs) and national poverty alleviation framework.

A core component of EFA is the Market Development Facility (MDF), which seeks to address systemic market failures in a number of thematic areas through targeted funding solutions. It functions as a catalytic wholesale financial agent able to take on risk and leverage outside sources of capital to boost funding to under-capitalized MFIs operating in Myanmar¹⁴.

Digital Financial Services and Women's Economic Empowerment are also critical cross-cutting themes. This has led to the inclusion of selected new projects under its framework to provide financial services to low-income and vulnerable women, rural women and MSMEs; and also, to support the expansion and sustainability of MFIs in conflict and post-conflict affected areas of Myanmar. As of early 2020, the following initiatives were included under EFA (more information can be found under 2.4 Implementation status):

- **Revised Financial Inclusion Policy Roadmap** based on MAP2 (refresh process for MAP undertaken in 2018) – funded and in partnership with DFID/ DaNa facility and PGMF – start date 2018 – planned end date September 2020. Total Budget USD 843,925. Commitment USD 843,925 - Disbursement as of March 20, 2020: USD 588,243
- **Women's Economic and Financial Inclusion Program (WEFIP)** – DFID funded – start date September 2018 – planned end date 2021. Total Budget GBP 300,000 – Disbursement as of March 20, 2020: GBP 980,761
- **CB bank digital loan product development** – LIFT¹⁵ funded- started beginning 2020 – planned end date 2022. Total Budget USD 657,624. No commitment or disbursement yet.
- **Leaving No One Behind (LNB) initiative** – LIFT funded – started beginning 2020 - planned end date 2022. Total Budget USD 2,500,000. 2020 Commitment USD 856,804 – Disbursement as of March 20, 2020: USD 25,384
- **MFI digitization initiative** - NORAD funded – started beginning 2019 – planned end date 2020. Total Budget USD 300,000. 2020 Commitment USD 300,000 – Disbursement as of March 20, 2020: USD 27,850
- In partnership with UNWomen, UNCDF conducted a **market and value chain analysis** to inform agriculture and handicraft/weaving livelihood programmes in Rakhine and Kachin

¹⁴ For more information on the MDF, see <https://www.unCDF.org/article/2717/market-development-facility-brief>.

¹⁵ The Livelihoods and Food Security Fund (LIFT) is a multi-donor fund set up in 2009. <https://www.lift-fund.org/>

States. – Starting date July 2018 – end date August 2018. Total Budget: USD 50,000.
Commitment: USD 50,000 – Disbursement: USD 50,000

2.4 Implementation status

Output 1: Policy and regulatory environment is strengthened

As of March 20, 2020 Total Commitment: USD 645,495 – Total Disbursement: USD 527,407

EFA has supported and enhanced the capacity of the Myanmar Roadmap secretariat, by first supporting the establishment of Financial Inclusion Inter-Ministerial Steering Committee (IMSC), an action plan, an M&E framework and has provided TA to Secretariat Office of the (IMSC). The 2018 MAP Refresh findings have shown that financial inclusion in Myanmar has exceeded its target of 40% and stands at 48% of the population as of 2018. Based on the updated MAP Diagnostics, a new Financial Inclusion Roadmap will be developed and last until 2024. In parallel EFA has developed a resource mobilization strategy, and applied to the DaNA facility for secretariat support, allowing UNCDF and DaNa Facility to enter into a partnership agreement for Financial Inclusion Roadmap (FIRM) Secretariat Support.

In addition, EFA has supported the capacity building of government counterparts. It has established a close collaboration between UNCDF and Financial Regulatory Department (FRD), providing technical training introducing big data and analytics to the FRD staff. Furthermore, staff from the monetary union and from the Ministry of cooperatives attended the ACCU's Asian Credit Union Forum in Bangkok.

Output 2: Strengthened capacity of selected market participants

As of March 20, 2020, Total Commitment: USD 3,257,172 – Total Disbursement: USD 1,736,545

To strengthen the capacity of selected market participants, EFA has worked along different pathways, it established a Market Development Facility, supported the capacity of cooperatives, worked to mobilize savings and catalyze electronic payments, assisted regulators to encourage new product categories, supported the improvement of capacity of target population to access and use of financial services, under the Gender Equity Fund (GEF), EFA conducted institutional gender assessments, grant agreement with SHIFT, BRAC Myanmar in partnership with L-IFT carried out a financial diaries project

EFA conducted research to design the Market Development Facility and established an operational manual approved by HQ. The MDF has extended a total of 5 loans to emerging financial services providers (FSP) and MFIs, Paye Mahar Services LLC, Entrepreneur du Monde, Titshar Ooyin LLC, ECLOF and Unique Quality Business Development LLC. The total portfolio of the 5 MDF loans is 1.6 Billion MMK.

EFA has worked to mobilize savings by conducting a market assessment based on which EFA developed a proposal for the LIFT Programme to start an initiative on savings mobilization. It has worked to catalyze electronic payments, by conducting a market scoping based on which it submitted a country strategy to foster digital financial services. EFA conducted workshops for MFIs on different business models to enter the digital space. Furthermore, a ranking of the players in the DFS space was conducted and several project documents were developed. An agent assessment of live services, Wave Money, Reddot, MAB and OK\$ was conducted. EFA signed a grant agreement with WAVE Money to develop a financial literacy application which is targeted at enhancing financial literacy of women

in Myanmar through gamification. The DFS Working Group was launched and EFA has led the development process of the working group, brought together key stakeholders.

EFA has assisted regulators to encourage new product categories. Based on a request from the FRD a note on microinsurance was drafted, a regulatory mapping on financial sector regulations related to gender was conducted. EFA has supported the improvement in capacity of target populations to access and use financial services, by conducting a scoping mission for gender thematic. EFA has worked to operationalize its Women's Economic Empowerment implementation plan and under partnership with SHIFT signed a grant contract with BRAC Myanmar Microfinance Co in partnership with L-IFT carried out a financial diaries project on the barriers to women's financial access. The following partner organizations work with EFA:

As of March 20, 2020, Loans disbursement: USD 1,708,112

- Pyae Mahar Services: A local MFI operating in Ayeyarwaddy Region. A 300M MMK loan was disbursed in February 2017 primary for increase of credit disbursement and client outreach.
- Entrepreneur's du Monde – Sont Oo Thetwin: An international NGO operating in Southern Yangon. A 400M MMK loan was disbursed in June 2018 with an aim to Increase client outreach among Dala, Twanty and Kawmhu Townships.
- Thitsar Ooyin LLC: A local MFI operating in Chin State and Sagaing Region. A 350M MMK loan was disbursed in May 2018 for Capital expansion on Kale District, Sagaing Division.
- Unique Quality Microfinance and Development LLC: A local MFI operating in Yangon and Shan State. A 300M MMK was disbursed in Shan State with an aim to support capital expansion and permanent branch settlement in Southwest Shan State.
- ECLOF Myanmar: A local MFI operating in Ayeyarwaddy Region and Magway Region. A 250M MMK loan is waiting for FRD Approval.
- WAVE Money (SHIFT partner): Grant agreement for 295,000 USD was signed in Dec. 2016 for development of a financial literacy gamification application which will be used by at least 200,000 women in Myanmar. The game application 'Shwe Toe' was launched in June 2018.

Output 3: Knowledge, learning and sharing

As of March 20, 2020, Total Commitments: USD 612,324 – Total Disbursement: USD 356,535

EFA developed a broad set of knowledge learning and communication material, ranging from client success stories, blog post on digital financial services, news article on MDF's financing of Pyae Mahar Services. EFA held numerous workshops and organized Women Economic Empowerment (PoWER) country assessment dissemination.

EFA also organized the 'National Financial Inclusion Forum' with over 170 representatives from government ministries and agencies, development partners and the private sector attending.

EFA Expansion / New Initiatives

- Revised Financial Inclusion Policy Roadmap based on MAP2 (refresh process for MAP undertaken in 2018) – funded and in partnership with DFID/ DaNa facility and PGMF

The 2018 MAP Refresh findings have shown that the financial inclusion in Myanmar has exceeded its target of 40% as of 2018. Based on the updated MAP Diagnostics, a new Financial Inclusion Roadmap has been launched in 2019, and will cover 2019 to 2024.

- Women’s Economic and Financial Inclusion Program (WEFIP) – DFID funded – start date September 2018

The Women’s Economic and Financial Inclusion Project (WEFIP) which aims to increase 200,000 women and girls' awareness of, access to, and agency over appropriate financial products and services responsibly provided by diverse and sustainable financial services providers in a well-regulated environment with a focus on conflict-affected areas of Myanmar. WEFIP also partners with the private sector to address financial needs of women and increasing female financial literacy, and promote workforce diversity and enhance their internal gender equality related institutional policies and practices. The WEFIP initiative proposes a stronger emphasis on the following;

- CB bank digital loan product development – LIFT¹⁶ funded- started beginning 2020
In partnership with CB bank, UNCDF is working to develop digital loan products which will help “hanging in” low-income women living in rural areas by delivering affordable financial services through innovative digital channels tied to improved nutritional, digital, and financial awareness and practices.

- Leaving No One Behind (LNB) initiative – LIFT funded – started beginning 2020
LNB initiative will support the expansion of financial services to underserved and rural Myanmar communities, and provide technical assistance for the transformation of MFIs in Myanmar to transition from an NGO toward a corporate business structure in compliance with the Myanmar Company Law (MCL). LNB will lay the groundwork for potentially greater growth through commercial capital acquisition and ensure investment readiness, in order to develop the local microfinance sector and achieve financial stability.

- MFI digitization initiative - NORAD funded

In partnership with Modus Box and the Gates Foundation, UNCDF is working to develop an integrated MFI digital payment platform. The initiative will test and pilot a proof-of-concept integrated digital payment platform, thereby preparing MFIs to potentially connect with the National Payment System and other FSPs. Including MFIs in the National Payment System will allow for expanded consumer choice and lower the costs of accessing formal financial services, particularly amongst rural and remote populations.

Through this scalable solution, low income clients, particularly women and farmers, will have better access to loans, savings and payments. The linkage is expected to begin with loan repayments, and later include digital savings and emergency loan disbursement. The programme will focus on three different areas:

- 1 - *Digital Capacity building for MFIs and regulators*
- 2 – *Product design research*
- 3 – *Interoperable Mojaloop test lab*

- In partnership with UNWomen, UNCDF conducted a market and value chain analysis to inform agriculture and handicraft/weaving livelihood programmes in Rakhine and Kachin States.
 - *Rakhine*

The survey aims to guide interventions for UN Women’s economic empowerment program for women “Inclusive development and empowerment of women in Rakhine state, Myanmar”. The study aims to investigate two key sectors identified by UN Women as strategic entry points to further stimulate

¹⁶ The Livelihoods and Food Security Fund (LIFT) is a multi-donor fund set up in 2009. <https://www.lift-fund.org/>

economic activity: agriculture, specifically rice seed production and cash crops, and the handicraft and weaving sector. The study also aims to explore linkages of producers from these sectors to local and urban markets using a value chain approach. Improving the linkages of female entrepreneurs with markets can reduce women's reliance on humanitarian assistance, by diversifying and stabilising their income generation strategies.

- *Kachin*

The survey aims to guide interventions for UN Women's (UNW) economic empowerment program for women "Preventing and Mitigating the impacts of Trafficking through Women's Empowerment in Kachin State, Myanmar". It investigates the current livelihood options, challenges and opportunities for women in IDP-camps in four townships in Kachin state. In Kachin, clashes between the government and the Kachin Independence **Army** (KIA) in 2011 led to the displacement of 100,000 people. There are more than 150 Internally Displaced Persons (IDP)-camps spread across Kachin and Northern Shan State as a result of the conflict and most of the camps are located in non-government-controlled areas. The study therefore presents consumer, producer and market perspectives, to advance the establishment of possible value chains for women across handicraft, agriculture and other sectors in Kachin State. By advancing these value chains, women can achieve greater economic security and financial agency through higher incomes and increased stability.

3. Evaluation objectives

3.1 Purpose, scope and objectives of the evaluations

This evaluation is being conducted in accordance with UNCDF's Evaluation Plan 2018 – 2021, and in line with UNDP's Evaluation Policy (to which UNCDF is party) which sets out a number of guiding principles and key norms for evaluation in the organization following the standards of the United Nations Evaluation Group.¹⁷ Amongst the norms that the Policy seeks to uphold, the most important are that the evaluation exercise is independent and provides technically and methodologically credible findings that are useful and relevant to support evidence-based programme management and broader strategic decision making.

With this in mind, the evaluation has been designed with the following overall objectives:

- i) to allow UNCDF and its funding partners to meet their accountability and learning objectives for this programme;
- ii) to support ongoing attempts by the programmes and their funders to capture good practice and lessons to date;
- iii) to guide and inform the remaining years of implementation as well as – if appropriate – inform subsequent UNCDF programming;
- iv) inform updating of UNCDF global strategies for financial inclusion within the framework of its 2018 – 2021 Strategic Framework¹⁸

¹⁷ For more information, please see: <http://web.undp.org/evaluation/policy.shtml>

¹⁸ <http://www.uncdf.org/article/3207/strategic-framework-2018-21>

The mid-term evaluation is expected to **assess both the results to date (direct and indirect, whether intended or not) from the first years of implementation as well as the likelihood of the programme meeting its end goals** on the basis of current design, human resource structure, choice of partners, and broad implementation strategy, etc. It is expected that the evaluation will provide useful and **actionable recommendations** to increase the likelihood of success by the end of the programme. Critical to this evaluation is the assessment of the relevance and effectiveness of EFA's approach in 'moving the market' i.e. accelerating market development for financial inclusion in Myanmar, and in supporting the emergence of improved enabling environments for financial inclusion to increase the amounts of sustainable finance available for inclusive development.

The specific objectives of the evaluation are:

- To assist UNCDF and its partners understand the relevance, efficiency, effectiveness, and likely impact and sustainability of the programme
- More specifically, to understand the programme's results in financial inclusion to date: at both the direct investee level and the programme's current and likely contribution to market and policy development in Myanmar more generally, in line with UNCDF's maturity model and in support of the SDGs
- As a mid-term evaluation, to validate and/or suggest refinements to the programme's theory of change and the instruments and tools being deployed to meet the programme objectives

In conducting the evaluation, consultants are requested particularly to consider i) the context and challenges in which the programme operated and document lessons learned and ii) how well EFA is working with other UNCDF programmes, UNDO and other UN agencies as well as national partners

In reviewing the processes of programme implementation, the evaluation team is invited to look particularly at the deployment of the programme's various tools: grants, technical assistance and loans as well as the appropriateness of the financial and development impact frameworks applied in line with international good practice in this area.

3.2 Evaluation methodology:

The evaluation should be **transparent, inclusive, participatory and utilization-focused**. The overall methodology to be followed should be organized following a theory of change approach, framed by the UN/OECD DAC international evaluation criteria, and drawing upon a number of mixed methods (quantitative and qualitative) data to capture direct programme results, as well as (likely) contributions to market development and systemic change to date in the various countries in which it is intervening. To do so, the methodology should draw as appropriate on established measurement frameworks for capturing these kinds of development outcomes, such as the approaches of the Consultative Group to Assist the Poor (CGAP)¹⁹ and/or the Donor Committee for Enterprise Development to measuring market development²⁰ as well as evolving approaches to capture the financial and development additionality of ODA support to private sector development.

The approach to the evaluation should also intend to capture progress against UNCDF's 'innovation-to-scale' or maturity model approach whereby UNCDF supported interventions aim to start with

¹⁹ http://www.cgap.org/sites/default/files/Technical-Guide-Measuring-Market-Development-Oct-2017_0.pdf

²⁰ <https://www.enterprise-development.org/measuring-results-the-dced-standard/>

piloting/innovation, move to consolidation in additional countries before being scaled up by others in markets and country policy systems more broadly. In line with good practice in evaluating this type of complex system change-focused intervention²¹, the overall methodology should be based on three concrete pillars:

- i) the programme's **theory of change**;
- ii) an **evaluation matrix** grouping key evaluation questions and sub-questions by broad OECD/DAC criterion allowing analysis of programme results at different levels of its results chain
- iii) a **data collection toolkit** for the evaluation describing the quantitative and qualitative primary and secondary data collection tools that will be deployed to collect and analyse data to answer the evaluation questions.

Theory of change

The main analytical framework for the evaluations is provided by the programme's theory of change which helps organize the evaluation questions according to programme's expected results at each level of its results chain. In doing so, the evaluation should use as far as possible a contribution analysis approach with a view to understanding the influence of relevant contextual factors at the regional, national and local levels that may have influenced the programme's direct and indirect, intended and unintended results.²²

In line with UN evaluation practice, the scope of the evaluation should cover all five standard UN/OECD DAC evaluation criteria: relevance/ appropriateness of design, efficiency, effectiveness, and (likelihood of) impact and sustainability. In doing so, the focus of the evaluation goes beyond assessing whether UNCDF is currently 'doing things right' in programme execution and management, to a broader assessment of whether, given available evidence, and in comparison with similar approaches implemented by others, looks to be the 'right approach' to achieving the higher-level objectives agreed in the initial phase.

Evaluation Matrix

In proposing how to conduct the evaluation, the evaluators should use an evaluation matrix to operationalize the theory of change and its agreed framework of direct and indirect results into a set of measurable categories of evaluative analysis following the results chain of the intervention. The evaluation matrix should properly address cross-cutting issues as relevant, including gender, human rights, disabilities, minorities, vulnerable groups, poverty/environment nexus, risk reduction, crisis prevention and recovery.

The table below presents a set of preliminary questions that the evaluators should address in their proposed approach. A final, more detailed evaluation matrix will be developed during the inception

²¹ See, for example, pages 78 – 79 in the recent guidance published by CGAP on how to evaluate the results of support to complex policy and market systems in financial inclusion: <http://www.cgap.org/publications/measuring-market-development> building.

²² For more information, please see: http://www.betterevaluation.org/en/plan/approach/contribution_analysis. Please also note the work of the Consultative Group to Assist the Poor (CGAP), the Donor Committee on Enterprise Development (DCED), the Springfield Center and others on this with specific reference to measuring the results of market development for the poor in the area of inclusive finance

phase on the basis of extensive document review and initial consultation with key programme stakeholders.

Evaluation criteria and main questions ²³	Evaluation sub-questions
<p>Question 1: Relevance/ quality of design and coherence</p> <p><i>The extent to which the intervention objectives and design respond to beneficiaries', global, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change.</i>²⁴</p> <p>And</p> <p><i>The compatibility of the intervention with other interventions in a country, sector or institution.</i>²⁵</p>	<p>1.1. How relevant and how well designed is EFA's approach to Myanmar's needs, considering EFA's intended support to the NFIR? How distinct/complementary is EFA's approach to other Financial Inclusion programmes and initiatives deployed by other national and international initiatives to support increased financial inclusion?</p> <p>1.2. How appropriately is EFA partnering with UNDP and other UNCDF programmes, as well as its national partners at the country level to achieve its objectives?</p> <p>1.3. How relevant is the mix of EFA-deployed financial instruments (TA, Grants, Loans and mixture of those three) to supporting UNCDF's financial inclusion market development objectives?</p> <p>1.4. To what extent is programme design in line with UNCDF's strategy "Leaving No One Behind in the Digital Era"²⁶ for financial inclusion? How well does the EFA approach support other initiatives supporting the strategy across UNCDF?</p> <p>1.5 How distinct/complementary is EFA's approach to other Financial Inclusion programmes and initiatives deployed by other national and international initiatives to support a healthy and inclusive financial sector in Myanmar?</p> <p>1.6. To what extent does EFA's design incorporate gender equality (GE) and human rights (HR) dimensions, including age, disability, migration, displacement and vulnerability²⁷? Has the programme been designed with a clear gender strategy? To what extent was it formulated according to needs and interests of all stakeholder groups, and how were these needs assessed? Does it offer good quality information on the underlying causes of inequality and discrimination to inform the programme?</p>
<p>Question 2: Efficiency</p> <p><i>Extent to which the programme is delivering,</i></p>	<p>2.1 How well has EFA delivered its expected results to date, including in terms of budget allocation and cost-effectiveness of activities? How well has EFA partnered with other UNCDF initiatives, including</p>

²³Revised Evaluation Criteria Definitions and Principles for Use - <https://www.oecd.org/dac/evaluation/revised-evaluation-criteria-dec-2019.pdf>

²⁴ 'Respond to' means that the objectives and design of the intervention are sensitive to the economic, environmental, equity, social, political economy and capacity conditions in which it takes place.

²⁵ The extent to which other interventions (particularly policies) support or undermine the intervention and vice versa. This includes internal coherence which should address the synergies the interlinkages between the intervention and other interventions carried out by the same institution/government, as well as the consistency of the intervention with the relevant international norms and standards to which that institution/government adheres. External coherence considers the consistency of the intervention with other actors' interventions in the same context, including complementarity, harmonization and coordination with others, and the extent to which the intervention is adding value while avoiding duplication of effort.

²⁶ The 'digital strategy' was formally launched in February 2019, while under discussion and development with FIPA colleagues during 2018.

²⁷ This includes, but is not limited to, the extent to which the programme is formulated according to international norms and agreements on HR & GE (e.g. The Convention on the Elimination of all Forms of Discrimination Against Women – CEDAW; the Universal Declaration of Human Rights – UDHR; Convention on the Rights of Persons with Disabilities – CRPD) as well as national policies and strategies to advance HR & GE

<p><i>or is likely to deliver, results in an economic²⁸ and timely way.</i></p>	the LDC IP, in support of UNCDF’s new approach to mobilizing finance across the organization?
	2.2 What is the quality of the programme’s outputs (deliverables) provided to date?
	2.3 How appropriate is the programme’s monitoring system to track direct programme results, the financial and development additionality of its investments, the programme’s broader contribution to financial market system development ²⁹ ? Does it have specific quantitative and qualitative indicators and baselines to measure progress on HR & GE?
	2.4 How well are partner contributions/involvement in the programme working?
	2.5 How well are resources (financial, time, people) allocated to integrate HR & GE in the design and implementation of EFA, and to what extent are HR & GE a priority in the overall intervention budget? To what extent are such resources being used efficiently?
<p>Question 3: Effectiveness (organizational and policy change)</p> <p><i>Extent to which the programme is on track to achieving the various objectives and results set, including any differential results across groups.³⁰</i></p>	3.1 To what extent is EFA contributing to enhancing the capacity of the regulators to implement the financial inclusion roadmap?
	3.2 To what extent is EFA contributing to strengthening the capacity of selected market participants to create and increase the range of new affordable financial services to the unbanked/underbanked, including leveraging digital financial services to do so? To what extent is EFA positioned to be a lead actor in digital financial services in Myanmar? What has been the relative contribution of loans, grants and TA to achieving this?
	3.3 To what extent is EFA facilitating an enabling environment for expanding and deepening financial inclusion in Myanmar?
	3.4 To what extent is EFA on track towards progress on HR & GE? Are its results validating the HR & GE dimensions considered in its design? To what degree are the results achieved equitably distributed among the targeted stakeholder groups?
<p>Question 4: Likely Impact</p> <p>Programme impact in terms of contribution to market development for financial inclusion,</p>	4.1. To what extent are programme results likely to contribute to accelerated market development for financial inclusion in Myanmar? Where changes have occurred/or are likely to occur in financial inclusion, is there evidence to support attribution to EFA, or were other organisations/factors driving change?

²⁸ ‘Economic’ is defined as ‘the conversion of inputs (funds, expertise, natural resources, time etc) into outputs, outcomes and impacts, in the most cost-effective way possible as compared to feasible alternatives in the context. ‘Timely’ delivery is within the intended timeframe, or a timeframe reasonably adjusted to the demands of the evolving context. This should include an assessment of operational efficiency (how well the intervention was managed).

²⁹ For an overview of good practice in this area, see for example the CGAP guidance to measuring market development: <https://www.cgap.org/research/publication/measuring-market-development>

³⁰ Note the difference between effectiveness and impact in the revised international evaluation criteria: ‘effectiveness’ should analyse progress towards ‘attributable’ objectives along the results chain/causal pathway, in contrast to ‘impact’ which looks at higher-level order effects and broader changes to which an intervention may be contributing. Note also the focus on differential results which is intended to direct evaluators to ask questions about the distribution of results across different groups, and to look beyond intended objectives. This is in line with the objective of the SDGs to ‘leave no one behind’.

including unintended higher-level effects.	4.2 What is the capacity of stakeholders at the meso/macro-level to support market-based increased financial inclusion. What are the gaps, if any, that need attention to support programmatic impacts?
	4.3. To what extent is the intervention likely to generate unintended positive or negative higher-level effects and how should the programme mitigate this going forward?
	4.4 To what extent are EFA's results contributing to changing attitudes and behaviors towards HR & GE on the various stakeholder group? To what extent are EFA's results contributing to reducing the underlying causes of inequality and discrimination? To what extent are EFA's results in HR & GE influencing the work of other programmes and organizations?
Question 5: Sustainability Sustainability of programme results within the broader policy environment/ extent to which the net benefits of the intervention are likely to continue beyond the life of the intervention. ³¹	5.1 To what extent are changes in capacity at the level of market participants likely to continue over time? To what extent were national and local partners involved in different aspects of EFA's implementation?
	5.2 To what extent are changes in financial inclusion systems supported directly and indirectly by EFA likely to be sustainable over time?
	5.3. How sustainable is the knowledge and capacity building that has been transferred at the macro, meso and micro levels over time? What are the challenges to this end? What efforts are being pursued to overcome these challenges?
	5.4 To what extent does EFA's design include an appropriate sustainability and exit strategy to support positive changes in HR & GE after the end of the intervention? Did EFA aim at promoting sustainable changes in attitudes, behaviors and power relations between the different stakeholder groups? How was monitoring data on HR & GE used to enhance sustainable change on these issues? To what degree are stakeholders changing their policies or practices to improve progress on HR & GE?

Data collection toolkit

Finally, on the basis of the questions included above and the information present elsewhere in this Terms of Reference and on the EFA website, the evaluation team should deploy a data collection toolkit (that includes gender disaggregation and triangulation tools) that will include both existing secondary data as well as new primary data to be gathered during country visits which together will be able to answer the questions listed above.

The combination of primary and secondary tools or separate 'lines of evidence' should number at least five and be designed – as with the rest of the evaluation - with triangulation and complementary assessment of the sub-questions in the matrix in mind.

Suggested data collection tools/ lines of evidence include:

³¹ Note that this should include as far as possible an examination of the financial, economic, social, environmental and institutional capacities of the systems needed to sustain net benefits over time, including analyses of resilience, risks and potential trade offs.

- Document Review;
- Quantitative analysis of deliverables and funding;
- Structured interviews with stakeholders;
- Process/ Timeline mapping;
- Outward and inward contribution analysis;
- Direct observations;
- Case studies;

Additional suggestions are more than welcome in line with the Evaluation Unit's desire to continue to strengthen its evaluation function in line with the evaluation professionalization objectives of the United Nations Evaluation Group to which UNCDF fully subscribes.

Case Studies

In addition to the lines of evidence mentioned above, interested bidders are requested to include in their proposal a proposed approach to 'diving more deeply' into programme relevance and performance to date by way of case studies.

UNCDF approach is to use its scarce resources smartly and incentivize commercial finance to invest in SDG positive investments in the LDCs. This can be achieved by providing concessional finance (under the form of grants, loans, guarantees or any combination of the above) in a stand-alone way or by blending such concessional finance with more commercial type of finance.

In the case of stand-alone investments, UNCDF's goal is to create powerful demonstration effects in terms of business models' viability and sectors' "investability". By helping companies grow their businesses, achieve commercial sustainability, strengthen their balance sheets, and build credit history, UNCDF aims at sequentially unlocking follow-on finance, public and private, domestic and international, to scale up what works and foster local economic development.

In the case of blended investments, UNCDF intends to leverage its strategic use of concessional finance to mobilize private capital flows to emerging and frontier markets, delivering positive results for both investors and communities. Blended finance offers the possibility to scale up commercial financing for developing countries and to channel such financing toward investments with positive developmental impact. Therefore, blended finance can provide a powerful solution to fill the persisting gaps in the existing FfD architecture. However, LDCs currently receive only 7% of the total private finance capital flows mobilized by official development finance. The case studies will provide additional background to the performance of the EFA programme, by looking at the UNCDF's approach to investments in leveraging its concessional resources to crowd-in private commercial finance and to contribute to market development. More detail of the case studies will be provided during inception phase.

Gender

As noted above, the promotion and protection of Human Rights (HR) & Gender Equality (GE) are central principles to the mandate of the UN, and all UN agencies must work to fundamentally enhance and contribute to their realization by addressing underlying causes of human rights violations, including discrimination against women and girls, and utilizing processes that are in line with and support these principles. Those UN interventions that do not consider these principles risk reinforcing

patterns of discrimination and exclusion or leaving them unchanged. It is therefore important that evaluations commissioned by UNCDF take these aspects into account.³²

Concretely, interested bidders are requested to incorporate the following key principles from the UNEG guidance for integrating human rights and gender equality into their proposed methodology for the evaluation:

- **Inclusion.** Evaluating HR & GE requires paying attention to which groups benefit and which groups contribute to the intervention under review. Groups need to be disaggregated by relevant criteria: disadvantaged and advantaged groups depending on their gender or status (women/men, class, ethnicity, religion, age, location, etc.) duty-bearers of various types, and rights-holders of various types in order to assess whether benefits and contributions were fairly distributed by the intervention being evaluated. In terms of HR & GE, it is important to note that women and men, boys and girls who belong to advantaged groups are not exempt from being denied their human rights or equal rights: for example, violence against media workers from advantaged groups who expose wrong-doing or corruption, or constraints on women's public presence and freedom of movement in some countries, regardless if they belong to advantaged or disadvantaged groups. Therefore, the concept of inclusion must assess criteria beyond advantage. Likewise, it is not unusual that some groups may be negatively affected by an intervention. An evaluation must acknowledge who these stakeholders are and how they are affected and shed light on how to minimize the negative effects.
- **Participation.** Evaluating HR & GE must be participatory. Stakeholders of the intervention have a right to be consulted and participate in decisions about what will be evaluated and how the evaluation will be done. In addition, the evaluation will assess whether the stakeholders have been able to participate in the design, implementation and monitoring of the intervention. It is important to measure stakeholder group participation in the process as well as how they benefit from results.
- **Fair Power Relations.** Both the human rights and gender equality approaches seek, inter alia, to balance power relations between or within advantaged and disadvantaged groups. The nature of the relationship between implementers and stakeholders in an intervention can support or undermine this change. When evaluators assess the degree to which power relations changed as a result of an intervention, they must have a full understanding of the context, and conduct the evaluation in a way that supports the empowerment of disadvantaged groups, e.g. women's empowerment where women are the disadvantaged gender within a given context. In addition, evaluators should be aware of their own position of power, which can influence the responses to queries through their interactions with stakeholders. There is a need to be sensitive to these dynamics.

4. Management roles and responsibilities:

In line with the organisational set up for evaluation in UNCDF, the Evaluation Unit – reporting directly to UNCDF's Executive Secretary - is responsible for the management of this evaluation and will hire an independent firm to conduct the evaluation. The Evaluation Unit will work with the evaluators to ensure that the evaluations are conducted per UNEG Norms and Standards in Evaluation in the UN

³² In addition to the UN Evaluation Group guidance on embedding gender equality and women's empowerment into UN evaluations: <http://www.unevaluation.org/document/download/2107>, please see for information the latest report by the UN Secretary General's High Level Panel on Women's Economic Empowerment: Leave No One Behind – Take Action for Transformational Change on Women's Economic Empowerment <http://hlp-wee.unwomen.org/>

System, the UNEG Code of Conduct for Evaluation in the UN System and UNEG Guidance for Integrating Human Rights and Gender Equality in Evaluation. The Evaluation Unit will provide substantive support, including joining the evaluation team in selected field visits, and is responsible for the overall quality of the report.

The EFA Programme will provide administrative and logistical support. Specifically, EFA will provide a reference guide and access to all relevant documents; a list and contact information of key stakeholders; and assistance in scheduling meetings in each country. The team will be available for introductory and close out meetings in each country and shall make itself available to answer questions and provide documents. UNCDF may provide office space in each country for the team to work upon request. *The evaluation team is expected to organize its own travel, visas, accommodation and local transport.*

An Advisory Panel for the evaluation will be set up, composed of representatives of UNCDF'S Financial Inclusion Practice Area at Headquarters as well as potentially from other key programme stakeholders. The UNCDF Evaluation Unit will reach out to representatives of the United Kingdom Department for International Development (DFID); to representatives of the Norwegian Agency for Development Cooperation (Norad); to representatives from the Pact Global Microfinance Fund (PGMF) and to representatives of The Livelihoods and Food Security Fund (LIFT), to see if they are interested to be participate in the Advisory Committee. The role of the Advisory Committee is to support the Evaluation Unit in managing the evaluation by participating in the following:

- Reviewing and commenting on the inception report
- Reviewing and commenting upon the draft report
- Being available for interviews with the evaluation team

5. Evaluation process

The evaluation process will have 3 distinct phases:

a) Inception Phase and desk review

- ✓ Methodological briefing between the evaluation team and the Evaluation Unit to ensure clear understanding of the evaluation methodology, approach and main deliverables as per TOR;
- ✓ Inception meetings with Advisory Panel and key programme stakeholders to familiarize the Evaluation Team with the programme objectives, results to date and expectations for this evaluation.
- ✓ Stakeholder Mapping and stakeholder selection for data gathering.
- ✓ Finalization of the evaluation methodology and tools, to include a sampling strategy for more in-depth analysis of various aspects of the performance of the programme including via a representative set of country visits, as well as a strategy for collecting, analysing and aggregating different sources of data into the final evaluation report.
- ✓ Finalization of the schedule for country visits and stakeholder interviews

b) In-country phase: in-depth data collection and research, including site visits and key informant interviews in selected countries. The Team Leader may be asked to debrief the Advisory Panel and Evaluation Unit at the end of the country visits. This with a view to provide a sense of the evaluation team's preliminary findings ahead of the draft reporting phase.

- c) **Post-Mission Phase:** analysis and synthesis stage, including i) a debrief with the programme team and UNCDF technical experts on initial findings and final questions, interpretation of findings and drafting of the evaluation report and ii) a HQ debrief of the final evaluation report.

In drawing up the proposed work plan, the evaluation team should be given sufficient time to complete: i) a thorough review of all relevant programme documentation during the inception phase and preparation of the methodological approach to be followed by the evaluation team; ii) one country visits, and iii) a thorough write up phase of the evaluation report, to include analysis and transparent aggregation of the different ‘lines of evidence’ collected during the preceding evaluation phases into a final evaluation report with relevant annexes.

During the country visits, the expected level of effort for the evaluation should include 5 days (minimum) in country with a minimum of two members of the evaluation team to visit the country. Both team members should be experienced evaluators with relevant technical knowledge of the intervention being assessed.

In total, it is expected that the evaluation will take at a minimum 50 person days to complete, including all team members’ contributions to the inception, country visit and write up phases of the evaluation.

The methodology – including the final sampling strategy of parts of EFA to explore in detail - will be further developed during the inception phase under the supervision of the Evaluation Unit.

6. Audience and timing

The primary audience for this evaluation is UNCDF and key stakeholders (including programme funders) and partners in Myanmar.

The mid-term evaluation is scheduled as follows:

Inception phase:	April – May 2020
Country visits:	June 2020 [To be confirmed] ³³
Write up phase and final report:	July – August 2020

Main deliverables:

The below proposed timeframe and expected deliverables will be discussed with the evaluation team and refined during the inception phase. The final schedule of deliverables will be presented in the inception report. The Evaluation Unit reserves the right to request revisions to the evaluation deliverables until they meet the quality standards set by the UNCDF’s Evaluation Unit for evaluation reports (please see Annex 4 for more details). The Evaluation Team Leader is responsible for preparing and submitting the following deliverables:

Deliverables	Description	General Timeframe
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³³ Due to the current Coronavirus epidemic, the timeline for the country visit will be adjusted based on recommendations from relevant authorities.

<p>INCEPTION PHASE:</p> <p>Inception Report and Data Collection Toolkit</p>	<p>The inception report presenting a fully developed evaluation matrix, methodology, data collection tool kit and a detailed work plan with timeline following a template to be provided by the Evaluation Unit.</p>	<p>April 2020</p>
<p>FIELD MISSION PHASE:</p>		<p>May 2020</p>
<p>POST MISSION PHASE:</p> <p>Draft Evaluation Report and organized according to the evaluation sub-question with evaluation findings aggregated and synthesized on the basis of the results of the different data collection and analysis tools.</p> <p>(including up to three rounds of revisions)</p>	<p>a. A report presenting the evaluation findings and recommendations for each program/ evaluation as a whole (max. 35 – 40 pages) plus in annex i) short (10 page) case study of investments made under EFA ii) summaries of the findings from each of the minimum five ‘lines of evidence’ used to support the evaluation findings as well as iii) an Executive Summary of maximum 5 pages summarising the main findings and recommendations in English and French.</p> <p>b. All completed tools and datasets making up the different lines of evidence should be made available to the Evaluation Unit upon request (including <u>transcribed highlights</u> from interviews and focus group discussions, details from quantitative analysis).</p>	<p>–June - July, 2020</p>
<p>Power Point Presentation for HQ debriefing (max 15 slides and 20 minutes presentation).</p>	<p>A PPT summarizing the main findings and recommendations.</p>	<p>July, 2020</p>
<p>Final Evaluation Report, including an Executive Summary, and organized according to the evaluation sub-question with evaluation findings aggregated and synthesized on the basis of</p>	<p>A final report that incorporates comments received from all partners.</p>	<p>July, 2020</p>

the results of the different data collection and analysis tools.		
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7. Composition of Evaluation Team:

The evaluation team should present a combination of technical expertise and experience in evaluation and experience in designing and managing interventions in the field of financial inclusion, financial inclusion diagnostics and market development relevant to the programme.

The evaluation team should strive for gender-balance in its composition and include representatives from countries in which the programme has been implemented and possess background knowledge/expertise in the countries to be visited.

Overall, the team should be familiar with approaches used to assess program contribution to market development/systemic changes in the area of financial inclusion, as well as theory-based approaches to programme evaluation, using both quantitative and qualitative analysis of existing secondary data and primary data sources. The team should have comprehensive knowledge of inclusive finance industry best practices in measuring and evaluating the results of development cooperation, including the use of CGAP benchmarks for the performance of financial service providers and the latest CGAP guidance in measuring market development.

The teams should also demonstrate the following experience and expertise:

- 10 years of proven experience of designing and conducting international development evaluations that apply relevant mixed-methods evaluation approaches to a variety of different modalities in international development cooperation, involving inter-governmental organisations and their government and private sector counterparts.
- Knowledge and experience of working for the UN system at the service of UN Member States is highly preferred.
- 5 years of demonstrated experience in integrating gender equality and women's empowerment in evaluation.
- Evidence of formal evaluation and research training, including familiarity with OECD or UN norms and standards for development evaluation, as well as the evaluation of complexity as applied to market development approaches, such as that of CGAP and DCED.
- 10 years of experience of undertaking/participating in evaluations in inclusive finance (micro, meso and macro levels) including experience using a range of qualitative and quantitative evaluation methodologies to assess program results at individual, institutional, market and policy levels.

The team must also have experience in financial inclusion, specifically in financial inclusion diagnostics and support to governments in developing and implementing financial inclusion policy and strategy.

- Knowledge and awareness of issues relating to financial Inclusion gaps and policy initiatives
- Strong knowledge and experience of working to support financial inclusion diagnostics (supply and demand side), including livelihoods approach as analytical framework;
- Comprehensive knowledge of CGAP benchmarks and industry best practices;

- Comprehensive knowledge and experience in impact investing as well as relevant industry best practices;
- 5 years of experience at the country sector level/understanding of building enabling environments/stakeholder engagement for inclusive finance
- Demonstrated capacity for strategic and creative thinking and excellent analytical and written skills;
- Experience in the implementation of Financial Strategies;
- Demonstrated experience in policy making; strengthen financial policy regulators and FSPs;
- Experience of market development approach; low-income market segments; electronic payments;

It is requested that the proposed evaluation team be made up of the following roles:

- 1 Team Leader with evaluation/inclusive finance/market development experience
- Team Member(s) with 7 - 10 years relevant experience
- 1 National or regional expert with experience in financial inclusion programmes and gender aspects within the Myanmar ecosystem to participate in the country visit;

In order to meet good practice in ensuring sufficient coverage of gender equality and women's empowerment in the evaluation design and conduct, the financial inclusion gender equality expert should support the evaluation team in understanding the distinction between women's financial inclusion versus empowerment, and ensure that the evaluations report this accordingly. The expert should focus on filtering the sex-disaggregated data, and distinguish gender-differentiated impacts at the client level. The expert will have the responsibility for appraising the substance and effectiveness of approaches, products, outcomes and risks of women's financial inclusion.

For the country visit, the evaluation team should be made up of at least two consultants, including the Team Leader. The Team Leader should also have demonstrated experience in conducting evaluations before and be equipped with the relevant skills and experience to 'apply an evaluative lense' at all points during the conduct of the country visit.

8. Proposal requirements

- **Methodology**
- **Detailed work plan with timeline of major activities**
- **Proposed team (with CVs)**
- **Overview of past examples of conducted evaluations with comparable scope, including references**

The technical proposal shall describe the methodology and approach to achieve the objectives of the evaluation, including the team proposed. The technical proposal should not exceed 30 pages + annexes (for example CVs).

a. As part of the **methodological proposal** for the evaluation, the following elements should be included:

- An overview of the **data collection toolkit** to be used in answering the evaluation questions, including the qualitative and quantitative tools that will be used in assessing existing secondary data and generating new primary data. Bidders are requested to particularly focus on how they will measure the results of the EFA programme to date at the outcome level (i.e. in terms of the use and follow up to the diagnostics completed, and road maps supported by the programme) using methods built around a contribution analysis approach. In proposing

the evaluation methodology, bidders are requested to respect the various quality standards for UNCDF evaluation set out in Annex 3.

- The proposal should also highlight how the evaluation will apply a gender responsive lense with a view to generating findings that take into account the perspective of women, rural, and un(der)banked population segments, as well as make use of the Gender Economic Empowerment Framework

b. As part of the **detailed work plan** with timeline of major activities should include:

- A **detailed evaluation work plan for conducting the evaluation**, showing the overall time commitment for the evaluation, as well as specific activities and time allocated to each individual team member. Note that the evaluation team should have sufficient time to complete:
 - i. Review of all relevant programme documentation during the inception phase, including a briefing by the project team on the programme during the inception phase;
 - ii. Country visits to the four programme countries mentioned above;
 - iii. Write up of the evaluation report presenting the findings on the programme as a whole as well as the supplementary country reports.

c. **Information on the proposed team** members should include at least:

- Detailed CVs for each member of the team,
- Description of team position and area of expertise (ex. Team Leader; Inclusive Finance Expert, etc)
- Description of data collection and logistic support team for each of the countries visits

All team members that will engage in country visits should also be available for the initial kick-off meeting. Note that the team members conducting the country visits to the francophone countries must be fluent in French and have experience of providing consulting services in French-speaking countries.

d. **Information on past examples of evaluations** conducted should include:

- A concise description of relevant past evaluations conducted including the methodology that has been followed

- Details of references for these evaluations that can be followed up

9. Impartiality requirements

We take the opportunity here to remind potential bidders that in line with UN norms and standards for evaluation, the ability of the evaluation team to conduct an independent and impartial evaluation of the intervention being assessed is a pre-requisite. With this in mind, interested firms should ensure specifically that members of the evaluation team that are proposed have not had any previous experience of working with the programme being evaluated.

10. Scope of proposal Price and schedule of payments

The technical proposal cannot include any information on costs. The financial proposal should provide a detailed costing for the scope of work and deliverables described for each of the above mentioned evaluations. The Financial Proposal shall list all major cost components associated with the services and the detailed breakdown of such costs, including fees, travel costs, per diem, etc. All outputs and activities described in the offer must be priced separately on a one-to-one correspondence.

Any output and activities described in the offer but not priced in the Financial Proposal shall be assumed to be included in the prices of other activities or items, as well as in the final total price.

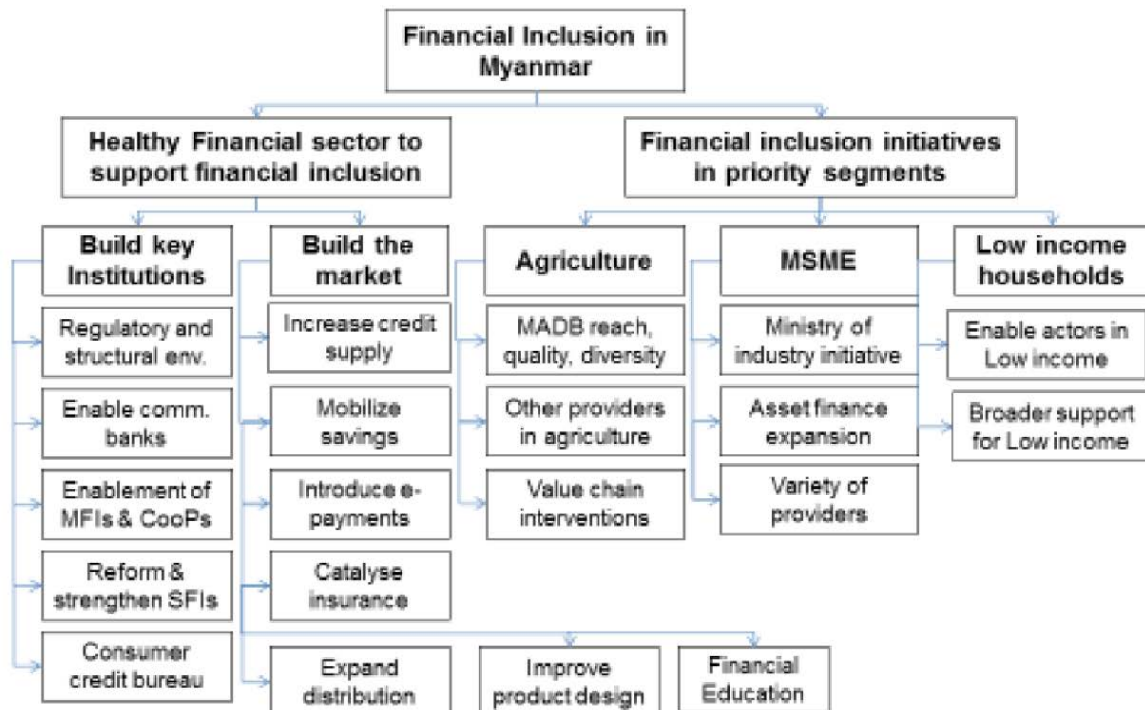
In terms of level of effort, interested firms are invited to propose a methodology that includes at least 7 - 8 working days per consultant for the country visit, and an additional X days total for the inception phase and write up stage for each consultant.

Schedule of payments:

35% of contract: upon submission of inception report

30% of contract: upon submission of 1st draft report

35% of contract: upon approval of final evaluation report.



Annex 2 EFA's Theory of Change

