**TERMS OF REFERENCE FOR INTERNATIONAL CONSULTANT**

**Project Evaluation**

**“Self-Reliance Groups Access to Microfinance’s Wholesale Loan”**

**(Funded by DANIDA through UNDP Myanmar and implemented by PACT)**

1. **POSITION INFORMATION**

Contract Title: International Consultant - Project Evaluator

Duration: Three weeks (2 weeks in Myanmar and home base 1 week)

Duty Station: Yangon with travel to selected project townships

1. **BACKGROUND AND CONTEXT**

In 1994, UNDP Myanmar initiated the Human Development Initiative (HDI) program in carefully targeted geographical areas of Myanmar to address the human development and humanitarian needs of people in those regions in a sustainable manner.

As part of HDI, UNDP implemented two multi-sector community development projects – the Integrated Community Development Project (ICDP) and Community Development for Remote Townships (CDRT) Project – to improve the social and economic status of the poor. The projects use participatory methodologies to build the capacity of local communities and increase their social capital through Self-Reliance Groups (SRGs) and community based organizations.

Self-Reliance Groups (SRGs) were initially introduced into CDRT project in 1997 and ICDP in 2003. The common reason for members to participate in SRGs was “access to credit at a relatively low interest rate under flexible rules and regulations.” With its flexible lending plan, SRG stands out as an attractive option for accessing credit. The SRGs create a common fund from their savings, inputs provided by UNDP and income generated through lending to its members. However, the common fund was insufficient to meet the capital requirements of the members as their businesses continue to grow over time. The “Self-Reliance Groups Access to Microfinance’s Wholesale Loan” program aiming to fulfill these capital requirements was piloted with funding from DANIDA.

The Royal Danish Government provided fund assistance worth 2,990,000 Kroner (equivalent to US$ 563,720) to UNDP to undertake the aforesaid program with the aim to provide wholesale loans to 250 SRGs in five townships – Kalaw, Pin Laung, Nyaung Shwe, Pindaya and Ywar Ngan – of Shan Zone. The program was launched in December 2010, initially for one year, to November 2011, and was extended to August 2012.

Under HDI UNDP also funded the project “Sustainable Microfinance to Improve the Livelihoods of the Poor” (UNDP MFP) since 1997. It is the largest microfinance provider for the poor in Myanmar, operating in 105 townships in three regions: Dry Zone, Shan State and the Delta region.

The goal of the DANIDA-funded program was to enable SRGs’ sustainable access to microfinance loans in townships where MFP and ICDP converged. PACT, the implementing agency of MFP undertook to achieve this goal through the following objectives:

Objective 1: Build the capacity of viable SRGs in loan fund management and financial record keeping.

Objective 2: Provide wholesale lending to SRGs to support their microenterprises.

By the end of the program period, 292 SRGs were selected and provided wholesale loans. A total of 408 loans had been disbursed, of which 292 for 1st cycle; and to those which have fully repaid on time, 2nd loans were given to 106 SRGs and third loans to 10 SRGs. The total amount disbursed was K 550.44 million (USD 646,056).

1. **EVALUATION OBJECTIVES**

The objective of this evaluation is to fully assess the achievement of the project’s objectives, outputs and impact, as well as the effectiveness and efficiency of PACT, the implementing partner, in delivering the project outputs. The evaluation should address the entire project from inception to completion and should embody a strong results-based orientation.

1. **EVALUATION QUESTIONS**

The overall aspects that the evaluation should assess:

* Whether stated outputs were achieved
* What factors have contributed to achieving or not achieving outputs
* What factors contributed to effectiveness or ineffectiveness of the project
* Impact of the project
* Sustainability of the project impact
* How effectively equality and gender mainstreaming have been incorporated in the project design and execution

Specific aspects the evaluation should assess:

* Effectiveness of SRG capacity building process
* Capacity of SRGs which have received loans in member loan appraisal, business planning, loan and savings fund management and financial record keeping.
* Appropriateness of the SRG wholesale loan methodology in addressing the credit requirements of members.
* Appropriateness and adherence to loan distribution criteria.
* Financial performance of SRGs in terms of loan repayment.
* Member utilization of loans provided through SRGs.
* Overall organizational strength and sustainability of SRGs.
* Opportunities and challenges that exist for microcredit clients.

1. **METHODOLOGY**

In order to achieve the stated objectives, the evaluation mission will work as follows during its time in-country:

* Initial briefing by UNDP Microfinance team.
* Thorough desk review of related documents, including project proposal, project progress and M&E reports, respective PACT data and portfolio reports, as well as applicable manuals and guidelines.
* Interviews with the relevant staff of PACT head office in Yangon.
* Field visits to the relevant project areas for interviews with local PACT staff, SRG members, and any other identified stakeholders.
* Preparation of draft report and de-briefing to UNDP.

During the field visit, the consultant will apply a multi-facet approach to ensure that all the critical aspects of the project are reviewed. The consultant will interact with a number of direct and indirect beneficiaries, using techniques such as focus group discussions and semi-structured interviews.

1. **EVALUATION PRODUCTS (DELIVERABLES)**

The consultant will produce for approval by UNDP:

* A brief evaluation work plan
* A draft evaluation report at least 3 days prior to departure
* A final evaluation report within 10 days of departure

1. **EVALUATION TEAM COMPOSITION AND REQUIRED COMPETENCIES**

The evaluation mission will be comprised of one international consultant.

**QUALIFICATIONS**

* Advanced degree, preferably in economics, or development related field
* Minimum 5 years’ relevant professional experience in the area of microfinance with good working knowledge of international best practices
* Minimum 5 years’ experience in project or programme evaluation
* Knowledge of and experience with UNDP and/or other donor result-based monitoring and outcome/impact studies is considered an asset
* Proven track record of producing high quality written reports.

**COMPETENCIES**

* Excellent analytical and statistical skills
* Excellent communication skills including ability to engage stakeholders in open and exploratory discussions
* Excellent English oral and writing skills.

1. **EVALUATION ETHICS**

The evaluation must be conducted in line with the United Nations Evaluation Group (UNEG) “Ethical Guidelines for Evaluation”.

1. **IMPLEMENTATION ARRANGEMENTS**

The consultant will spend 2 weeks in Myanmar including field visits to selected townships and 1 week home base.

The consultant’s work will be facilitated directly by the UNDP Microfinance team, with support from the Monitoring & Evaluation Unit. UNDP staff will make required meeting and travel arrangements for the consultant.

The consultant will carry out his/her assignment under the direct supervision of the UNDP Microfinance Specialist.

1. **TIME FRAME FOR THE EVALUATION PROCESS**

The duration of consultancy service is envisaged as 3 weeks, tentatively commencing in early August 2013.