

REQUEST FOR PROPOSALS (RFP)

TO CONDUCT CASE STUDIES ON LESSONS LEARNED AND ACHIEVEMENTS OF FSDMOC PROGRAMME ON ALTERNATIVE SME FINANCE AND INFORMAL FINANCE

Ref.: SMECS

Title of the RFP: Case Study – Alternative SME Finance and Informal Finance

Date of this RFP: 18 November 2019.

Closing Date for Receipt of RFP: December 04, 2019.

Individual / Organisation: Consulting firm.

Language required: Portuguese and English.

1. ABOUT FSDMoc

The Financial Sector Deepening-Mozambique (FSDMoç), a 6 year (2014 - 2020) program funded by the UK Government's Department for International Development and the Swedish International Development Cooperation Agency. FSDMoç directs its investments and insights to address constraints in the financial market, helping the diversification of Mozambique's economy and bringing prosperity and economic resilience to Mozambique's people. At the core of its strategy, are women, youth and the rural low-income population, as well as small businesses that lack access to appropriate and accessible financial services.

FSDMoç support key financial sector stakeholders to both innovate and expand financial services, using technical expertise and targeted funding to boost their capacity and the people they serve. FSDMoç uses an M4P, 'making markets work for the poor' (M4P) approach assessing comprehensively all key constraints to market system development from policy through to institutional and demand side issues, identifying the most appropriate levels of intervention.

2. RATIONALE, OBJECTIVES AND SCOPE OF WORK

2.1. Rationale

FSDMoc as a programme is nearing its end in March 2020, a point in time where it will transition into a special purpose vehicle to further advance the agenda of financial inclusion and inclusive finance in Mozambique. A number of case studies on the impact and lessons learned from the programme are warranted at this point to ensure that:

- There is adequate documentation on how the programme impacted the financial sector ecosystem to advance financial inclusion; The information and knowledge produced by the programme is readily available for consultation by financial sector stakeholders (i.e.

- development cooperation agencies, public sector, financial services providers, academia);
- There is sufficient documentation on how the different stakeholders view the impact of FSDMoc programme in the financial sector (i.e. regulators, financial services providers, beneficiaries, development partners);
- Lessons learned are disseminated to other development programmes, including FSDMoc as a special purpose vehicle, on how the various activities for market systems development worked in the Mozambican context, especially when it comes to value for money; and
- Developments programmes come and go. The case studies will ensure that the lessons learned and the impact of FSDMoc live on to inspire incoming programmes, especially those adopting Market Systems Development approach.

2.2. Objectives

The main objective of this assignment is to conduct a case study on how FSDMoc facilitated systemic change to enable alternative finance for Small and Medium Enterprises (SME) and Informal Finance. More specifically:

- **Conduct a deep dive analysis on (i) alternative finance for SMEs and (ii) Informal Finance.** The majority of Mozambicans workers earn their living in the informal economy. Working capital is one of the biggest chokepoints of SMEs in Mozambique. Traditional bank based models are proving not to be up to the challenge. FSDMoc has had a number of interventions and/or studies aiming to advance alternative SME finance and informal finance.
- **Systematize the lessons learned and achievements from the interventions.** Bring to light evidence of key learning points and achievements from the implementation of alternative SME finance and Informal Finance related interventions.
- **Provide insights/recommendations on how to create a more enabling environment for SME Finance and Informal Finance.** The evaluation of the lessons learned will point the way moving forward for alternative financial support for SME as well as Finance solutions for the Informal.

2.3. Scope of Work

The broad scope of this assignment is to assess how FSDMoc contributed to deepen financial inclusion in Mozambique at the macro (policies and regulations), meso (infrastructure) and micro (demand and supply) levels. For this purpose, the consultant will consider the interventions below and objectively focus more on those that highlight FSDMoc contribution in the market.

- Private equity
- Blended finance
- Capital markets development
- Screening SMEs for their financial readiness for capital markets Interoperability
- eRecording
- Somas

More specifically, the consultant must:

- Demonstrate how FSDMoc laid out the foundations for a more inclusive financial market for women, youth, smallholder farmers and rural communities;
- Provide evidence of FSDMoc interventions' impact to beneficiaries/stakeholders;
- Document the change of attitudes and perceptions of financial service providers and regulators triggered by FSDMoc interactions;
- Document the lessons learned from FSDMoc approach and interventions; and
- Provide recommendations on how to keep the momentum and carry forward the systemic change facilitated by FSDMoc;

3. DELIVERABLES

The consultant will be requested to deliver on the following:

Two Digestible and independent case studies on lessons learned and achievements of FSDMoc interventions on (i) Alternative SME finance and (ii) Informal finance.

- The impact and lessons learned from FSDMoc approach must be clearly stated.
- Clear recommendations on how to build upon FSDMoc interventions to keep up the momentum.
- Show evidence on how FSDMoc interventions impacted the beneficiaries/stakeholders
- Where applicable, clearly show evidence on how financial market players and regulators changed their attitudes and perceptions owing to FSDMoc interactions.

All deliverables should be in English and Portuguese, except where specified, including:

- Inception report (detailing final research questions, methodology, data collection tools, final case study structure, risks, ethics, safeguards and final workplan);
- Draft case studies (doc and pdf formats);
- Live presentation of draft case studies (ppt format);
- Final detailed case studies (English and Portuguese);
- 1 live presentation of the final case study

All datasets should be available for submission upon request by FSDMoc.

4. REQUIRED SKILLS AND QUALIFICATIONS

Respondents should be able to demonstrate prior experience conducting case studies related to market development, show ability to come up with new approaches, while demonstrating how these achieve the intended outcomes. FSDMoc is looking for consultants with the following credentials:

- Prior experience in the design and delivery of market systems programmes evaluation;
- Prior experience in conducting donor led case studies;
- Knowledge and practical experience of work with financial sector regulators/supervisors, financial institutions, youth and rural communities/households;
- Ability to demonstrate the potential effectiveness of proposed methodology;
- Evidence of effectiveness of previously executed case studies; and
- Fluency in Portuguese and English

5. LEVEL OF EFFORT & REMUNERATION

It is anticipated that the present assignment will take place from January 2020 and will be completed no later than 05 March 2020. The consultants will be responsible for structuring the work plan, in line with the above timeline. The final case studies are to be submitted latest by 12 March 2020. FSDMoç is committed to assist the consulting team to expedite the assignment and enable it to reach these deadlines. This assignment should cost no more than GBP 20,000.00.

6. INFORMATION REQUIRED FOR RFP SUBMISSION

FSDMoç invites eligible and experienced consultants to send their proposals for the project. Interested consultants must provide information indicating that they are qualified to perform the task.

The proposals must contain a maximum of 8 pages A4 (excluding CVs and accompanying company profiles) with the information below:

- Name of company and place of business;
- Contact information (email, Skype, cell phone, etc.);
- A description of company's expertise in relation to the project scope, including description of similar assignments undertaken, and evidence of their effectiveness;
- A description of how the assignment will be performed;
- Proposed methodology and approach and indicative work plan with timeline to undertake the present assignment;
- Financial proposal; the costs must be broken down into professional fees and expenses, which will incorporate travel and accommodation, if necessary.
- Description of company profile; and
- CVs of key team members proposed; (maximum 2 pages each).

7. SUBMISSION OF PROPOSALS

Your proposals must be emailed to FSDMoç at fsdmoc@fsdmoc.com with the subject line "SMECS – SME and Informal Finance Case Study". The e-mails must be received by 05:00 PM (Maputo Time), on December 04, 2019.

Questions or comments in respect to this RFP should be addressed to FSDMoç also through the fsdmoc@fsdmoc.com no later than November 29, 2019.

8. SELECTION CRITERIA

The proposals will be evaluated against the selection criteria listed in the table below. Only shortlisted applicants will be contacted.

Selection Criteria	Weighting
Technical capabilities	35%
Proposed methodology and approach	25%
Work plan	15%
Budget	25%
TOTAL	100%