



MICROFINANCE CENTRE

## Call for Proposals: EVALUATION OF MFC 2018-2021

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Within the framework of the EC funded EaSI Programme: “EU-level NGOs networks active in the promotion of social inclusion and poverty reduction or microfinance and social enterprise finance”

Consultants are herewith invited to present their application for the external evaluation of the project “European level networks active in the promotion of access to finance (microfinance and social enterprise finance)” for the years 2018 – 2021.

### A – BACKGROUND

#### 1. MFC and EC support

Fundacja **Microfinance Centre (MFC)** began operations in late 1997 as a regional, grass-root network of 28 microfinance institutions (MFIs) and initially provided services to its members only. Currently, as an industry network of 108 organizations active in Europe and Central Asia working in 35 countries (including 16 EU and 4 EaSi candidate countries), MFC targets member and non-member MFIs, country level associations, policy makers, donors, lending institutions and investors through a variety of activities and programs. MFC is registered as a Polish foundation. Its governance is based on the formal legal requirements for a Polish foundation, though reflecting its practical functioning as international network.

MFC’s mission is to contribute to poverty reduction and human potential development by promoting a socially oriented and sustainable microfinance sector that provides adequate financial and non-financial services to a large number of poor families and micro-entrepreneurs.

MFC fulfils its mission through a facilitator model: it connects with key industry players to address selected, access to finance related issues. While working with the stakeholder groups, it applies various tools including: research, piloting promising initiatives, working groups, annual conference, training and consulting, policy fora and publications.

Currently, the access to finance programs are implemented through the following strategic pillars:

- **Know-how:** building institutional capacity of microfinance institutions for more balanced and effective microfinance
- **Innovation:** designing and testing practical solutions for microfinance institutions to improve financial education, social performance management and client protection
- **Policy:** facilitating development of evidence based, favorable, assess to finance oriented policies
- **Knowledge management:** creating dialogue among practitioners and sharing lessons learnt through publications and industry events

For more information visit MFC’s website at: [www.mfc.org.pl](http://www.mfc.org.pl)

The European Programme for Employment and Social Innovation "EaSI" 2014-2020 is a European-level financing instrument managed directly by the European Commission to contribute to the implementation of the Europe 2020 strategy, by providing financial support for the EU objectives in



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terms of promoting a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions<sup>1</sup>.

In the framework of the EaSI programme, the European Commission (Directorate General for Employment, Social Affairs and Inclusion - DG EMPL), has decided to support EU-level NGOs networks active in the promotion of social inclusion and poverty reduction or microfinance and social enterprise finance. Framework Partnership Agreements (FPA) were signed in spring 2018 following the call for proposals VP/2017/015 for framework partners. MFC was selected and signed a FPA with the Commission for 4 years in the area: Access to finance (demand or supply side of microfinance or social enterprise finance markets) hereinafter referred to as the EC project.

### **2. The priorities of the EC Project for the period 2018-2021**

- Priority 1: Supporting the Commission in its outreach activities at EU, national and local level with the aim of ensuring the implementation of European policies in the relevant area (e.g. Programme for Employment and Social Innovation, European Social Fund, Social Business Initiative, Start-up and Scale-up Initiative, etc.)
- Priority 2: Reinforcing the capacity of the network's members, including through offering a platform for the exchange of good practices in the relevant field, and raising awareness about relevant EU policies.
- Priority 3: Voicing the concerns and expectations of organisations facilitating access to finance to (potential) entrepreneurs from disadvantaged and underrepresented groups / social enterprises
- Priority 4: Providing data / research on developments in the field and on priority topics

For the years 2018 – 2021, MFC prepared 4 year strategic plan and specific annual work-plan for 2018, where it articulated the following strategic program objectives (SOs) around the four priorities described above:

#### To contribute to the achievement of Priority 1 of the FPA:

- SO #1 Ensure regular communication mechanism with the European Commission
- SO #2 Ensure effective communication with national stakeholders on EC initiatives and policies
- SO #3 Encourage national level agenda setting regarding access to finance
- SO #4 Harmonize strategic and operational coordination of work with other international networks active in financial inclusion to ensure one voice with the Commission and EU member states, avoid duplication of effort and leverage resources

#### To contribute to the achievement of Priority 2 of the FPA:

- SO #1 Promote exchange of good practices among Members to reinforce their capacity to extend quality access to finance to un(der)served/vulnerable groups
- SO #2 Reinforce Members capacity to offer services responsibly
- SO #3 Ensure Members have access to quality and efficient technical assistance services
- SO #4 Bring new knowledge/know-how on priority and cutting edge issues to the sector
- SO #5 Raise Members' awareness about relevant EU policies, build capacity and assist to more actively engage with national and local stakeholders in their respective countries
- SO #6 Expand MFC's membership in the EU in order to ensure good practise and effective information sharing in particular on EU initiatives supporting microfinance and social business finance

#### To contribute to the achievement of Priority 3 of the FPA:

<sup>1</sup> <http://ec.europa.eu/social/main.jsp?catId=1081>



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- SO #1 1 Ensure feedback from relevant stakeholders including organizations working with unserved/underserved groups is considered on current EU policies/actions and before new policies, programs, initiatives are set by the EC
- SO #2 Ensure a regular communication mechanism with the European Commission

### To contribute to the achievement of Priority 4 of the FPA:

- SO #1 Ensure accurate and up to date information is available on MF sector landscape in Europe for evidence based policy making by different stakeholders at EU and country level as well as promotion of the sector good practices
- SO #2 2 Ensure accurate and up to date information is available on specific issues related to MF sector development in Europe for evidence based policy making by different stakeholders at EU and country level as well as promotion of the sector good practices
- SO #3 Ensure evidence is collected, analyzed and integrated into advocacy documents issued by MFC or in partnership with other networks e.g. EMN, EFIN
- SO #4 Ensure regular quality feedback mechanism to feed newly planned initiatives and monitor impact of current EU policies/actions is fully operational
- SO #5 Ensure regular monitoring and evaluation mechanisms are in place to assess and improve effectiveness and impact of this program

### **3. Outputs for MFC for 2018-2021**

MFC has set out the following key results to be achieved by the implementation of the program:

- Enhanced communication with the EC
- Increased understanding of EU access to finance policies and programs among MFC Members and other stakeholders (including at country level)
- Deepened cooperation between MFC and other EU level networks
- Increased interaction between MFC Members and other stakeholders, improved understanding and exchange of good practice
- Increased awareness and implementation of responsible finance practices among MFC Members
- Increased access to relevant technical assistance (TA) services for MFC Members
- Increased Member and other stakeholders' understanding of priority topics, new and cutting edge issues in EU access to finance
- Increased Member capacity to engage locally on access to finance issues
- Increased MFC representational capacity in the EU
- Raised awareness raised and increased understanding among the EU policy makers (and in particular the EC) of the access to finance issues and trends
- Increased access to up to date and quality data on access to finance supporting evidence based EU policy making by EU policy makers (and in particular the EC)

MFC has set out the following key outputs for 2018 – 2021 to achieve the project key results:

- 80 meetings (20/year) with EU institutions, EU level networks and international organizations organized by MFC Brussels Office
- 4 international conferences on access to finance organized in the EU/EaSi countries
- 36 country meeting (9/y) will be organized in cooperation with MFC Members in the EU/EaSi countries to raise awareness on EU policies and programs/discuss national access to finance agendas
- 60 meetings of national working groups carried out; 6 national working groups established to discuss national access to finance agendas
- 12 meetings of the Associations Council (4/year)



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- 4 feedback sessions with the EC facilitated with the organizations working with the excluded groups
- 4 international workshops will be organized with EU institutions to raise awareness/provide feedback on EU programs and policies on access to finance
- 48 working groups meetings facilitated on priority topics for Members and sector development (12/y)
- 8 proposals (2/y) submitted for co-financing of CEO Club program/other capacity building program prioritized by MFC Members
- 24 editions (6/y) of leadership talks disseminated among MFC Members' CEOs
- 24 editions (6/y) of recent cutting edge leadership and management publications reviews disseminated among MFC Members
- peer coaching/mentoring program established, 96 sessions carried out (24/y)
- data base of technical assistance service providers set up
- 4 editions of Borrow Wisely Campaign conducted by MFC Members in 8 EaSi countries
- 4 editions of European Microfinance Day
- 4 editions of Access to Finance Barometer (1/y)
- 2 bi-annual overview surveys on microfinance sector in Europe in cooperation with EMN
- 8 research studies on priority/cutting edge issues, 8 papers (2/y)
- 8 editions of EU Access to Finance Bulletins (10 language version each)
- 10 new members in the EU
- Cooperation established with 3 EU level networks/organizations
- 16 personal EU updates (4/y) distributed to Members' CEOs
- 4 external program evaluations (1/y)

### **B – THE EVALUATION (2018 - 2021)**

The overall objective of the planned evaluation is to ensure objectiveness by external review of the program effectiveness as well as internal program monitoring and evaluation system in place. The evaluation is planned annually and should also support MFC program planning for the following year (this takes place in summer every year prior to submitting annual plan to EC).

#### **1. Objectives and questions**

The specific terms of reference for the evaluation are:

- 1.1. Propose the evaluation framework for 4-years of the program implementation
- 1.2. Evaluate the methodology to deliver the project activities:
  - Has the methodology planned for 4-years and used by MFC been appropriate for producing the outputs?
  - Is the internal monitoring and evaluation system adequate and effectively applied?
- 1.3. Evaluate the efficiency in carrying out the activities throughout the project:
  - Were outputs produced as planned? If not, why not?
  - How was the overall project management of MFC? Were monitoring tools adequate?



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1.4. Evaluate the quality of these activities:

- Do the project activities and documents produced have added value compared to what already existed?

1.5. Assess the effects and outcomes as related to objectives.

1.6. Draw lessons and recommendations:

- What recommendations or suggestions are there to follow up on the work undertaken in this project, in terms of approach, content, methods?
- What conclusions and recommendations can be drawn about/for the MFC, MFC Members and the European Commission?

The 2018 evaluation should primarily focus on 1.1;1.2;1.6 to support MFC annual work plan for 2019

## **2. Methodology**

The evaluator will have the possibility to:

- Interview MFC Board, Management and Staff;
- Consult all project documents (see annex);
- Interview selected MFC members and partners (e.g. EMN);
- Interview individuals from the European Commission and other interested European institutions (e.g. EIF).

MFC will support evaluator(s)' communication with required interviewees in terms of helping to establish contacts, enabling online platform for interviews (webex). Interviews can be conducted on distance (through webex, skype, etc.)

## **3. Expected output**

The evaluation report will be submitted to the MFC Management written in English, and will include:

- An executive summary highlighting the report's main findings and recommendations.
- The main report itself (max 20 pages), including conclusions and recommendations.
- Annexes including supporting data (processes), tables, work schedule, list of interviewees, documents consulted and other information and sources as appropriate.

## **4. Human and financial means**

Those carrying out the evaluation are expected to have:

- Experience of conducting evaluations;
- Experience and access to know how in the field of microfinance, access to finance, especially in the European context;
- Expertise and access to know how about networks;
- Expertise of the EU's policies (whereby know how about policies for fighting social and financial exclusion and in EU management systems will be an advantage);
- A high working level in English

Maximum billing: € 5 000 (excl. VAT) total cost per year.



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MFC will sign agreement with selected evaluator for 2018 and the following years however the service for the years 2019 – 2021 is conditioned – depends on EC approval of MFC planned budget for the following year.

### **6. Time frame for 2018 evaluation**

Start:	15 <sup>th</sup> June 2018
Submission of draft evaluation report:	31 <sup>st</sup> July 2018
Final report	15 August 2018

### **C. APPLICATION PROCESS**

Interested parties are required to submit their application their proposals by e-mail to [microfinance@mfc.org.pl](mailto:microfinance@mfc.org.pl) **before 12th June 2018** including at least the following issues:

- Outline of work-plan for the evaluation (maximum 4 pages);
- The curriculum vitae of the consultant(s) who will undertake the work;
- Examples of previous work (can be references or web-links – maximum 4 pages);
- Proposed breakdown of the budget.

For any clarification about this call please refer to: [microfinance@mfc.org.pl](mailto:microfinance@mfc.org.pl).



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### **C. SELECTION PROCESS**

A final decision will be announced **before 15<sup>th</sup> June 2018**.

MFC has the right to request for further information if deemed necessary.

An interview with the candidate is optional.

The criteria for awarding will be based on the following issues:

- Tender documents sent on time
- Documents in line with TOR
- Amount offered within limit
- Work to be executed within set timetable
- Reporting format proposed according to TOR
- Experience with evaluations
- Staff proposed with experience with evaluations
- Knowledge with microfinance (access to finance) sector in Europe
- Knowledge about microfinance networks
- Research methods
- Reporting expertise (and command UK English)
- Suggestions made valuable to evaluation
- Knowledge about EC (procedures/ working methods/ financing mechanisms/ policies related to microfinance/access to finance)





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### **Annex A - Indicative list of main documents available for the yearly evaluation**

All documents will be in English.

#### **Grant agreement documentation**

- Call for proposal (Guidelines);
- Framework Partnership Agreement with the EC;
- Annual Work Programmes for 2018 (and following years, once submitted and approved)

#### **Project reporting**

- Management Reports to the Board
- Annual Reports to the EC with annexes (once submitted)

#### **Project outputs**

- MFC website and social media;
- MFC publications, i.e. newsletters, policy notes, research papers, presentation, etc.
- Events evaluations
- MFC Annual Report;
- List of MFC members with contact details;

Any other documents required for the evaluator(s) would be provided.