Annex 4: Interview Guides

UNCDF Project Staff

Key Questions:

What have been the challenges to expanding access in the rural areas? What recommendations do you have for improving FSPs' expansion into rural areas and to disadvantaged populations?

What financial products are currently not being offered in Nepal, esp in the rural areas, and which of these might be the focus of a follow on project? Why these and not others?

What issues have come up due to the nature of the implementation arrangement (NRB PSU) (e.g. conflict of interest)? If a follow on project is directly implemented by UNCDF, what might be the advantages and disadvantages as compared to the current arrangement?

What are UNCDF's comparative advantages and disadvantages in implementing projects focusing on other inclusive finance products (insurance, remittances, mobile banking, correspondent banking, etc.)?

Other donors/investors are working or will be working on inclusive finance projects; how can UNCDF/UNDP complement their work and vice versa?

What have been the major lessons learned from this project?

Specific Questions:

How does the programme design correspond to UNCDF's IF intervention logic? Which key components were discarded in the revisions to the programme? How has this affected the ability of the programme to achieve the desired results? The desired impact? Who was involved in the design?

How well is the programme integrated into the Country Programme Action Plan (CPAP) and UN Development Assistance Framework (UNDAF)?

To what extent is the programme owned (buy-in) by the government and/or Central Bank? Please give examples. How will this affect the sustainability of programme results?

Where is the demand among the stakeholders for IF? Among potential clients? FSPs? Meso-level actors? Macro-level actors? What is the evidence for this? What other IF interventions are currently going on in Nepal, and who is involved?

To what extent does the programme meet the needs of the finance sector (e.g., fill gaps and overcome constraints for growth given the national/market context)? Which gaps are not addressed? Of these, which ones does a UNCDF/UNDP partnership have the comparative advantage to address in a follow on project?

To what extent is the programme owned (buy-in) at FSP level? What is the evidence for your opinion?

Was the FIF structured appropriately? Is it functional? Is it sustainable? Are there qualified staff implementing it? Are the terms reasonable? Are disbursements timely? Who approves the grants? What are the controls and cross-checks to the process?

What is the advantage/disadvantage of implementing the IF sector-wide approach (such as EAFS) versus theme approach given the climate in Nepal? What are the preferences of UNCDF and UNDP? What are their respective comparative advantages for either of these approaches? How do their mandates affect these options? How does EAFS integrate with UNDP's economic development mandate and activities?

How many new products have been developed by Innovative Partner FSPs? Is there a clear definition of "innovative product"? How do the FSPs interpret this term? How can the definition be improved? How can further innovation be supported sustainably?

How many SCGs have been linked to FSPs? What was the process? How well is it functioning? What are the advantages and disadvantages for both entities?

How are FSGs monitoring and controlling over-indebtedness? What impact is over-indebtedness having on clients? On FSPs?

How has outreach to women, rural people, and other excluded groups improved? How has it improved their lives? What evidence is there for this opinion? What impact has it had on FSPs?
What are the gaps in the market that a follow-on project can address? What other projects are addressing these gaps? Does UNCDF/UNDP partnership have the capacity to address these gaps?
How can the project reach the interior priority districts especially the nine unreached districts?
Are FSPs increasing their product diversity? Is this being monitored? What impact has this had on FSPs and their clients? What is the evidence for this?
Are FSPs increasing their market size (geographic and market share)? Is this being monitored? What impact has this had on FSPs and their clients? What is the evidence for this?
How effectively have programme managers delivered on the annual work plans? What have been the challenges? Have the challenges been resolved? Are the work plans effective as planning and monitoring tools?
How effectively have funds from the programme been transferred to FSPs? How timely? What have been the challenges, and have these been addressed?
How effectively have technical assistance (TA) services been delivered to FSPs? What have been the challenges, and have these been addressed? What was the quality of the services? What was the impact? What was the level of satisfaction of the FSPs with the TA? What more TA is needed?
How effectively have capital and TA investments been managed by the responsible unit (e.g., PSU)? Were these delivered in a timely manner? Did they respond to the needs of the FSPs?
How effective are the M&E structures and mechanisms, including PBAs? Are FSPs complying with PBA targets? Can M&E tools be improved?
Is there a vision and strategy for the future? How to move the microfinance in rural areas sustainably?
How can microfinance stimulate markets in rural areas – market linkages? SCA linkages?

NRB PSU Staff

Key Questions:
What have been the main challenges to implementing this project? Have they been resolved, and how?
What is the Central Bank's view of inclusive finance for Nepal, and where can UNCDF fit in with a follow on project?
How has the capacity of the NRB in terms of microfinance/inclusive finance been built over the course of the project, and what remains to be done?
What innovations in MF have occurred during the project lifetime?
What are the gaps that remain in improving access to financial services, esp for poor and rural populations?

Specific Questions:
To what extent does the programme meet the needs of the partner country? What is the evidence for this opinion? How have the needs been analyzed?
How well is the programme integrated into the Country Programme Action Plan (CPAP) and UN Development Assistance Framework (UNDAF)?
To what extent is the programme aligned with government financial sector development plans? What elements are missing? Are there any contradictions?
To what extent is the programme owned (buy-in) by the government and/or Central Bank? Please give examples. How will this affect the sustainability of programme results?
Where is the demand among the stakeholders for IF? What is the evidence for this? To what extent does the programme meet the needs of the finance sector (e.g., fill gaps and overcome constraints for growth

given the national/market context)? What has not been addressed? What is being addressed by other actors?
To what extent is the programme owned (buy-in) at FSP level? What is the evidence for your opinion?
What are the capacity needs of the PSU that have not been completely addressed? What is the strengths and weaknesses of the unit and the individuals in it?
Was the FIF structured appropriately? Is it functional? Is it sustainable? Are there qualified staff implementing it? Are the terms reasonable? Are disbursements timely? Who approves the loans? What are the controls and cross-checks to the process?
How many new products have been developed by Innovative Partner FSPs? Is there a clear definition of "innovative product"? How do the FSPs interpret this term? How can the definition be improved? How can further innovation be supported sustainably?
How many SCGs have been linked to FSPs? What was the process? How well is it functioning? What are the advantages and disadvantages for both entities?
How are FSGs monitoring and controlling over-indebtedness? What impact is over-indebtedness having on clients? On FSPs?
How has outreach to women, rural people, and other excluded groups improved? How has it improved their lives? What evidence is there for this opinion? What impact has it had on FSPs?
What are the gaps in the market that a follow-on project can address? What other projects are addressing these gaps? Does UNCDF/UNDP partnership have the capacity to address these gaps?
Are FSPs increasing their product diversity? Is this being monitored? What impact has this had on FSPs and their clients? What is the evidence for this?
Are FSPs increasing their market size (geographic and market share)? Is this being monitored? What impact has this had on FSPs and their clients? What is the evidence for this?
What are the capacity building needs of the PSU and have these been addressed by the programme?
To what extent has the programme been able to influence national inclusive finance policy and strategy? How was this done? What has been the impact?
How can the project reach the interior priority districts especially the nine unreached districts?

FSPs (IPs)

Key Questions:
What have been the major successes of this project?
What have been the main challenges to FSPs in reaching rural, poor, and excluded populations? Has this project helped? What was the most useful activity/component of this project?
What are your challenges for the future?
How do you assess the financial needs of poor and marginalized populations? What do they need that your institution is not able to provide?
What product or service innovations have you developed and piloted? How successful have these been? What other innovations would you like to pilot? Why?
What are your recommendations for a future project – for increasing financial access?

Specific Questions:
To what extent is the programme owned (buy-in) at FSP level? How committed are the FSPs to the programme? Have they complied with their PBAs?
How many SCGs have been linked to FSPs?
How are FSGs monitoring and controlling over-indebtedness?
How has outreach to women, rural people, and other excluded groups improved?
What are the gaps in the market that a follow-on project can address?

Are FSPs increasing their product diversity?
Are FSPs increasing their market size (geographic and market share)?
How effectively have funds from the programme been transferred to FSPs?
How effectively have technical assistance (TA) services been delivered to FSPs?
How effective are the M&E structures and mechanisms, including PBAs?
What do the FSPs understand by "innovative product"?
What innovative products have been developed? How many new products have been developed by Innovative Partner FSPs?
How were they developed? What did the programme do to support this? Were the products rolled out? How successful have they been? What has been the impact on the FSP and its clients?

FSPs (SPs)

Key Questions:
What have been the major successes of this project?
What have been the main challenges to FSPs in reaching rural, poor, and excluded populations? Has this project helped? What was the most useful activity/component of this project?
What are your challenges for the future?
How do you assess the financial needs of poor and marginalized populations? What do they need that your institution is not able to provide?
What are your recommendations for a future project – for increasing financial access?

Specific Questions:
To what extent is the programme owned (buy-in) at FSP level?
How well has the programme integrated cross cutting issues given programme objectives?
How many SCGs have been linked to FSPs?
How are FSGs monitoring and controlling over-indebtedness?
How has outreach to women, rural people, and other excluded groups improved? How has the programme supported this? Are other donors supporting this as well? What has been the impact of improved outreach to minorities on the FSP? The clients?
Are FSPs increasing their product diversity?
Are FSPs increasing their market size (geographic and market share)?
How effectively have funds from the programme been transferred to FSPs?
How effectively have technical assistance (TA) services been delivered to FSPs?
How effective are the M&E structures and mechanisms, including PBAs?

Government Representatives

Key Questions:
How visible has this project been? What has been the overall impact of it, from your perspective?
What has been the interaction of this project with other government and donor initiatives, and vice versa? Are there any synergies?
What was missing from this project that might be useful in a follow on project? What would be your recommendations for the focus of a follow on project?

Specific Questions:

To what extent does the programme meet the needs of the partner country? What is the evidence for this?
How well is the programme integrated into the Country Programme Action Plan (CPAP) and UN Development Assistance Framework (UNDAF)?
To what extent is the programme aligned with government financial sector development plans?
To what extent is the programme owned (buy-in) by the government and/or Central Bank? What is the evidence for this? What is the impact/effect of this buy-in on the financial sector? On policies?
Where is the demand among the stakeholders for IF, what are their interests and concerns? To what extent does the programme meet the needs of the finance sector (e.g., fill gaps and overcome constraints for growth given the national/market context)? What changes have been seen in the financial sector as a result of programme activities?
To what extent has the programme been able to influence national inclusive finance policy and strategy? What has been the result? What more could be done?

FSP clients
How well has the financial product met your needs? (interest rate, repayment frequency, loan amount, delivery channel, participation in group, pressure to repay, savings component, etc.)
How satisfied are you with the product?
What other financial needs do you and your family have?
What did you invest your loan in?
When/how can you withdraw your savings?
What impact has the loan/savings had on your family? On your business? On you?
How are group members chosen? (probe for inclusion of marginal groups)
Are their people in your village who are not a member of your group? Why not?
Are there other savings and credit groups active nearby? If so, who is operating them? How do they compare to this group (loan amounts, interest rate, repayment frequency, etc.)?
Do you have more than one loan? From whom? Why?
Do you have family members abroad? Do they send back remittances? What is the impact of this on your hh?
Do you have a cell phone? Do you use it for your business?
Are you receiving business training from any institution?

Annex 5

Mission Work Plan

Dates	Details
11 – 19 Nov	Desk review (including debriefing session with UNCDF Evaluation Unit)
22 Nov	Call with Senior Regional Technical Advisor
30 Nov	Final Inception Report due
8 Dec	Team Leader arrives in country
10 Dec	Meeting with national consultant, CTA, UNCDF Programme Officer for initial briefing, planning of activities
10 – 21 Dec	Field Phase: Meetings with NRB PSU, FSPs, TSPs, UNDP, meso-level MF associations (if such exist), government representatives, and other stakeholders
21 Dec	Debriefing of UNDP
22 Dec	Debriefing of Government
23 Dec	Additional interviews with PAF, Nirdhan, GoN Planning Commission
24 Dec	Team Leader leaves country
27 Dec	Debriefing to EAFS staff by national consultant
28 Dec	Aide-memoire presented to UNCDF
26 Dec – 10 Jan	Additional meetings by national consultant with NEAT, ADB, DFID, IFC, SOLVE, DEPROSC, SBL, CMF
27 Dec - 15 Jan 2012	Report writing
5 Feb 2012	Debriefing session with UNCDF HQ management by video conference
31 March 2012	Report finalization based on comments

Annex 6
EAFS
Lessons Learnt

1. **Project Design:**
The objectives and the operational modality of various components must be well defined.
Key partners of the project must be clear on their mission and come together with a best possible negotiated option of the project modality so that they pull resources together and achieve the goal.
The project set a big target of financial linkage with already established 10,000 self-help groups without proper definition of linkage and its operational modality.

2. **Implementation:**
Financial access programs benefit from the active role or the consensus of the central bank.
It is important to have the CTA in place at the beginning of the project.
Fundraising for the project needed to happen earlier.
Grants for operating expenses can be an effective way to encourage MFIs to expand to new difficult areas. TA is an important addition to the grants.
Performance agreements are an effective and efficient mechanism for motivating performance. They should be based on an MFI's own business plans, and include continuous feedback on PBA objectives between the project and the MFI.
If reaching the very poor is an objective of the project, there need to be ways to identify, measure, and incentivize outreach to these people.
Large numbers of MFI partners may interfere with the project's ability to monitor all the partners.

3. **Partnership:**
Access to financial services programs should focus on greater outreach by encompassing the whole gamut of microfinance service providers, not only the MFIs, especially to reach out the remote districts and communities.

4. **Target Approach**
Market-led approach vs poverty targeted approaches are still being debated in the field of microfinance. Both are necessary, and consensus of partners on this is necessary to bring this about.

5. **Innovation:**
Tailored technical assistance along with grants is necessary to promote innovations in products. Documenting the process is important.

6. **M&E:**
Indicators should be designed so that results can be clearly attributed to the project.
Major changes to proposals (funding amounts, objectives, activities) need to be accompanied by a reformulating of the M&E framework.
When a large number of MFIs, potentially operating in the same areas, receive grants, it is important to develop a mechanism to not doublecount clients and to avoid duplicate lending and overindebtedness problems.

7. **Coordination:**
Coordination beyond project partners is also equally important for promoting the whole microfinance industry. The important lesson for such projects is to have a good network of coordination with related multi-agencies at various levels: local, district, regional and national level. Even international level networking is also essential to share new knowledge.

Annex 7: EAFS EVALUATION MATRIX WITH FINDINGS

EVALUATION QUESTION No. 1: RELEVANCE: DESIGN		To what extent does the programme design meet UNCDF's Inclusive Finance intervention logic and meet the needs of the partner country?	
Sub-questions		Indicators	
1.1	To what extent does the programme meet the needs of the partner country?	▪ Consistency between the goals, intervention logic and principles of the programme and those of the recipient country's relevant national strategy document ▪ Degree of embedment of programme into existing national framework / no evidence of a parallel programme structure	▪ In line with the government's priorities of ensuring the social and financial inclusion and poverty alleviation as illustrated in the "Three Year Interim Plan of the Government of Nepal". The National Microcredit Policy 2007 recognizes the importance of microfinance as a poverty alleviation tool, and promotes a conducive financial infrastructure and legal environment for the development of the microfinance industry. ▪ There is no evidence of a parallel programme structure, although there is a government-operated wholesale fund (Rural Self-Reliance Fund) for microfinance which lends at subsidized rates.
1.2	To what extent is the programme aligned with government financial sector development plans?	▪ Degree of consistency between the programme's interventions and national legislation and strategy for financial inclusion ▪ Programme design has taken into account sector's development/ absorption capacity and context	▪ Government has adopted liberal financial policy since 1985, and currently has regulatory environment for MF with few constraints. But the project document and interventions are apart from the legal drafting "Microfinance Regulation Authority Act" to create a 2^{nd} tier agency to regulate the whole microfinance sector, which the government thinks most important while many MFIs are not happy with such arrangement. ▪ Although there is no baseline study done on the sector's absorption capacity to compare before and after the project effects yet, there is a linkage of similar developing scenarios one, done by the UNDP on the "Realignment of the Development Projects" and the another one an assessment done by the World Bank on " Access to Finance". Third one, in the government's own reports and priorities set for the financial access of the communities residing in the interior communities of Terai and hills and remote communities of Mid and Far west and the Himalayan region.

EVALUATION QUESTION No. 1: RELEVANCE: DESIGN		To what extent does the programme design meet UNCDF's Inclusive Finance intervention logic and meet the needs of the partner country?	
Sub-questions		Indicators	
1.3	To what extent does the programme meet the needs of the finance sector (e.g., fill gaps and overcome constraints for growth given the national/market context)?	▪ Micro level – FSP & client level needs ▪ Meso level – inclusive financial sector infrastructure needs (e.g., credit bureaus, sector associations, Micro Finance Bankers Associations, Micro Finance associations etc.) ▪ Macro level – national regulatory, policy and program level.	▪ Addresses the demand for credit and savings services in a greater geographic area. Addresses the need for support to the retail sector. At the micro level, the clients of the partner MFIs seem happy with their access to finance at their door steps via the group methodology. Their financial needs to adopt micro enterprises have been met to some extent but they demanded higher amounts of loans for larger investments i.e. livestock (Raising Milk buffaloes, milk cows etc), which costs almost four times higher the current 1st loan volume. Besides credit components the credit+ aspects associated with some MFIs' social mobilization approach has also helped the clients to come forward, talk openly, wear neat and clean dresses and demand for services from the available service providers. There is a more demand from stakeholders (UNDP, GoN) of the project support to reach out the 12 unreached districts in near future. ▪ Meso level Microfinance Bankers Association is well recognized by the project and has included its representation to the PEB (Project Execution Board); Nepal Rastra Bank (NRB) is heading towards creating a microcredit Information bureau. As an outcome of the project the NRB has issued directives to MFIs to share credit information with each other MFIs for loan amounts of Rs. 20,000 (US$275) and above. Financial and technical capacity of the partner MFIs is built to some extent. ▪ The project has done an infusion of about 1.3 million US dollar to the microfinance sector for operating costs that helped build capacity. Likewise, increased awareness amongst policy makers on eliminating / minimizing duplication of loan is Terai, city centers and easy hill districts is growing rapidly considering the intensity of multiple lending to one clients by many MFIs. The Project plans to contribute more to solving this issue in near future.
1.4	How well is the programme integrated into the Country Programme Action Plan (CPAP) and UN Development Assistance Framework (UNDAF)?	▪ Degree of explicit/implicit integration of UNDP/UNCDF's development-related projects within CCA/UNDAF	▪ In totality, the project is within the overall outcome areas of CPAP and UNDAF pertained to improved livelihoods / reduced level of poverty. For UNDAF 2008 – 2010, EAFS falls under UNDAF Priority Area C – Sustainable Livelihoods, with UNDAF Outcome C: Sustainable livelihood opportunities expanded, especially for socially excluded groups in conflict affected areas. The relevant Country Programme output C.1.1 is "Employment and income opportunities under safe conditions and access to financial services enhanced and diversified, especially for youth and excluded groups.", with the indicator: "Number of women, poor and disadvantaged groups accessing financial services" CP outcome C.1 is relevant: Policies, programmes and institutions improved for poverty reduction, better economic opportunities and protection of workers", with its Indicator C.1.3: "Harmonized framework among donors and Government of Nepal for support to an Inclusive Financial Sector developed and functioning."

EVALUATION QUESTION No. 1: RELEVANCE: DESIGN		To what extent does the programme design meet UNCDF's Inclusive Finance intervention logic and meet the needs of the partner country?	
Sub-questions		Indicators	
1.5	How does the programme design correspond to UNCDF's IF intervention logic?	▪ Consistency between programme design and UNDP/UNCDF's standard IF programme ▪ Degree to which UNDP/UNCDF intervention provides additionality to sector development ▪ Degree to which intervention logic employs UNDP/UNCDF's competitive advantage (i.e., catalytic capital)	▪ At the project design level, there is a weakness in synchronizing UNDP's and UNCDF's approaches to IF. While both donors are equally concerned about reaching the poor, UNDP is concerned about reaching the very poorest, while UNCDF recognizes the limitations of microfinance in reaching the very poorest and most remote populations. UNDP also wants to use already established SCGs as an entry point for the provision of microfinance, in order to promote their sustainability, while UNCDF's interest was on market approach embedded in its intervention logic (i.e. expansion of regulated microfinance services to previously unreached areas). The limitations to the monitoring framework contributed to the problems with synchronizing approaches. ▪ Certainly, the project has added value to the microfinance sector with a funding support from UNDP and UNCDF especially, in increasing the access to finance at micro level. ▪ Based on our field work and project documents, it seems that MFIs may have contributed up to 5 times the amount of donor investment in their own matching funds.
1.6	To what extent is the programme owned (buy-in) by the government and/or Central Bank?	▪ Degree of involvement of the government and/or Central Bank in programme design, and implementation. ▪ Level of HR and Institutional Capacity	▪ Nepal Rastra Bank has fully taken the ownership of the EAFS project. Ministry of Finance is also engaged in project design and its implementation by representing to the PEB. ▪ NRB has the capacity to handle such projects and is the first institution in Nepal to initiate microfinance system in the country since last four decades. The Executive Director and the Director of the Microfinance Promotion and Supervision Department of the NRB are directly involved in the project as the NPD (National Program Director) and the NPM (National Program Manager. They have received trainings on microfinance. However, frequent change in the management has observed four NPDs and two NPMs during the project period as of now. There is a need of more permanency of the NPD and NPM for the greater success of the project. It was also realized that the NPM should play more active role in the project administration and thereby liberate more time of the CTA and DTA for fully technical advices on a range of IF areas.
1.7	To what extent is the program owned (buy-in) at FSP level?	▪ Level of participation of FSPs in design ▪ Level of participation in negotiating terms of PBAs ▪ Achievement of objectives by FSPs	▪ Level of participation of the FSPs / partner MFIs was negligible in the design phase of the project ▪ There was an active role the partner MFIs and the project in negotiating the performance based agreements (PBAs) through mutual understanding and target setting. ▪ Innovative partners (FSPs receiving grants for innovations) are having problems meeting targets; the project plans to address this with tailored TA. Strategic partners are having much more success in expanding operations to new areas.

EVALUATION QUESTION No. 2: CAPACITY BUILDING		Question 2: To what extent has the programme contributed to increased Financial Service Providers/Sector Support Organizations/Government Agencies' **institutional capacity?**	
Sub-questions		**Indicators**	
2.1	Have FSPs used project support (funding and TA) to increase: i) number of clients, ii) infrastructure, iii) profitability, iv) portfolio quality, v) areas reached?	▪ No. of clients per FSP and total project ▪ No. of branch offices ▪ FSS ▪ PAR30 ▪ # of districts reached	▪ There are 186,496 new clients (Oct 2011) - some of which were previously served by other financial institutions, i.e. regulated coops, and some of which are double-counted in the tally, because they are clients of more than 1 partner institution, due to demand for credit which is unmet. It is not possible to estimate the number of total clients that are double-counted (serviced by more than one EAFS FSPs. We recommend adjusting the indicator to "new clients unserved by other regulated financial entities". The target should be dropped as well to be achievable – example: 250,000 instead of 330,000. ▪ Number of districts reached is now 63, up from baseline of 48. ▪ OSS is being measured instead of FSS due to confusion among partners over the formula for FSS. Project is measuring the indicator for both SPs and IPs. OSS is greater than 100% for all FSPs, which is the goal, and has not changed significantly from baseline. PAR30 is very low, and beats the goal. Indicator "Avg loan size as a percent of GDP - < 50% for all FSPs" is being achieved but is meaningless because it does not indicate reaching the very poor. Profitability was not an indicator that was measured by the project, but OSS can be used as a proxy.
2.2	Are FSPs reporting to The Mix?	▪ No. of partner FSPs reporting to The Mix	▪ All are reporting to the Mix. Benefits unknown at this point.
2.3	How many new products have been developed by Innovative Partner FSPs?	▪ No. of new products piloted	▪ Eight grants to innovative partners have not been disbursed. Innovative partners have had problems with implementation of innovations and compliance with targets. Further TA for innovative partners is needed and will be provided by the project. There have been small but useful product adaptations, outside of these innovative partners, that seem to have been a result of the project.

EVALUATION QUESTION No. 2: CAPACITY BUILDING		Question 2: To what extent has the programme contributed to increased Financial Service Providers/Sector Support Organizations/Government Agencies' **Institutional capacity?**	
Sub-questions		Indicators	
2.4	How many SCGs have been linked to FSPs?	▪ # of SCGs with direct link to an FSP	▪ Indicator No. of SCGs linked with FSPs – 10,000 is unrealistic. No mapping occurred at the beginning of project as should have occurred. SCGs are an unknown quality; MFIs prefer to create their own groups, and in fact members of SCGs join MFI groups when these are available, without any incentive due to the demand for credit. There has been interaction with the WB's PAF project, with both PAF and EAFS interested in linking PAF's SCGs with EAFS' FSPs. ▪ Project data: ○ No. of SCG Linked 2,666 ○ In Priority Districts 980 ○ In Non-priority Districts 1,686 ○ No. of SCG Members Linked 60,054 ○ In Priority Districts 17,713 ○ In Non-priority Districts 42,341
2.5	How are FSGs monitoring and controlling over-indebtedness?	▪ Estimated number of clients with loans from more than 1 FSP ▪ Existence of mechanisms to monitor over-indebtedness in each FSP ▪ Client default information shared among FSPs	▪ Unknown. But do not restrict duplication, instead, educate MFIs about the potential dangers of duplication; at the same time teach them about product adaptation and increasing loan amounts. Financial literacy and consumer protection principles are being worked on by the project but are too new to have had outcomes. ▪ Awareness of duplication has increased due to project. Mechanisms such as sharing client default info are being tested. More effort needed at district level.
2.6	To what extent has the programme contributed to increased capacity of meso sector actors?	▪ No. of training activities to meso actors ▪ No of actors reporting increased capacity (systems, staffing, resource mobilization, profitability, other)	▪ No activities to meso sector. This activity was cut due to lack of funding ($30M to $10M, only $3M mobilized) ▪ For macro sector, NPM and NPD went to Boulder, have been involved in all training and TA exercises, went on an exchange visit to India, but due to rotation in these positions, impact is slight. ▪ NRB/EAFS is in process of initiating a financial literacy campaign.
2.7	To what extent has the programme contributed to increased capacity of macro sector actors?	▪ No. of training or TA activities with macro sector actors ▪ No. of initiatives implemented by CB as a result of programme activities	

EVALUATION QUESTION No. 3 : DELIVERY		Question 3: To what extent has the programme contributed to improved access to financial services appropriate for low income persons?	
Sub-questions		Indicators	
3.1	How has outreach to women, rural people, and other excluded groups improved due to the project?	▪ Number of women ▪ No. of rural clients reached ▪ No. of marginalized people reached (Dalits and Janjaties)	▪ Goal for women of 95% was already exceeded by FSPs at start of project, and the indicator therefore seems unnecessary ▪ Rural clients – baseline of 73%, currently at 76%. There is no specific project goal for this. ▪ Marginalized people – baseline of 64% and currently at 68%, there was no project goal for this.
3.2	Has access improved due to EAFS project?	▪ Change in number of products (disaggregate) ▪ Change in other access indicators (types of products, diversity of products, number of branches, % minorities reached, # of new previously unserved clients – if monitored by FSPs)	▪ Project is not tracking new products, there is no goal or indicator for these. ▪ An indicator for "unserved clients" is not being tracked, "new clients" is, but some new clients are double-counted and some already had access to the financial sector via cooperatives. ▪ There is more access – using branches as criteria – 97 new branches, 55 in the priority districts (these being based on i) CBS poverty ranking of districts; (ii) Availability of microfinance services in the district; and (iii) Number of SCGs in the district; (Far Western – 7; Mid Western -12; Western – 4; Central – 7 ; and Eastern Development Region – 8) . Ten priority districts are yet to be covered.
3.3	Is the project reaching the "bottom of the pyramid"? Who is EAFS reaching?	▪ Avg loan size as % GDP ▪ If FSPs capture social performance information, we can ask about poverty levels, income levels, educational levels, size of enterprise, etc. to arrive at an "average profile"	▪ The indicator *avg loan size as % GDP* is not adequate to measure the outreach the poorest. FSPs are reportedly not targeting the very poor specifically. The indicator for "very poorest" needs to be incorporated into the M&E framework, perhaps using the simplest/easiest definition for MFIs to measure: the commonly used "landless and marginal land" definition.
3.4	Are FSPs using market research to improve their products as a result of EAFS?	▪ No. of trainings in market research ▪ No. of FSP participants ▪ No. of market research activities conducted by EAFS FSP partners ▪ No. of products adapted or created as a results of market research	▪ FSPs are making modifications to their product lines as a result of the project's activities. These are small but important steps, which slightly increase MFIs' risk but also make their products more attractive or less costly, and respond to demand or future demand, e.g. Nirdhan's sugar cane loan (6 months with interest only payments and a balloon payment at the end), Nirdhan's SRGs, CBB's individual loan.

SUSTAINABILITY any kind?

	Sub-questions	Indicators	
5.1	Are FSPs' OSS increasing?	▪ OSS per FSP	▪ At baseline (Feb. 2010) and as of Oct. 2011, all FSPs had OSS of more than 100%. The OSS is only measured annually. As an indicator of sustainability of the project outcomes, it is minimally useful. It could be discarded.
5.2	Are FSPs increasing their product diversity?	▪ Change (increase) in number of products per FSP	▪ This indicator is not tracked by the project; it was not an objective. There has been little increase in product diversity. There have been some positive adaptations of savings and loan products due to the project. These should be compiled and disseminated to the greater MF sector.
5.3	Are FSPs increasing their market size (geographic and market share)?	▪ Change (increase) in no. of districts reached by each FSP ▪ Change (increase) in market share per FSP (if data is available)	▪ The number of districts reached by FSP partners has increased. At baseline, 48 districts were covered. Fifteen new districts were added due to EAFS. ▪ Market share could not be calculated. All project FSPs have increased the number of clients reached.

EVALUATION QUESTION No. 6: PROGRAMME MANAGEMENT		How effective has management of the IF programme been?	
Sub-questions		Indicators	
6.1	How effectively have programme managers delivered on the annual work plans?	▪ Achievements against targets	▪ Although the project document was signed in late 2008, start up was slow. Only eight out of 12 EAFS staff were hired by the Sept 2009, with the remainder hired in 2010. The CTA was not hired until April 2011 (an interim CTA was provided for several months during 2010). ▪ Rotations of NRB staff assigned to the project also slowed down implementation. There have been 4 NPMs and 2 NPDs during the life of project. ▪ Many activities were postponed (see, for example, EAFS Annual Progress Report 2009, page 4), to wait for the hiring of the CTA. Others were delayed (see AWP 2010, page 4) for various other reasons. Many planned activities (e.g. tapping remittances, public deposit mobilization, see AWP 2010, page 5) have not occurred due to funding limitations. ▪ The grant activities of EAFS has been the most timely to be achieved; the SCG linkage component and TA to FSPs have been slower. The financial literacy activity is only beginning; the BDS/meso sector has not occurred. Minimal activities on microinsurance have occurred; one stated reason for this is that the regulatory agency for insurance is outside the NRB. ▪ The subject of delays was a common one in PEB minutes. ▪ The project document was not clear in approach, strategy, activities, and M&E, and this created confusion and delays (see, for example, PEB Minutes 6^{th} Meeting, page 2). There also seems to be a lack of understanding of stakeholders on the UNCDF IF approach, which has caused ongoing discussions about reaching the poorest and most remote districts. ▪ Improvements in delivery have occurred in 2011; budget for this year has been 96% disbursed.

EVALUATION QUESTION No. 6: PROGRAMME MANAGEMENT		How effective has management of the IF programme been?	
Sub-questions		Indicators	
6.2	How satisfied are stakeholders and partner FSPs with the management of the programme?	▪ Stakeholder (donor/ government) satisfaction ▪ Partner FSP satisfaction	▪ Partner FSPs are satisfied with the project, reporting that: ○ They would not have expanded outreach without the project's grant support ○ The quarterly meetings with all partners have enabled them to share information and lessons learned ○ They have been exposed to new product and service ideas due to the project ○ They appreciate the interaction with project staff ▪ FSP satisfaction can be measured by their matching contribution to project funds. In other words, EAFS, in its grant component, is not providing 100% of the start up and operating costs of new branches, but only a part. The FSPs provide the other part. The cost per client provided by EAFS averages USD $5 (Stocktaking Report June 2011), while the cost per client to the FSP in the remote areas may be as high as USD $65 ($4^{th}$ Qtr 2011 Report, page 28). Therefore, the project could be leveraging more than 10 times its investment from some FSPs. ▪ Government (NRB) is overall satisfied with the project. However, NRB is concerned about reaching the most remote and the poorest and excluded. This concern is not being addressed by the project indicators or activities.
6.3	How effectively have funds from the programme been transferred to FSPs?	▪ Timely and transparent information on available funds ▪ Timely disbursement ▪ Correspondence between information on funds, released and received amounts	▪ Information on funds transfer is transparent (Quarterly and Annual Progress Reports, CDR, FACE, etc.) ▪ Grant funds have been disbursed slowly, due to FSPs' inability to meet targets. In 2011, EAFS staff developed a strategy to tailor TA to institutions to help meet targets (11^{th} PEB June 2011).

EVALUATION QUESTION No. 6: PROGRAMME MANAGEMENT		How effective has management of the IF programme been?	
Sub-questions		Indicators	
6.4	How effectively have technical assistance (TA) services been delivered to FSPs?	▪ Timeliness of services ▪ Quality of the TSP ▪ Satisfaction of FSPs with TA	▪ Until the arrival of the CTA in April 2011, there was no clear strategy on TA to partner FSPs. This has been developed and demand-driven self-assessment tools for FSPs have also been developed in 2011. ▪ There have been a limited number of activities that could be defined as TA for all partners; these have been of high quality and have addressed partners' needs, and have been appreciated by partners. These include VSLA training, MIS assessment, MFI ratings, SCG linkage training and related tools developed, MIX Market training. ▪ Impact from these activities includes: FSPs reporting to the MIX Market database, FSPs have greater understanding of potential and challenges of SCG linkages, access to MIS software providers and understanding of software options and costs.
6.6	What was the consequence of the reduction in funding from the original proposal on the UNCDF IF vision? What outcomes were sacrificed?	▪ Changes in no. of beneficiaries ▪ Changes in no. of activities at each tier level of the IF approach ▪ No. of actors excluded as a result of the reduction in funding ▪ Changes in expected outcomes	▪ The project document mentions that at least nine and up to 30 FSPs will receive TA from the fund. Eighteen have received grants and TA, so there was no negative impact from the reduction in funding on this indicator. ▪ See questions 4.1 and 4.2 for activities excluded for macro and meso sectors. ▪ Meso sector actors (e.g. BDS providers to the retail MF sector) were mostly excluded due to lack of funding. Small and medium enterprises were excluded. ▪ A significant number of activities were excluded or scaled back due to lack of funding.

EVALUATION QUESTION No. 6: PROGRAMME MANAGEMENT		How effective has management of the IF programme been?	
Sub-questions		Indicators	
6.7	How effective were the PBAs in motivating FSP performance to reach programme targets?	▪ No. of PBAs signed ▪ No. of PBAs whose targets were achieved ▪ FSP satisfaction with PBAs	▪ 18 PBA were signed with 10 strategic partners and 8 innovative partners. One partner merged with another. ▪ PBAs are primarily spreadsheet-based, are not consistent between FSPs, and are difficult to use. Too much data is being collected; this is a cost both for the project and for the FSPs. Many indicators are included but seem to have no monitoring purpose. PBAs should be limited to tracking 4 or 5 key indicators, that may be distinct for different MFIs. ▪ 15 partners are on track with meeting their targets, and two partners (SBL and NESDO) are having problems meeting targets. One partner merged with another and its PBA voided. ▪ No complaints were given by FSPs about the PBAs. ▪ PBAs seem effective at motivating FSPs but could be made more user-friendly and the number of indicators could be pared down.
6.8	How well have programme activities been delivered?	▪ % delivery rate of activities	▪ 97% budget expenditures against planned in 4th quarter 2011. This is a significant improvement from April – June 2010 Quarterly Report indicating 68% delivery. See also question 6.1.
6.9	How well have the 2 donors' interests been harmonized?	▪ Evidence of effective coordination ▪ Donor (UNDP and UNCDF) satisfaction with the relationship	See question 6.2.

EVALUATION QUESTION No. 6: PROGRAMME MANAGEMENT		How effective has management of the IF programme been?	
Sub-questions		Indicators	
6.10	How effective are the M&E structures and mechanisms, including PBAs?	▪ Quality of indicators collected ▪ Periodicity of indicators collected ▪ Functionality of feedback loop between FSPs, UNDP, UNCDF, PSU, and other project stakeholders	▪ At the project design level, there is a weakness in synchronizing UNDP's and UNCDF's approaches to IF. While both donors are equally concerned about reaching the poor, UNDP is concerned about reaching the very poorest, while UNCDF recognizes the limitations of microfinance in reaching the very poorest and most remote populations. UNDP also wants to use already established SCGs as an entry point for the provision of microfinance, in order to promote their sustainability, while UNCDF's interest was on market approach embedded in its intervention logic (i.e. expansion of regulated microfinance services to previously unreached areas). The issue of double-counting of beneficiaries, reportedly due to EAFS partner MFIs working in the same geographic areas, has also cast doubt on the achievement of targets. ▪ The monitoring and evaluation framework should have been reformulated at the beginning of the project. This would have improved stakeholder buy-in, and made decision-making more rapid and efficient. The current indicators do not reflect the grand goals of the project: reaching the very poor, the marginalized/excluded, the rural people. There are no specific indicators to measure these goals, and the proxy indicators (e.g. average loan size as a percent of per capita GDP) are inadequate. The current indicators also include financial indicators for best practice MF. These should not be project indicators; their place is in the PBAs. ▪ The project is collecting too much information. This is a burden and cost on the project as well as the FSPs. The only responsibility of the project in terms of monitoring is to measure achievement of project indicators and compliance with PBAs. The project does not need to collect, for example, financial statements from FSPs. The PBAs should be greatly simplified: four or five indicators are sufficient to judge progress and ensure compliance with the terms of the PBA. The FSPs are already supervised by the regulatory authorities and monitored by the RMDC and their other donors, and the project does not need to do this as well. A periodic, unplanned and randomized audit can be used to ensure that the grant monies are being used appropriately. ▪ Feedback of information is assured via the PBAs, and by quarterly, annual, and management reports of EAFS to the PEB.

EVALUATION QUESTION No. 7 PARTNERSHIP AND COORDINATION		How well have partnerships with donors and governments supported the programme?	
Sub-questions		Indicators	
7.1.	To what extent is the programme owned (buy-in) at the Central Bank level?	Degree of participation of Central Bank (beyond the Dept of MF) Amount of cost share ($ or in-kind) provided by Central Bank	▪ The Ministry of Finance handed off the project to the NRB at the beginning. ▪ There has been limited participation by the Central Bank (beyond the 2 staff of the NRB MF Dept) in the project. However, there was knowledge of and interest in the project results by higher level management of the Central Bank. ▪ There has been no monetary contribution to the project by the GoN. In-kind contributions were provided via 2 NRB MF Dept staff managing the project and by other government staff participating in the quarterly PEB meetings.
7.2	Has UNDP made additional contributions? Has UNDP contributed in-kind? Have any other donors contributed?	UNDP cost share and in-kind contributions No. and amount of additional contributions from UNDP No. and amount of contributions from other donors	▪ No additional monetary contributions to the project. ▪ No other donors have contributed. Due to the slow start up, fundraising activities were delayed. At the end of 2011, PEB has given the green light to begin searching for additional funding.

EVALUATION QUESTION No. 8: POLICY AND STRATEGY		To what extent was the pilot approach of this EAFS project conducive to regulatory/policy/strategy developments in the Inclusive Finance area?	
Sub-questions		Indicators	
8.1	To what extent has the programme been able to influence national inclusive finance policy and strategy?	▪ National strategy documents, policy documents, white papers, regulations, containing elements of inclusive policy due to the programme	▪ There is limited impact in this area to date, due to lack of funding and to focus on the retail level. The research to launch the financial literacy campaign has begun in late 2011.

Annex 8
UNDP Management Response Form
Enhancing Access to Financial Services
January 2012

Prepared by: Joan Hall	Position: MTE Team Leader	Unit/Bureau:
Cleared by:	Position:	Unit/Bureau:
Input into and update in ERC:	Position:	Unit/Bureau:

Overall comments:

Evaluation Recommendation or Issue 1: Inadequate monitoring framework				
Management Response:				
Key Action(s): Revise the indicator framework so as to better reflect what the donors and implementing partner expect the project to achieve	**Time Frame**	**Responsible Unit(s)**	**Tracking***	
			Status	**Comments**
1.1. description activities, then specifics as needed a. Revise/Add adequate indicators for measuring outreach to the poorest and the most remote areas b. Revise targets to be achievable (e.g. number of SCGs to be linked)	Next two months	EAFS		
1.2				
1.3				
Evaluation Recommendation or Issue 2: EAFS not benefiting entire IF sector				
Management Response:				
Key Action(s) Any information/research results generated by project activities should be provided disseminated to the entire sector	**Time Frame**	**Responsible Unit(s)**	**Tracking**	
			Status	**Comments**
2.1. description activities, then specifics as needed a. Use website and other means to disseminate information b.				
2.2.				
Evaluation Recommendation or Issue 3: Opportunities missed for building the meso sector				
Management Response:				

Key Action(s): Link EAFS-contracted technical service providers with national technical service providers so that national providers can build experience and expertise for assisting local retail MF providers	**Time Frame**	**Responsible Unit(s)**	**Tracking**	
			Status	**Comments**
3.1 description activities, then specifics as needed a. b.				
3.2				
3.3				

* The implementation status is tracked in the ERC.

CONSULTANCY CONTRACT BETWEEN
Goverment of Nepal (GON)
AND
Consultant

Short Term Contract No.: 1694-2011

PROJECT TITLE: Enhancing Access to Financial Services (EAFS)

PROJECT NUMBER: 00049650

This CONTRACT is made this 18th day of November 2011 between Government of Nepal, hereinafter referred to as "GON" on the part, and Mr. An Singh Bhandari referred to as "the Consultant" on the other part.

WHEREAS the Government wishes to obtain consultancy services of

Mr. An Singh Bhandari

AND

WHEREAS the consultant is willing and has accepted to undertake such services;

NOW THEREFORE, it is hereby agreed by the parties hereto as follows:

1. TERMS OF REFERENCE AND GENERAL CONDITIONS

The consultant and Government agree to be bound by the provisions herein and Terms of Reference and General Conditions of Contract contained in the Annex to this document all of which are hereinafter referred to as the "Contract".

2. RESPONSIBILITIES OF THE CONSULTANT

The consultant shall provide his/her services for a period of one month and twenty seven days from 20 November 2011 to 15 January 2012 at Kathmandu, Nepal. Consultant will work for 27 days during above mentioned period

3. REPORTING PROCEDURE

The Consultant will provide his/her services under Enhancing Access to Financial Services (EAFS) 00049650.

3.1 The consultant shall deliver a final report to Government of Nepal in line with Terms of Reference. The final report on the assignment after clearance with the National Executing Agency concerned, will be submitted by the consultant at the end of the contract period to UNDP.

4. TERMS OF PAYMENT

As full compensation for the services performed under this contract, the Government through UNDP shall pay the consultant a total sum of Rs.6,75,000.00 lump sum. Income Tax on the remuneration and allowances paid to the consultant will be deducted at source.
The mode of payment schedule shall be as follows:
[#] First installment Rs. 387,835.00 will be paid upon submission of work shcedule and signing of contract
[#] Final installement Rs. 287,165.00 will be paid upon completion of final report

DSA and travel cost, where applicable will be payable as per NEX Guidelines. No other payments shall be made by GON to the consultant.

5.

The consultant shall not do any work, provide equipment, materials or supplies, or perform any other services which may result in any charge in excess of the above mentioned amounts without the prior written agreement of UNDP.

6.

Any notice, request or approval required or permitted to be given or made under this contract shall be in writing. Such notice, request or approval shall be deemed to be duly given or made when it shall have been delivered by hand, mail, telex or cable to either party to the addresses specified below:

For: Government of Nepal
National Project Director
Rastra Bank

For: Consultant
Mr. An Singh Bhandari
Kathmandu

7. FORCE MAJEURE

Without prejudice to their rights the Government and the consultant shall not be held responsible nor suffer any financial loss should the performance of the contract be delayed or prevented by an event of Force Majeure, which shall include, but not limited to strikes, riots, civil commotion, fire accident or any other incident beyond the control of either party hereto which neither party was aware of or could have foreseen at the time of the signing of this contract. In event of an occurrence of the Force Majeure, either party shall notify the other of the event and during such event the rights and obligations of either party shall automatically be suspended.

8. ARBITRATION

Any dispute arising out of or in connection with this agreement not settled by mutual agreement, shall be submitted to arbitration to three arbitrators. Each party shall appoint on arbitrator and the two arbitrators thus appointed shall agree on the third one. The arbitrators shall rule on the costs which may be divided between the parties. The decision rendered in the arbitration shall constitute final adjudication of the dispute.

9. TERMINATION

Either party may terminate this agreement at any time by giving the other party 14 days notice in writing of the intention to do so. In the event of such termination, the consultant shall be compensated for the actual amount of work performed to the satisfaction of Government and UNDP on a pro rata basis.

10. LAW APPLICABLE

This contract shall be governed by the law of Government of Nepal.

DONE in Kathmandu by the duly authorised representatives of the parties on the date first above mentioned.

Signed for and on behalf of Government:

Name: Pradip Raj Panday
Designation: National Project Director
Address: Rastra Bank
Date: 18 November 2011

Signature: ______________________

Agreed and Accepted:

Name: An Singh Bhandari
Address: Kathmandu
Date: 18 November 2011

Signature: ______________________

TERMS OF REFERENCE
FOR SPECIAL SERVICE AGREEMENT

TITLE of the study: Terms of Reference (TOR) for National Consultant for Mid Tem Evaluation of EAFS Project.

AGENCY/PROJECT NAME: Enhancing Access to Financial Services Project

COUNTRY OF ASSIGNMENT: Nepal

1) GENERAL BACKGROUND

Government of Nepal, considers microfinance to be an effective tool in alleviating poverty by increasing income of poor households and reducing their vulnerabilities. As a result, the Government of Nepal has prioritized microfinance as one of its policies for improving the livelihoods of the poor people especially those living in rural remote locations of Nepal. Nepal Rastra Bank with the funding support from UNDP and UNCDF is undertaking a four year Enhancing Access to Financial Services (EAFS) project. The major aim of the project is to strengthen the capacity of microfinance institutions and enable them to reach 300,000 previously unbanked individuals.

NRB-EAFS project total budget is USD 3,000,000 funded 50 % each by UNDP and UNCDF. The project duration is from July 2008 to December 2012.

A major role of NRB-EAFS project is to expand access to financial services ensuring that these services meet the needs of the poor consumers. As the project has completed about one-and-half years of its implementation in full swing out of total 3 years of project phase, a Mid Term Evaluation (MTR) is planned jointly by NRB, UNDP and UNCDF. Hence, NRB-EAFS project is looking for experience national consultants with track record in evaluation, to conduct MTR of the project.

2) OBJECTIVES OF THE ASSIGNMENT

The main objectives of this evaluation are:

- To assist the recipients, beneficiaries, and the concerned co-financing partners, to understand the efficiency, effectiveness, relevance, and likely sustainability of results;
- To assess the level of satisfaction of Project stakeholders and beneficiaries with the results;
- To assess whether NRB -EAFS Project and its partners are effectively positioned to achieve results;
- To contribute to NRB, UNDP, UNCDF and partners' learning from project experience;
- To help project stakeholders assess the value and opportunity for broader replication of the project;
- To help project stakeholders determine the need for follow-up on the intervention, and general direction for the future course;
- To ensure accountability for results to the project's financial backers, stakeholders and

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beneficiaries;

- To inform the formulation of the project's next phase;
- Comply with the requirement of the project document/funding agreement and Evaluation Policy.
- To get feedback from the prospect of implementing agency (NRB).

Taking into account the implementation status of the project and the resource disbursements made to date, the MTR assessment team will assess the performance of the project in terms of the eight questions included in the matrix for inclusive finance and reproduced below:

1. To what extent has the project contributed to increased Financial Service Providers/Sector Support Organizations/Government Agencies institutional capacity?
2. To what extent has the project contributed to improved access to appropriate low income group peoples' financial services?
3. To what extent has the project enhanced the market for inclusive finance services?
4. To what extent is the project likely to result in financially viable (i.e. sustainable) FSPs/SSOs in the longer-term, independent of external assistance of any kind?
5. How effective has the management of the EAFS inclusive finance project been?
6. How well have partnerships with donors and governments supported the project?
7. To what extent were piloted approaches conducive to regulatory/policy/strategy developments in the inclusive finance area?
8. What should be the direction for the way forward for project official end date?
9. To what extent does the project design meet UNCDF's Inclusive Finance intervention logic and meet the needs of the partner country?

3) SCOPE OF WORK

The national consultant will work in close coordination with the Team Leader (international consultant). The national consultant will support the Team Leader to review all relevant documents, collect necessary information from the field and project, analyze data/information and help team leader to provide necessary inputs to finalize the MTR report.

The major scope of work includes:

- Documentation review
- Contributing to the development of the evaluation plan and methodology
- Dialogue with the programme stakeholders and the service users in a series of interviews, focus group discussions
- Contributing to presentation of the evaluation findings and recommendations at the evaluation wrap-up meeting
- Contributing to the drafting and finalization of the evaluation report
- Conducting those elements of the evaluation determined by the lead consultant

4) PROPOSAL, DURATION OF ASSIGNMENT, DUTY STATION AND EXPECTED PLACES OF TRAVEL

Proposal
The national consultant will work in close consultation with the international consultant (team leader) supporting in the Mid Term Evaluation of the project. Hence, she/he may give reference to the different evaluation reports of his/her involvement. Further she/he is encouraged to write a paragraph stating reasons for being the right person for the said assignment.

Timing
The estimated timing of the proposed MTR is first week of November to fourth week of November, 2011 including visits as mentioned in LOE.

Duration of assignment
Expected duration of the assignment is 20 person day in the period from 1st week of November, 2011.

Duty Station
Primarily the duty station of the consultant will be at Kathmandu including field visits to outside of Kathmandu.

5) FINAL PRODUCTS

Deliverables:

The local consultant will help the Team Leader in preparing and submitting the following deliverables:

1. Detail field visit plan with milestones for deliverables
2. Draft Field report with analysis of data and information
3. Facilitated kick off and debriefing workshops.
4. Finalizing the evaluation report

6) Payment Schedule
Fee is payable as follows:

- Fifty (50%) percent upon submission of work schedule and signing of a contract;
- Twenty-five (25%) percent upon submission of draft field study report;
- Twenty-five (25%) percent upon completion of this assignment. This payment will be made upon submission of final draft report by the team leader and subsequent request made by the team leader to make the final payment.

7) PROVISION OF MONITORING AND PROGRESS CONTROLS

The national consultant will work in consultation with the Team Leader and the focal person identified by

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the in-country Advisory Group (UNDP, UNCDF and NRB) for the **MTR.**

8) DEGREE OF EXPERTISE AND QUALIFICATIONS

Education/Qualification

A minimum master degree in development, economics, finance/rural finance, microfinance social sciences and other relevant fields.

Experience

- A minimum of three years of management experience with an MFI or related technical service institution.
- Microfinance training and technical experience
- Knowledge of CGAP benchmarks and industry best practices

9) REVIEW TIME REQUIRED

2 weeks after the final reports have been submitted to the project.

10) CONSULTANT PRESENCE REQUIRED ON DUTY STATION/UNDP PREMISES

☐ NONE √ PARTIAL ☐ INTERMITTENT ☐ FULL-TIME

The national consultant will be provided a working space at EAFS project office. The consultants are mandated to bring their own laptops.

IF FULL TIME – PLEASE ADD BELOW FOR JUSTIFICATION

N/A