

REQUEST FOR PROPOSAL

Short-Term Consultancy for Post-Pilot Evaluation of Women-only Branch (WoB), Kabul

Issued by: The First MicroFinance Bank, Afghanistan

Date of Issue: 5 Dec, 2017



The First MicroFinanceBank
اولین بانک قرضه های کوچک

Privacy Notice

This document contains sensitive information owned by The First MicroFinance Bank, Afghanistan. The information, in part or full in any circumstances, should not be given to persons other than those in the project or who will become involved during the project life cycle. The prior written permission of Business Strategy and Marketing shall be needed to share full or partial information with the persons or organizations other than the legal/authorized recipients.

Table of Contents

1. Statement of Work	3
1.1. Purpose	3
2. General Information	3
2.1. Context	3
2.2. Schedule of Events	3
3. Scope of Work and Requirements	4
3.1. Deliverables	5
4. Proposal Preparation Instructions	5
4.1. The Consultant’s Understanding of the RFP	5
4.2. Good Faith Statement	5
4.3. Communication	5
4.3.1. Bidder’s Inquiries	5
4.3.2. Informal Communications	5
4.3.3. Response to Inquiries	6

1. Statement of Work

1.1. Purpose

The purpose of this RFP is to invite prospective consulting firms/individuals (“Consultant”) to submit to FMFB-A a proposal to:

- Conduct a thorough 'Post-Pilot Evaluation' of FMFB-A's Women-only-Branch (WoB) located in Kabul, Afghanistan. The evaluation tools and techniques are expected must be tailored in the local context keeping in mind gender-specific characteristics of the branch.
- Examine the feasibility of the current approach intended to be used in the larger scale roll-out of similar branches for women clients, run by women staff in other provinces. The bidder is expected to evaluate the performance of customized products and services developed for women clients and their feasibility in similar markets.
- Present a 'Gap Analysis Report' and Presentation accompanied by recommendations for future rollout.

2. General Information

2.1. Context

The First MicroFinanceBank-Afghanistan has been operating in Afghanistan since 2004 with the vision of contributing to poverty alleviation and economic development through provision of sustainable financial services, primarily targeting the micro & small businesses and households. FMFB shareholders comprises of Aga Khan Agency for Microfinance (AKAM), Kreditanstalt für Wiederaufbau (KfW), International Finance Corporation (IFC) and Aga Khan Foundation, USA.

Currently, FMFB-A is the market leader in microfinance contributing over 50% to the industry outstanding portfolio. As of August 2017, FMFB-A's Gross Loan Portfolio stood over USD 85 million with over 64,000 active borrowers. FMFB-A has a network of 47 branches and outlets covering 14 provinces. The bank offers a range of services including savings, loans (microfinance and SME) and commercial banking services. Loans for agriculture and incremental housing is coupled with free advisory services.

2007/2008 figures show Afghan women's labor participation at 48%, with nearly 95% women in vulnerable employment and 78% in unpaid family work. This suggests that, traditionally, women in Afghanistan have been dependent on men financially. However, lately this trend is changing. With increased participation in economic activities as employees and owners, more and more women in Afghanistan are today becoming financially independent. In addition, many of them have now become bread earners for their family, with both men and women contributing equally to family income and lifestyle. This presented FMFB-A an opportunity to target women with customized products retailed from an all-women branch. **FMFB-A's Women-only-Branch started operations as the country's first female only branch on 27th July 2017.** In a conservative society like Afghanistan, this was a welcome move for Afghan women who prefer a non-inhibiting banking environment.

2.2. Schedule of Events

A tentative schedule that will apply to this RFP is under, however, may change in accordance with Bank's needs or unforeseen circumstances. Changes will be communicated by e-mail to all invited bidders.

Issuance of RFP	5 Dec, 2017
Inquiries due	15 Dec, 2017
Deadline for Submitting Proposal	15 Jan, 2018
Selection of Bidder	25 Jan, 2018
Signature of Contract	10 Feb, 2018
Start of Work	5 March, 2018 or mutually agreed date

The consultancy duration shall not exceed **3 weeks** from the mutually agreed start date. However, FMFB-A reserves the right to change the schedule, if required.

3. Scope of Work and Requirements

The goal of this Post-Pilot Evaluation is to assess the pilot of Afghanistan's first Women-only bank branch, and to identify areas for improvement with a view to encourage financial inclusion for Afghan women, which remains challenging due to multiple factors including culture, collateral, lack of business acumen, legal barriers etc. The objective is to provide information in an accurate, transparent and impartial way vis-à-vis various aspects of FMFB-A's social mission.

Therefore, the deliverables for this Post-Pilot Evaluation must cover (but not limited to) the following:

1. Determine if the branch location, products offered, and processes are well suited to the target segment needs. The report **MUST** cover the following areas:
 - a. Branch Location/Suitability/Ambiance
 - b. Recruitment/Quality of Hires
 - c. Product performance/Uptake via-a-vis product features and pricing
 - d. Sales Effectiveness
 - e. Operational Procedures/Turn-around-Times
 - f. Customer Experience/ Service Quality
 - g. Client Satisfaction with the branch experience
 - h. Employee Engagement
2. **Gap Analysis** to identify any customer demand(s) not met through the current offering(s);
3. Conduct a **SWOT analysis** of the branch; provide insights on how well the WoB initiative is able to promote women's economic-empowerment and financial inclusion;
4. Analyze whether the customization of products (loan and savings) has influenced in increasing uptake/access to finance for women in the target geography;
5. Analyze to what extent the operational mechanisms/retailing procedures support the achievement of WoB objectives;
6. Provide **benchmarking** to improve the initiative throughout the business cycle;
7. Provide **Financial Sustainability** for the Women-only-Branch, Dasht-e-Barchi.

3.1. Deliverables

1. On-site consultancy for a duration of not more than 3 weeks in Kabul, Afghanistan.
2. A comprehensive **Evaluation Report** for the Bank, which will be specifically within the context of Women-only-Branch, Dasht-e-Barchi, Kabul, Afghanistan. The report will cover all points (but not limited) mentioned in 'Scope of Work and Requirements' above.
3. Presentation to the Management: A **30-min PowerPoint Presentation** on future strategy and recommendations for rollout in Mazar and Herat regions.
4. Key reference material that is used in producing the report such as market assessments, client interviews, staff meeting minutes, case studies etc.

4. Proposal Preparation Instructions

4.1. The Consultant's Understanding of the RFP

In response to this RFP, the Consultant accepts the responsibility to fully understand the RFP in its entirety, and in detail, including making any inquiries to FMFB-A as necessary to gain such understanding. FMFB-A will ensure that there is transparent communication of responses to questions about the RFP to all bidders. FMFB-A reserves the right to disqualify any Consultant who demonstrates less than such understanding. Further, FMFB-A reserves the right to determine, at its sole discretion, whether the bidder has demonstrated such understanding. That right extends to cancellation of award prior to contract signing, if an award has been made. Such disqualification and/or cancellation shall be at no fault, cost or liability whatsoever to FMFB-A.

4.2. Good Faith Statement

All information provided by FMFB-A in this RFP is offered in good faith. Individual items are to change at any time. FMFB-A makes no certification that any item is without error. FMFB-A is not responsible or liable for any use of the information or for any claims asserted there from.

4.3. Communication

Verbal communication shall not be effective unless formally confirmed in writing by the bank's concerned official. In no case shall verbal communication govern over written communication.

4.3.1. Bidder's Inquiries

Applicable terms and conditions herein, shall govern communications and inquiries between FMFB-A and the Consultant as they relate to this RFP. Inquiries, questions and requests for clarification related to this RFP are to be directed through email to:

Attention: Homayoun Niksear - Senior Manager, Business Strategy and Marketing
Email: Homayoun.Niksear@fmb.com.af

4.3.2. Informal Communications

Shall include, but are not limited to:

- Questions/inquiries about technical interpretations concerning this RFP must be submitted in writing and be received prior to **15 Dec, 2017**.

- **Errors/omissions or enhancements:** The consultant shall bring to FMFB-A any discrepancies, errors, or omissions that may exist within this RFP. With respect to this RFP, the Consultant shall recommend to FMFB-A any enhancements, which might be in FMFB-A's best interest.

4.3.3. Response to Inquiries

FMFB-A will ensure an email response to each question or request for clarification within three (3) business days.

4.4. Proposal Submission

The proposal for services and the price quotations must be submitted through email only. PDF file(s) of the proposal should be sent to:

Attn: Fareed Ashraf Chaudhry - Head of Business Strategy and Marketing
Email: **Fareed.Ashraf@fmfb.com.af**

Proposals are to be received on or prior to 1600 hours GMT on 15 Jan, 2018 (**"The Deadline"**). After this date/time, no amendments or additions may be made to proposals. Any attempt to do so can result in exclusion from the remainder of selection process. The proposals for services will be opened immediately after the expiry of the deadline. The language of the proposals and price quotations must be English.

The proposal should include:

- Signed Declaration of Undertaking set out in Appendix 1;
- A critical analysis of terms of reference;
- Description of proposal methodology with rationale.
- Tentative work plan/timeline;
- The organization and logistics requirements;
- Detailed CV of the consultant(s);
- Past performance references for similar work (including name and contact information);
- Company profile (if applicable);
- Price Quotation Spreadsheets;
- Statement of other services to be provided by FMFB-A.

4.5. Price Quotation

All consultants must fill out the attached cost breakdown template for the delivery of the work as described in this RFP. The consultant should submit their price quotation spreadsheets in MS Excel format using the template provided; submissions that do not use the required template will not be accepted. The spreadsheets should use formula to calculate totals and other figures. FMFB-A would like to see how the consultant calculate their price quotations, therefore please do not enter totals and other derived figures manually.

In addition to numerical spreadsheets, all price quotations include detailed written notes (English) that explain assumptions and the cost realism of the items in the price quotation. Submission without detailed written notes will not be accepted.

The price quotation should also include:

- All costs in US dollars
- Fees- shown separately
- Foreign per diem allowance and accommodation costs in place of service along with reference for per diem and accommodation rates as relevant in the budget notes;
- Transport costs between the home country and place of service;
- Any acquisitions of needed items;
- Other costs-reason must be given for other costs.

The contract will be on a fixed-price basis. Allowance must be made for local withholding tax of 7%, which will be deducted at source on all payments under the contract. An advance payment of 30% of the contract value will be paid within 10 days from signing of the contract; the balance 70% will be paid with 10 days of submission of all deliverables subject to complete satisfaction of FMFB-A Management.

4.6. Method of Award

The evaluation of each response to this RFP will be based on its demonstrated competence, compliance, and format. The purpose of this RFP is to identify consulting partners that have the interest, capability, and financial strength to perform tasks as per the Scope of Work.

Ideally, the consultant should have background of business performance analysis within the financial sector specific to microfinance; consultancy experience in developing countries, gender-specific topics, and a robust practical hands-on approach. He/she will further have the capacity to develop financial inclusion strategy for women clients based on the current branch performance that can be used in future rollouts.

FMFB-A Management will assign a score to the submitted proposal using an objective and transparent process. The Total Score of each Bidder will include 3 broad components (in descending priority order):

Term	Definition
1. Experience/Demonstrated Knowledge/Qualification	The extent to which the Bidder demonstrate present capabilities to perform the services required.
2. Thoroughness of Approach or Plan	The level of detail and completeness the Bidder provides in response to specific requirements.
3. Pricing	This includes the total cost to the Bank for engaging the Consultant

4.7. Selection and Notification

Consultants determined by FMFB-A to possess the capacity to compete for this contract will be selected to move into the negotiation phase of this process. Notification will be sent to those bidders via E-mail. The bidders not selected for the negotiation phase will not be notified.

An exchange of the personnel or key personnel who are firmly committed to the project after bid has been submitted cannot be made without the approval of FMFB-A. An exchange of personnel can result in the bid being reassessed.

Appendix 1

Declaration of Undertaking

I underscore the importance of free, fair and competitive bidding process that precludes abusive practices. In this respect, I have neither offered nor granted directly or indirectly any inadmissible advantages to any public servant or other person. Also not accepted such advantages in connection with the bid, nor will I offer or grant or accept any such incentives or conditions in the present bidding process or, in the event that I am awarded the contract, in the subsequent execution of the contract. I also declare that no conflict of interest exists in the meaning of the kind described in the pertinent guidelines.

I also underscore the importance of adhering to minimum social standards (“Core Labor Standards”) ratified by the Islamic Republic of Afghanistan during the implementation of the project.

I will respect the obligations, will fulfill the declaration of undertaking, and will obey the laws of the Islamic Republic of Afghanistan.

Place

Date

(Name of Consultant)

(Signature)