



Unlocking Public and Private
Finance for the Poor

United Nations Capital Development Fund

**REQUEST FOR APPLICATIONS FOR
DIGITAL FINANCIAL SERVICES (DFS) TRAINING
FOR POLICYMAKERS AND REGULATORS**

Extended Deadline March 12, 2021, 23:59 (EST, the New York time zone)

SUMMARY

The United Nations Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 46 least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF is seeking eligible organisations to apply to deliver training courses on inclusive digital financial services (DFS), particularly on regulation and supervision of financial technology (FinTech) and innovation, gender mainstreaming, and evidence-informed policymaking including lean data and low-resource options to improve regulatory reporting processes.

Candidates can apply within a single area of intervention (Area 1: Innovation and FinTech, Area 2: Gender Mainstreaming, or Area 3: Evidence-Informed Policymaking) or propose a project for a combination of areas. Please clearly indicate the areas targeted in your proposal.

The applicant must be a registered entity and ideally an educational organisation (including commercial for-profit firms, non-profit organisations, universities), and can be based anywhere globally.

UNCDF will provide a grant (and technical assistance if agreed) and sign a performance-based agreement (PBA)¹ with at least one applicant per area. UNCDF's contributions can range from 50,000 USD to 250,000 USD. Please refer to the PBA sample in this RFA publication webpage.

Inquiries to this request for applications may be submitted by email to karim.dia@uncdf.org cc uncdf.rfa@uncdf.org.

All applications must be submitted by **March 12, 2021, 23:59 (EST, the New York time zone)** to uncdf.rfa@uncdf.org.

¹ A performance-based grant implies that grant amounts that are contingent on the successful achievement of pre-determined milestones. Achieving a milestone will therefore trigger a grant payment. Grant payments will be reimbursements for funds spent by the grantees, according to the project implementation plan and pre-agreed milestones. The grantee will be responsible for providing a comprehensive and compliant financial report reporting all the financial transactions relating to grant. The grantee will need to keep supporting documents related to these transactions to justify all actual costs incurred.



1. INTRODUCTION

Inclusive digital economies:

UNCDF manages initiatives to develop inclusive digital finance ecosystems which offer a wide range of financial services specially for low-income vulnerable communities. Specifically, UNCDF provides a mix of policy, technical and financial support to a range of government and private sector actors in each country, as well as invests in research and other public goods to benefit all market actors. By supporting the development of digital finance ecosystems, UNCDF aims to increase the financial security of low income and rural households through access to appropriate, affordable and secure means to receive, manage and save money.

Recently, UNCDF has formulated its strategy 'Leaving no one behind in the digital era' based on over a decade of experience in digital finance in Africa, Asia and the Pacific. UNCDF recognizes that reaching the full potential of digital financial inclusion aligns with the vision of promoting digital economies that leave no one behind. The vision of UNCDF is to empower millions of people by 2024 to use services daily that leverage innovation and technology and contribute to the SDGs. UNCDF will apply a market development approach and continuously seek to address underlying market dysfunctions.

Policy Accelerator:

UNCDF has been working with national governments to improve access to financial services for over 25 years. In the last decade, we have focused specifically on the role that digital technologies play in accelerating usage of financial services by low income and rural households. In our role as a technical assistance provider and neutral broker, UNCDF works closely with global and national partners to build organisational capacity and support governments to engage with industry to facilitate solutions to key market constraints at the local and regional level.

Problem statement: Globally, policymakers and regulators are seeking to build their understanding of emerging technologies to keep pace with rapid market change. Many countries run the risk of 'being left behind' if regulatory reforms cannot capture the potential of new business models and technology to solve age-old problems such as a lack of access to services, infrastructure and information. Equally, many women (particularly those living in low-income rural communities) risk being left behind if the [digital financial inclusion gender gap](#) continues to pervade.

At UNCDF, we are committed to meet this demand and work closely with policymakers and regulators to build organisational skills and systems to actively address risks and opportunities in their financial systems. To complement this work, UNCDF invites eligible organisations to apply to deliver training courses on inclusive digital financial services (DFS).

Purpose: To support governments to drive ongoing refinements to regional and national regulatory and supervisory frameworks for DFS to enable an inclusive and competitive ecosystem, protect consumers, and maintain the integrity of the financial system.

Outcome: To provide training on practical approaches and tools to develop timely and high-quality policies and regulations, with a specific focus on financial technology, innovation and gender mainstreaming, and evidence-informed policymaking.



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2. SCOPE OF WORK

2.1 Areas of intervention

For this request for applications (RFA), UNCDF invites applications from registered entities that can offer innovative and scalable solutions addressing **one or more of the following challenges** through three areas of intervention:

Areas of intervention		Challenges/ Problem Statement and Objectives for solution
1	Training on regulation and supervision of financial technology (FinTech) and innovation. (French and/or English)	<p>Challenges: The FinTech industry is quickly evolving and many financial services providers are experimenting with technologies such as distributed ledger technology, cryptocurrency and artificial intelligence. Financial authorities are looking for options to strike an appropriate balance between innovation and competition (by allowing new players into the market) and stability and consumer protection (by setting basic requirements).</p> <p>Objectives: To equip policymakers, regulators and supervisors with various tools to respond to and monitor innovative financial services in safe and reliable ways, e.g. regulatory sandboxes, innovation hubs.</p>
2	Training on gender mainstreaming in the context of digital financial services (DFS) policies and regulations. (French and/or English)	<p>Challenges: Policies and regulations can affect women's experiences with financial services, e.g. agents such as shopkeepers can be important for women who are less mobile, risk-adjusted ID requirements can allow more women to open accounts, and consumer protection rules can protect women against abusive and aggressive business practices.</p> <p>Objectives: To equip policymakers, regulators and supervisors with various tools to apply a gender perspective across their work to advocate for and support gender-transformative changes to policies and regulations, e.g. public consultation, leadership development.</p>
3	Training on evidence-informed policymaking including lean data and low-resource options to improve regulatory reporting processes (French and/or English)	<p>Challenges: Many financial authorities face major data collection challenges such as delays in submission and low-quality and incomplete data. However, regulatory reporting data is crucial for supporting effective risk-based supervision and building an evidence base from which to evaluate and improve policies and regulations.</p> <p>Objectives: To equip policymakers, regulators and supervisors with various tools to set specific and measurable objectives, standardise and disaggregate data across the financial services industry, assess their current data infrastructure, and set up or improve data collection and analysis systems.</p>



The examples of solutions in the identified areas of intervention are not exhaustive. The team at UNCDF is excited to hear what potential applicants have in mind outside these examples.

2.2 How UNCDF works with partners

UNCDF takes a tailored approach to engagement with partners, working with each throughout to identify needs, and helping to design, pilot and scale up the solution along the way. For example, UNCDF intends to:

- Select policymakers and regulators for training.
- Suggest specific topics to cover in training, e.g. financial consumer protection.

In the RFA, applicants may identify and suggest areas where the technical support from UNCDF and its network of expertise is sought.

2.3 Expected results

According to the projects and solutions presented, candidates must include in the proposal a complete list of results, outcome indicators and targets for monitoring achievement of different results. Below is a non-exhaustive list of key performance indicators (KPIs) for the projects. Other indicators would be finalized based on the nature of the project and tracked to ensure its success.

Deliverables would be derived from key project milestones to be agreed mutually between UNCDF and the selected applicant in accordance to the identified milestones, outcomes and targets of the KPIs, during the due-diligence and negotiation phase.

In the application form, candidates will have to provide reliable and attainable targets for each of the following indicators.

Indicators	Disaggregation
Number of policymakers/regulators who complete the training programme.	Total: 100 Women: 50
Percentage of policymakers/regulators who increase their knowledge and skills after the training programme.	Total: 80% Women: 80%
Percentage of policymakers/regulators who provided positive feedback after the training programme.	Total: 80% Women: 80%

Please note that during the negotiations process of the performance-based agreement, applicants shall be required to integrate the monitoring framework with additional KPIs.



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3. ELIGIBILITY FOR APPLICATION AND EVALUATION CRITERIA

Only applications that meet the eligibility requirements and minimum criteria for the submission will be scored.

3.1 Eligibility requirements

Entity registration:

- The applicant/lead applicant must be a registered entity and ideally an educational or training organisation (including commercial for-profit firms, non-profit organisations, universities).
- Accredited institutions that can issue a diploma or certification are encouraged to apply.

Country of operation:

- The applicant can be based anywhere globally.

Consortiums (when applicable):

- Applicants may apply only once under this RFA, whether independently or in a consortium.
- Joint applications are accepted.

Solutions to be supported:

- Applicants must have successfully delivered similar training with proven excellent results.

Exclusionary criteria:

- Applicants shall not have been the subject of bankruptcy, liquidation, judicial settlement, safeguarding, cessation of activity or any other similar situation resulting from a similar procedure.
- Applicants and any of their staff or member of their board of directors shall not be included in the United Nations financial sanctions lists, particularly in the fight against the financing of terrorism and against attacks on international peace and security;² and
- Applicants must not be involved in any of the following activities.³
 - Manufacture, sale or distribution of controversial weapons or their components, including cluster bombs, anti-personnel mines, biological or chemical weapons or nuclear weapons
 - Manufacture, sale or distribution of armaments and/or weapons or their components, including military supplies and equipment
 - Replica weapons marketed to children
 - Manufacture, sale or distribution of tobacco or tobacco products
 - Involvement in the manufacture, sale and distribution of pornography
 - Manufacture, sale or distribution of substances subject to international bans or phase-outs, and wildlife or products regulated under the CITES
 - Gambling including casinos, betting etc. (excluding lotteries with charitable objectives)
 - Violation of human rights or complicity in human rights violations

² See: <https://www.un.org/securitycouncil/sanctions/information>.

³ See UNDP Policy on Due Diligence and Partnerships with the Private Sector (2013): https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/BERA_Partnerships_UNDP%20private%20sector%20due%20diligence%20policy%202013_FINAL.pdf&action=default.



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- Use or toleration of forced or compulsory labor
- Use or toleration of child labor

Applicants shall have fulfilled all the obligations relating to the payment of social security contributions or obligations relating to the payment of taxes in accordance with legal provisions in force in the country of incorporation.

UNCDF will conduct due diligence on selected applicants. Applicants must have documents ready for confirmation that they meet the eligibility criteria including certificate of compliance with the tax authorities and any other documentary evidence that might be requested by UNCDF in addition to the application form.

3.2 Evaluation criteria

The Evaluation Committee will score the applications according to the below evaluation criteria.

Only applications that score at least 70 out of 100 of the technical evaluation will be considered successful and move to the due-diligence stage.

Evaluation Criteria		Maximum Score
1	Quality of current or proposed course materials and engagement activities	30
2	Ability to issue a diploma or certification	15
3	Timeliness of delivery based on workplan	30
4	Qualifications and experience of the proposed team	25

Additionally, UNCDF will assess the Value for Money proposed by the applicants passing the minimum technical evaluation score. Value for Money is calculated as follows:

Grant amount in USD (A)

Total number of end beneficiaries (B)

Value for Money = A / B



3.3 Eligible costs

The criteria for eligible expenditure determine whether a cost qualifies for funding under UNCDF rules and procedures.

The general criteria for eligibility of costs under UNCDF funding include the following:

- Eligible costs must be incurred by the applicant **during the project** (after the signature of the performance-based agreement and up to the end of the grant period).
- Eligible costs should be indicated in the estimated overall budget of the action attached to the performance-based agreement.
- Costs must be identifiable and verifiable, in particular being recorded in the accounting records of the applicant and determined according to the applicable accounting standards of the country where the lead applicant is established.
- Costs must comply with the requirements of applicable tax and social legislation.
- Costs must be reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency.
- Consultancy costs – under studies, technical assistance and other advisory services under the programme carried out by international and national consultants – are eligible as follows:
 - Professional and consultancy services are services rendered by people with a special skill, and who are not officers or employees of the organisation applying for the grant.
 - Consulting services must be justified, with information provided on their expertise, primary organisational affiliation, normal daily fee, and number of days of expected service. Consultants' travel costs, including for subsistence, are to be shown as travel expenditure.
 - The applicant may be required to justify the daily fee.
- Workshop costs are eligible, for the workshop venue, food and beverages, and publication material.
- Training expenditure (financial education, digital education, soft skills) for the project's final beneficiaries is eligible. If applicable, this will include all related expenditure, such as the cost of the venue, participant travel, and so on. Training for the employees of the institution applying for the grant is also eligible as long as it has been demonstrated that it will link directly to the project output.
- Investment costs directly attributable to the project, relating to research and innovation, are allowable.

3.4 Ineligible costs

The following costs are ineligible and not accepted:

- Returns on capital and dividends paid by a beneficiary;
- Debt and debt service charges;
- Provisions for losses or debts;
- Interest owed;
- Costs declared by the applicant in the framework of another action receiving a grant financed from another donor;
- Indirect costs, also called overheads.



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4. AGREEMENT PARAMETERS

Potential applicants shall give evidence that their solutions are aligned to the following parameters :

4.1 Applicants

Eligible candidates can apply alone or as lead applicant in a consortium of firms, as long as they comply with the eligibility requirements set forth in section 3.1. In the case of a consortium of entities applying to the RFA, the lead applicant shall comply with the eligibility requirements. The lead applicant will be responsible for:

- i. submitting the application form on behalf of the consortium;
- ii. ensuring that each partner is fully aware of the composition of the partnership and of the contents of the Application Form;
- iii. signing the performance-based agreement with UNCDF;
- iv. fulfilling all obligations set out in the performance-based agreement;
- v. ensuring the allocation and the fulfilment of the funds amongst the partner in the consortium in compliance with the performance-based agreement;
- vi. ensuring the allocation and the fulfilment of the tasks amongst the partner in the consortium in compliance with the performance-based agreement

4.2 Target segment

The target segments of this action include policymakers and regulators in Africa, primarily in francophone West and Central Africa.

4.3 Geographical scope

We work with policymakers and regulators across Africa. Please see the Policy Accelerator's list of priority countries here: <https://policyaccelerator.uncdf.org/about>.

4.4 Project duration

Projects are expected to vary depending on the design of the training programs and availability of trainers and participants. All training must be delivered by May 2023.

4.5 Language

The deliverables and any correspondence between the applicant organisation and UNCDF must be in French or English.

4.6 Budget

UNCDF will provide a grant to the selected applicants which are technically compliant in accordance to the evaluation criteria as set forth in section 3.2. UNCDF contributions may range from 50,000 USD to 250,000 USD per selected applicant.



Specific projects will be financed based on business needs. Depending on the maturity of the solutions and the success of the pilot, UNCDF would be able to continue its support for the mobilization of investment capital (loan and guarantee) and further technical assistance.

Applications will need to describe how they will deploy the Grant and if any technical assistance or mentorship services are being sought. Additional technical assistance services may be provided by UNCDF through a separate budget line.



5. APPLICATION REQUIREMENTS AND PROCESS

5.1 Structure of the application

- The applicant must submit a complete application form by e-mail. Submissions are composed by:
 - Annex I – Submission letter (PDF)
 - Annex II – Technical proposal (PDF)
 - Annex III – Budget and workplan (Excel)
 - Certificate of incorporation of the applicant
 - Most recent audited financial statements
 - CV of main team members (in one consolidated PDF document)
- In addition, the applicant may supplement the submission with:
 - A deck that visually outlines what the project is (15 slides maximum and as a PDF). The deck shall include the following headed sections: (i) Executive summary, (ii) Problem statement, (iii) Solution, (iv) Milestones, (v) Team, (vi) Deployment of UNCDF funding.

All submissions must be completed in French or English.

UNCDF may request additional information and documentation to proceed to the technical evaluation of proposals.

5.2 Application deadline

All applications must be submitted by 23:59 PM (EST, the New York time zone) on **March 12, 2021**.

5.3 Selection process

- Step 1: Eligibility screening – eligibility will be assessed according to the eligibility requirements as set forth in section 3.1.
- Step 2: Evaluation of eligible applications by UNCDF's technical evaluation panel based on the evaluation criteria set out in section 3.2.
- Step 3: Due diligence – due diligence on the applications and their applicants will be conducted on applications that receive the minimum qualifying score (70/100).
- Step 4: Notification of applications – all applicants will be notified of the status of their applications.
- Step 5: Pre-Grant negotiation and Performance-based Agreement – the selected applicants will finalise the scope of the grant and finalise budgets, indicators and targets, workplan and disbursements of the Grant that will be released on achievement of each milestone.
- Step 6: Approval of the selected applications by the Investment Committee. Pre-selected applications will be reviewed, discussed for approval by UNCDF's Investment Committee. Any further due diligence requirements, risk analysis or milestone recommendations from the Investment Committee will be followed in



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later steps.

- Step 7: Notification of applications - all applicants will be notified of the status of their applications after final approval from UNCDF Investment Committee.

5.4 Timeline

5 February 2021	Application window opens
19 February 2021	Deadline for questions
8 March 2021	FAQ document published
12 March 2021	Deadline for submission

5.5 Real-time assistance from UNCDF

Inquiries to this request for applications may be submitted by email to karim.dia@uncdf.org cc uncdf.rfa@uncdf.org.