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# Expression of Interest

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**Financial Services Marketplace for Mission Shakti Living Labs**

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**United Nations Capital Development Fund**

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## Summary

The United Nations Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 47 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.

Financial health programme (FH) hosted by UNCDF has partnered with the Government of Odisha to further strengthen the financial lives of women entrepreneurs under the aegis of Mission Shakti Programme- an initiative to empower women through credit and market linkages by organizing them in self-help groups (SHGs). Nearly 7 million women, organized into 0.6 million SHGs throughout Odisha, benefit socially and economically through affordable financing, income-generating opportunities, and skill development.

Under the partnership, FH has set up the Mission Shakti Living Lab in the state, which aims to understand and improve the financial health of women entrepreneurs and individuals by designing and rolling out a suite of financial health-centric (digital) products and tools. As part of this roll-out two critical infrastructures are being put in place that are enabled by digital this includes, E-commerce Marketplace to drive market linkages for Self Help Groups/Producer Groups/Micro-enterprises and Financial Service Marketplace to streamline delivery of financial and digitally enabled services for SHG women part of Mission Shakti programme/ low and moderate income households in the state. Through the establishment of these digital platform, project aims to achieve wider access to economic and financial opportunities for SHG women and improved marketing outreach of SHG products and improved access to financial services and financial for SHG women and low-moderate income households.

The purpose of this Expression of Interest (EOI) is to invite organizations or a consortium of organizations to participate in setting-up the infrastructure for delivering financial and other digitally enabled services. India over the past years have seen a strong infrastructure push at last mile with agents/business correspondents, India stack enabled with UPI, Jandhan accounts, etc. All of this cumulative push has already laid out various foundational elements necessary for enabling better access to different services. This proposed engagement with Mission Shakti aims to create a structured channel that can allow for delivering different financial products and services under a one-stop shop. The proposed structure aims to create a robust mechanism for engaging with customers, understand their financial pain points, assist with creating better customer engagement through use of customer induced information, drive nudges for action and track indicators that can contribute towards improved financial health. Given the nature of this intervention, it is expected to bring together the financial, technology and payment play to create this one-stop infrastructure.

In particular, the applicant(s) for establishing the Financial Service Marketplace can propose the engagements considering the following below:

- Undertake the set-up of a white label Financial Service Marketplace digital platform through which different financial services can be drawn by SHG women/ low- and moderate-income households. The marketplace be enabled for both aided and un-aided transactions/interface
- Have a dedicated payment play that integrates with the existing payment instruments (eg, through UPI, etc) for creating better value and experience for end-customer.
- Foster partnership with financial institutions/banks for integration of their products within the marketplace, co-created with focus on women of Mission Shakti, general financial products and other govt specific schemes/ services offered to improve financial lives of low and moderate income population in state. The rules of these partnerships like level of integration, revenue sharing model, etc would have to be considered in the proposed design. The principle to follow would be to ensure where possible that customer has to have a seamless experience when it comes to accessing and consuming services, the overall proposition is built in a way that it can run sustainably as an independent unit.
- Ensure field readiness for the deployment of the Financial Service Marketplace by undertaking strengthening a field cadre. This cadre could leverage existing Banking Correspondents or any other existing field resources. The applicant can also suggest ways in which they shall take product delivery on ground. The human infrastructure set on the ground for this purpose is to be done building on the lessons from the past on how incentives work for agents/BCs working at last mile. We aim to not create a thin layer but one where one point can handle multiple form of transactions thus increasing the scope of revenue generation and successfully investing in long term presence. The focus would be to on-board the women in this role and the project would ease the process by creating access and identifying these

potential human infrastructure. The cadre capacitated for the marketplace should be housed at a producer company based in Odisha (FH Programme and Mission Shakti would facilitate the same)

- Development of SOPs and training material rollout and usage of the platform
- Scale the Financial Service Marketplace throughout the state of Odisha
- Ensure at-least 3.5 million SHG women or low/ moderate income households have access and awareness about the products and services on the financial services marketplace in the state of Odisha and are actively participating

The applicant/ lead applicant must be a registered entity with a local presence in India either through a registered entity or a branch office. The ideal firm will have demonstrated experience in working with in development of financial products/ technology marketplace/ shaping last mile experience in India. These firms could include Payment platforms, card based platforms, tech marketplace, banking agent/ cadre management agencies, account Aggregators among others. Applicants may apply independently or in a consortium, with one of the applicants being a lead applicant. The EOI stage would also be used to foster some of these partnerships to achieve the desired objective.

The applicants are required to propose the financial cost for taking forward the roll-out and it is encouraged that this be developed in a manner that a sustainable model could be created. For initial roll-out all attempts be made to bring in a social investor/funder/self-funded by applicant as part of the consortium. The budget template is provided.

The selected applicant/ lead applicant will sign a commercial agreement with a producer company identified by Mission Shakti and UNCDF based in Bhubaneswar. The applicant would be provided with a dedicated Project Management Unit (PMU) set-up to drive the initiative which would be based at PC level in Bhubaneswar and with field support in the initial testing geographies of Ganjam and Sambalpur.

The PMU will provide support to the applicant on liaising with Mission Shakti, facilitate exchange of data, documents, clarifications, share insights from other interventions on-going in the state and support on execution of project activities. The PMU will work closely with all the programme partners and support the applicant in coordination and engagements under the project. The PMU established by FH will support and work along with the applicant's team in the districts of Ganjam and Sambalpur only. Once the model is stabilized, the applicant is expected to scale up the interventions in a phase wise manner to all other districts of the state. The PMU will provide support limited to facilitation of data, documents, clarifications with Mission Shakti in the scale-up in other 28 districts.

The applicant/ consortium will work together with UNCDF in a joint effort to establish financial Service Marketplace for the SHG women in Odisha.

**Inquiries to this request for applications may be submitted by email to [financial.health@uncdf.org](mailto:financial.health@uncdf.org) and [uncdf.rfa@uncdf.org](mailto:uncdf.rfa@uncdf.org) by 15<sup>th</sup> July 2022**

**All applications must be submitted by 23:59 hours (IST) on 24<sup>th</sup> July 2022 using the UNCDF e-investment platform:**

[https://apply.uncdf.org/prog/eoi\\_financial\\_service\\_marketplace\\_under\\_the\\_mission\\_shakti\\_living\\_labs\\_programme](https://apply.uncdf.org/prog/eoi_financial_service_marketplace_under_the_mission_shakti_living_labs_programme)

## Background

Women entrepreneurship is vital to India's inclusive growth yet only 21.5 percent of the Indian entrepreneurs are women. Most women-led enterprises are run informally as one-person entities with unpaid family support, generate low income and employment, and on many occasions are controlled by the male household head. Research suggest that women-owned enterprises continue to lag their male counterparts in terms of their size, profitability, formality, scalability, and resilience to shocks.

While all entrepreneurs face significant challenges, women-led enterprises face disproportionate barriers as a result of gender-discriminatory social and cultural norms that often limit women's mobility and social networks limiting their scope of expanding their business. Moreover, constraints on access to finance and digital access,<sup>1</sup> high unpaid care burden and time poverty, lower access to productive assets, limited entrepreneurial networks, and lack of confidence in business skills are critical factors that inhibit women's entrepreneurial journey.

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<sup>1</sup> Gender gap in India in mobile phone awareness is 21%, mobile phone ownership is 20%, and mobile internet usage is 50%

Access to finance and markets is a key barrier to the growth of women-owned businesses- 90 percent of financing requirements of women-owned enterprises in India are met through informal sources. The reasons inter alia, lack of collateral and prevalent institutional perceptions that consider women-led enterprises to be high-risk segments.<sup>2</sup> This is despite the fact that women borrowers have stronger repayment track records, with 30-50 percent lower non-performing loans and are more likely access two to three times more products as compared to their male counterparts.

In a nutshell, the highlighted barriers prevent women in India from starting and growing businesses and thereby limit their ability to catalyse innovation to drive productivity, create jobs, and generate solutions for inclusive growth, and advancing India's Sustainable Development Goals (SDGs).

### Introduction- Mission Shakti

State Government of Odisha has mobilised 70 lakh women into 6 lakh women Self Help Groups under Mission Shakti Programme, the main purpose of the programme is to increase incomes and ultimately, the quality of life of rural, low-and-moderate income women in the state. The programme aims to empower women entrepreneurs socially and economically through better credit and market linkages by organizing them in self-help groups (SHGs). Economic activities through SHGs significantly supplement women's incomes, subsistence farming or other activities, and this has led to increase in monthly income of these women.

Through joining there local SHG groups several benefits are provided to these women under the programme. Being part of the women SHGs and through SHG-bank linkage initiatives, almost all women members have access to a bank account in the nearest bank branch. Furthermore, to ease access to financial services, SHG leaders are encouraged and supported to take the role of business correspondents. To support and undertake the mission activities at the grassroots level several community cadres (Bank Mitra, Master Bookkeepers, Community Resource Persons, Active women, Krishi Mitra, Prani Mitra etc.) are created under the mission, most of these community cadres are existing member of women SHGs who are further trained on specific subjects.

Through joining SHG, The SHG model aims to inculcate the financial management behaviour within the SHG women by providing financial inclusion support to the group. All the women in a SHG group do monthly saving in their group's corpus fund, do internal lending to the group members for which they charge a small amount of interest, repay their bank loan instalments, and are trained to do bookkeeping for recording their financial transactions. By undertaking these activities SHG women develop basic financial management knowledge and skills.

The mission provides handholding support to the SHGs for mobilising credit from their local bank to enhance their existing livelihoods or taking new livelihoods activities. For the strengthening of institutional and entrepreneurial capacities of these SHG women regular rounds of training on financial management, enterprise development, livelihoods enhancement, new livelihoods opportunities, information on government schemes on livelihood promotion, trade-wise livelihood trainings etc are provided under the Mission

Understanding the importance of digital inclusion in the social and economic development of last mile stakeholders. For digital inclusion of SHGs women under the mission, state government has taken proactive steps of providing grants to each SHG group and community cadre for buying smartphones. Government has provided digital empowerment assistance fund to all the SHGs so that each SHG group shall have a at least one smartphone.

Many women SHGs have graduated from a micro to small-enterprises, and they look forward to new markets, innovative financial products, and technology-enabled business expansion as the next organic step in the entrepreneurial growth trajectory. It is cognizant from the coverage and scope of the programme that Financial Service Marketplace can be established in a business model for the community owned producer company with optimal technical support and expertise.

However, there exist significant barriers hindering women SHGs to pursue business expansion opportunities, which lead to improved financial health outcomes, and include:

- Lack of financial products and delivery channels (including one that allows for income diversification/market connect) tailored to women needs
- Women limited digital (finance) literacy to access technology for migrating businesses to digital marketplace platforms
- Limited asset ownership leading to credit access issues from banks

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<sup>2</sup> [http://microsave.net/files/pdf/Improving\\_Access\\_to\\_Finance\\_for\\_Women\\_owned\\_Businesses\\_in\\_India\\_IFC.pdf](http://microsave.net/files/pdf/Improving_Access_to_Finance_for_Women_owned_Businesses_in_India_IFC.pdf)

- Limited efforts by involved stakeholders to improve women's awareness of financial products and services
- Limited efforts made to understand the overall impact of the financial interventions on financial health of women, and use results to inform policies and products

### **Mission Shakti Living Labs: Shifting focus from financial inclusion to financial health-centric solutions**

Globally, governments, central banks, and financial service providers have accelerated financial education and inclusion with the belief that providing these solutions is critical to improving financial health (wellbeing), including that of women. However, even as access and usage of formal finance increases, the focus on understanding improvements in people's financial lives remain limited to a few high-income countries<sup>3</sup>. With COVID-19 pandemic putting the financial wellbeing of individuals, communities, and by implication, entire countries at stake, there is an increasing need to shift policy focus towards financial health. See

for UNCDF's definition of financial health.

In partnership with Government of Odisha, UNCDF has set up the Mission Shakti Living Lab in the state that aims to understand and improve the financial health of women entrepreneurs by designing and rolling out a suite of financial health-centric (digital) products and tools. The aim is to achieve this by better understanding women's financial lives, business needs and aspirations, market barriers and prevailing social and cultural norms that prevent women from pursuing and/or expanding businesses. It also seeks to define financial health in the local context and create a financial health index to assess the impact of specific interventions.

Research suggests that financial behaviour particularly, active saving, moderate borrowing, restrained spending, and deliberate planning for future, and socio-economic environment influence individual financial health. We aim to influence these financial health determinants through a single, or a combination of below financial health (digital) interventions:

- Increase in savings both short term and long term for women in SHGs
- Increase in options of capital and resources (such as credit) designed to address the needs of individual women and women-led enterprises
- Increase access to tools for financial planning like insurance, investments, etc.

SHG linkage into the digital platform economy specially aimed to diversify income opportunities through improved market access

### **Financial Service Marketplace**

Financial Service (FS) marketplace aims to provide access to essential financial products and services (saving, insurance, pension, credit etc.) targeted towards SHG women and low and moderate-income households in the state to improve their overall financial health. It will also aggregate the data points of the financial transactions performed by the users to provide data driven personalized financial recommendations and nudges which are expected to improve financial management capacities of the users. The marketplace will be linked through a wallet service to its users to undertake their financial transactions digitally. The development of the Marketplace will require identifying and fostering partnerships with groups of financial institutions/banks, linkages with government schemes and programme and establishing or strengthening existing Business correspondent networks functional in Odisha. The key functional components of the Financial Service Marketplace are mentioned below:

#### **1. One stop avenue for financial services**

The marketplace would provide SHGs a single point access to various financial services products. These would be:

- Savings products – short and long term
- E- Insurance
- Credit
- Pension
- Payment

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<sup>3</sup> Primarily USA, UK, Australia, Norway, Canada

These products will be customized for the cultural and on-ground context of Odisha. They will be tweaked or developed to suit the requirements of SHGs and low-and-moderate income households. FS Marketplace will provide a common gateway to different financial institutions to offer products and services at last Mile. This would involve addressing the needs of women as individuals, households, and enterprises. The project will also seek to integrate the delivery of various financial schemes of the government through this common marketplace. The data aggregator model will provide essential insights to the service and products provider to roll out targeted products as per the requirement of the users.

This marketplace should have at least the following features:

- Integration with other Mission Shakti Platform under the Mission Shakti Living Labs (the E-commerce marketplace, integration with Mission Shakti wallet for transactions beyond the marketplace)
- Interface in English, Hindi and Odiya
- Human centered design for ease in use and understanding
- Linked to a payment system of the E-commerce marketplace (another platform under the program)
- Ability to provide data insights for alternate credit assessment. These insights should be guiding tools for better financial decision making. (Example refer footnote <sup>4</sup>)
- White-labelling of the platform
- Integration of financial services products and services into the marketplace as per agreement with UNCDF and Mission Shakti

## 2. Common payment interface (digital wallet/ card or any other solution)

The marketplace would be integrated with a payment interface that can make it sustainable as an independent business unit. It would be ideal if it allows the embedment of existing bank accounts used by the consumers. The payment interface in the marketplace would allow the users to undertake their transactions digitally, this will also create essential data points for understanding the user-wise financial behaviors. The payment interface will be integrated with the E-commerce Marketplace (the other digital intervention to be launched under the Mission Shakti Living Labs) to receive payments transactions made on the E-commerce Marketplace.

It will be desirable to connect the interface with an account aggregator that will allow bringing together the transaction data under different products and services to a common point. The deployment of a singular marketplace is to be combined with creating new or strengthening the existing, Cash In Cash Out (CICO)/ Banking Correspondent (BC) / Customer Service Point (CSP) channel for last mile delivery. This would take the services under the marketplace to end customers and create livelihood opportunities.

It is also envisaged that in the later phase of the programme other remittances which may include subsidies, grants, and schemes benefit of the government schemes and programmes may also be routed through the payment interface of the Financial Service Marketplace.

## 3. Training and capacity building on Financial Service Marketplace

Capacity building and imparting trainings is a quintessential component of the project. The deployment of the Financial Service marketplace will require building the capacities of field agents, SHG women and their households and other stakeholders so that they acquire the requisite knowledge and skill to effectively use the digital platform. The applicant will have to cater to distinct training modalities- first will be aimed at agents on ground and second for the end-user which include SHG women and households.

These training will focus on how to effectively use Financial Service Marketplace with introduction to all the features and functions of mobile application. These training would also cover practical hands-on experience session on the mobile application by the participants.

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<sup>4</sup> For example, DBS has a NAV planner that provides a) One-stop financial planning tool to track, protect and grow your money confidently in a way that works for the individual; b) Gets all the individual's money in one place to make them see the big picture on finances, even the parts that are not with DBS; c) Provides personalised financial advisory; d) Get curated investment picks to support individuals to work towards goals with tips and insights that are customised; e) Supports multiplication of individual's money, in the way suitable for them. Source: <https://www.dbs.com.sg/personal/deposits/digital-services/nav-planner>



The trainings would be highly contextualized for the SHG women in simple training methodologies and material in Odia. Some of the capacity building exercises can include and others be suggested based on global and India specific lessons:

- User interface-wise digital training Modules in English and Odia
- Short video clips on how to use different features of the marketplace in Odia language
- Flyers and innovative marketing products showcasing the features of the applications that will allow users to revise the processes of using the marketplace
- Online and self-learning modules to understand the features
- SOPs and FAQs to help navigate the app

#### 4. Establishing and strengthening CICO/ BC/ CSP channels

The deployment of a singular marketplace would be combined with setting-up or strengthening the CICO/BC/ CSP channels at last Mile, which shall take the marketplace and services under the marketplace to end customers and create entrepreneurship opportunities for women in rural areas.

Last mile delivery networks are expected to provide end users an alternative to travel to their nearest bank or ATM to do financial transaction. The applicant can leverage the existing cadres and networks that exist in the state. Through the proposed approach the applicant must provide an overview on how they would leverage or establish last mile networks.

It is expected that a sustainable and commercially viable incentive structure will be proposed and executed by the applicant to ensure there is a constant and sizable incentive for the field agent to support this work. These agents can be fixed in certain locations or can travel to various locations. The applicant must look at the best option depending on the economies of scope in each location.

Liquidity management is another key and crucial aspect in the success of any last mile network, the applicant must provide solutions and processes to ensure there's sufficient liquidity at the village level.

#### Resource Mobilization

UNCDF has a core global team that is overseeing the strategy and implementation of the Mission Shakti Living Labs programme. It is in process of setting-up a PMU based out of Odisha, the PMU will work closely with the all the programme partners and support the applicant in coordination and engagements under the project. The PMU will support and work along with the applicant's team in the districts of Ganjam and Sambalpur as an extension of the applicant team.

The PMU will assist the applicant in the scale-up once to other districts of Odisha. However, it is the applicant's responsibility to scale up the interventions in a phase-wise manner to all districts of the state. The PMU will provide support limited to facilitation of data, documents, clarifications with Mission Shakti in the scale-up in other 28 districts.

The applicants are encouraged to co-fund the cost of setting-up and implementing this marketplace. The applicant can get additional donors, social investors, existing investors and other funding partners as part of their consortium to fund all or some activities of their proposal. The applicant is expected to mobilised funds/resources and/or foster partnerships as required for scaling the marketplace to other districts in the state.

#### Key deliverables and timelines

Timeline	Deliverable milestones
August 2022	Development and endorsement of the blueprints for Financial Service Marketplaces and Revenue generation model (business model)
October 2022	Development of white-labelled Mission Shakti Financial Service Marketplace mobile applications (can also choose to add a website version) and online dashboards
October 2022	Integrating or establishing a payments interface for the financial services marketplace



October 2022	Integrating or establishing a payments interface of financial services marketplace with the E-commerce marketplace of Mission Shakti
May 2023	Setting up of last mile field agents to provide services of the financial services marketplace. (new cadres can be established or existing can be leveraged)
November 2023	Development of toolkit, implementation and monitoring and implementation plan for undertaking capacity building and training of the field agents, SHG women and households on using the financial Service Marketplace
October 2022	Roll-out of financial services marketplace in Ganjam
November 2022	Roll-out of financial services marketplace in Sambalpur
March 2024	Roll-out of financial services marketplace in all 30 districts of Odisha
December 2022	Onboarding on 5,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services
March 2023	Onboarding on 1,00,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services
December 2023	Onboarding on 7,00,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services
June 2024	Onboarding on 14,00,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services
September 2024	Onboarding on 24,50,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services
March 2025	Onboarding on 35,00,000 SHG members and low-moderate income households on Financial Service Marketplace for ensuring they gain access to Innovative digital financial services

### Eligibility and Evaluation Criteria

Only applications that meet the eligibility requirements and the minimum criteria for submission will be considered:

#### Eligibility Requirements

1. The applicant/lead applicant must be a registered organization (includes for-profit firms, universities, think tanks and non-profit organizations) and have legal status to undertake the activities as above if it falls in regulatory domain.
2. The applicant/lead applicant must have a local presence in India either through a registered entity or a branch office.
3. Applicants may apply independently or in a consortium.
4. The applicant/lead applicant must have been in operations for at least three years and must be able to furnish statutory accounts and audited financial statements for at least three years.
5. Applicants shall not have been the subject of bankruptcy, liquidation, judicial settlement, safeguarding, and cessation of activity or any other analogous situation resulting from a similar procedure.

6. Applicants, any of their staff members or their board of directors shall not be included in the United Nations financial sanctions lists<sup>5</sup>, particularly in the fight against the financing of terrorism and against attacks on international peace and security.
7. Applicants **must not** be involved in any of the following activities(cite):
  - Manufacture, sale or distribution of controversial weapons or their components, including cluster bombs, anti-personnel mines, biological or chemical weapons, and 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, or 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.
  - Use or toleration of forced or compulsory labour.
  - Use or toleration of child labour.
  - 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 certificates of compliance with the tax authorities and any other documentary evidence that might be requested by UNCDF besides the application form.

#### Evaluation Criteria

The Evaluation Committee will score the applications according to the below evaluation criteria. The evaluation will follow the combined scoring method:

Rating the Technical Capability (TC):

Criteria: Demonstrated experience and team capabilities in	Maximum score
Legal capability and compliance for the applicant/ consortium to undertake the tasks of the EOI	10
Demonstrated ability to create digital marketplace	10
Demonstrated ability to deploy payment system of the lead applicant or a firm in the consortium	10
Demonstrated ability to train field agents, SHG women and households on the marketplace by the applicant or a firm in the consortium	10
Ability of the payment infrastructure of the financial services marketplace to integrate with e-commerce marketplace and an account integrator for insight generation	10
Sustainability and commercial viability of the marketplace and field agent incentives	10

TC score = total score obtained from above technical evaluation

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<sup>5</sup> <https://www.un.org/securitycouncil/sanctions/information>

## Rating the Organization's capacity (OC):

Organization's capacity	Maximum score
Applicant/ lead applicant/ at least one consortium partner has office and human capital in India	10

OC score = total score obtained from above organization capacity evaluation

## Rating the Financial Proposal (FP):

Financial Proposal capacity	Maximum score
Financial sustainability of the proposal	20
Applicant or consortium's co- contribution resources towards the project cost (own funding or through donors, social investors etc.)	10

**Total score: TC score + OC score + FP score**

Due diligence on the applications and applicants that receive the minimum qualifying technical and organization capacity score of 70 of 100 will be conducted by the Financial Health Programme's review team members. Applicant obtaining the highest Total Score will be selected.

**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 organization applying for the grant. Consulting services must be justified, with information provided on their expertise, primary organizational 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

**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

## Application Requirements and Timeline

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### Structure of the application

- The applicant must submit a complete application form according to Annex 1 (Submission Letter), Annex 2 (Technical Proposal) and Annex 3 (Budget of the Action).
- In Annex 2 or the technical proposal, applicants are expected to include the following:
  - Detailed research design and methodologies for all three Activities including research questions outlined in the learning agenda and that includes sampling plan, survey methods, data sources, data handling protocols, and ethical considerations
  - Risks and mitigation strategies
  - Resourcing requirements and a workplan/roadmap for the full duration of the programme
- In addition to the 'Submission Format' the applicant must supplement the submission with:
  - Audited financial statements for the past three years;
  - Certificate of incorporation of the applicant/lead applicant;
  - Detailed budget;
  - CVs of the team involved highlighting research-related experience;
  - List of the similar research projects completed by the applicant

All submissions must be completed in English.

Only applications that follow the Submission Format and include all the necessary documentation will be considered for further evaluation.

### Submission of the application

Inquiries to this request for applications may be submitted by email to [financial.health@uncdf.org](mailto:financial.health@uncdf.org) and [uncdf.rfa@uncdf.org](mailto:uncdf.rfa@uncdf.org) by 15-July-2022. The subject line of the email should be: EOI – Financial Services Marketplace for Mission Shakti Labs.

All applications must be submitted by 23:59 hours (IST) on 24-July-2022 to UNCDF using the UNCDF e-investment platform:

[https://apply.uncdf.org/prog/eoi\\_financial\\_service\\_marketplace\\_under\\_the\\_mission\\_shakti\\_living\\_labs\\_programme](https://apply.uncdf.org/prog/eoi_financial_service_marketplace_under_the_mission_shakti_living_labs_programme)

FAQs for the EOI will be uploaded on UNCDF website: <https://www.uncdf.org/article/7766/financial-services-marketplace-for-mission-shakti-living-labs>

The submission shall include the following documents duly completed:

- Annex 1: Submission Letter
- Annex 2: Technical Proposal
- Annex 3: Budget Action
- Other attachments

### Application Timeline

10 <sup>th</sup> June 2022	Application window opens
15 <sup>th</sup> July 2022	Deadline to seek clarification on the EOI
24 <sup>th</sup> July 2022	Submission deadline
24 <sup>th</sup> Aug 2022	Announcement of results

### Selection Process

The evaluation committee will follow the following steps explore potential solutions for this EOI:

Step 1: Eligibility Screening	Eligibility will be assessed by the UNCDF's internal or external review team members according to the eligibility requirements as set forth in eligibility section.
Step 2: Evaluation of eligible applications by the Evaluation Committee	The Financial Health Programme's Evaluation Committee will evaluate the applications based on the evaluation criteria set out.
Step 3: Due diligence	Due diligence on the applications and their applicants will be conducted by 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: Invitation to apply for the next stage of partnership	The selected applicants will be invited to apply for the next stage.