**UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)**

**JOBS, SKILLS AND FINANCE (JSF) FOR WOMEN AND YOUTH PROGRAMME IN THE GAMBIA**

**Development and management of a crowdfunding platform** **for youth and women**

**Request for application (RfA)**

Deadline for submissions: 6 November 2019

1. **Background**

The United Nations Capital Development Fund (UNCDF) has a unique financial mandate within the United Nations system and has a proven track record in inclusive finance and local development finance. Since 2010, UNCDF has been actively contributing to the development of an inclusive financial sector for disadvantaged groups (youth, women, rural populations) in sub-Saharan Africa. UNCDF is leveraging its expertise from 2 flagship programs for The Gambia: The Local Climate Adaptive Living Facility (LoCAL) which combines performance-based climate resilience grants (PBCRGs) with technical and capacity-building support to provide demonstration effects to trigger further flows for local adaptation, including national fiscal transfers and global climate finance for local authorities, through their central governments; and YouthStart (YS) Programme which supports youth financial Inclusion to better manage school-to-work transitions and access economic opportunities and to increase access to finance for low-income youth in Least Developed Countries, by developing approaches to offer youth tailored financial and non-financial services.

UNCDF is bringing its expertise in promoting green and climate resilient communities and in financial inclusion, in support of job creation, under the **“Jobs, skills and finance (JSF) for women and youth in The Gambia 2018 - 2022”** programme funded by the 11th European Development Fund. This programme will contribute to stabilizing the economic, social and security situation of the country during the democratic transition by facilitating social inclusion and employment of the youth and women, with a specific emphasis on promoting gender equality and addressing climate change. It will do so through two components:

* Component 1: Job creation for the youth, women and local communities and equal access to employable skills development.
* Component 2: Improved access to finance

Under Component 2 (access to finance), UNCDF wants to test and/or scale up innovative financial services: innovation to accelerate the process of asset accumulation and access to finance for the creation/expansion of economic opportunities for the beneficiaries is at the core of UNCDF’s strategy for this action.

1. **Rationale**

UNCDF believes that there are ways in which we can use technology as a more efficient delivery channel for financial and non-financial services for vulnerable groups: Technology holds indeed some promise to help contribute to innovative and efficient solutions. The spread of connectivity enables youth to connect as never before. The combination of smart technology and connectivity offers an opportunity to bundles the services needed: information, training, remittances, payments, savings and credit – especially since youth are considered “early adopters” of technology. DFS products can be tailored to youth needs and combined with financial literacy applications / SMS or gamification techniques to encourage more responsible financial management behaviors early on. **Crowdfunding and Peer-to-peer lending platforms, in particular, offer alternative financing options for youth entrepreneurs’ access to seed capital. With many young entrepreneurs looking to family and friends for start-up funds for their businesses, crowdfunding offers the possibility of pooling these funds in a formal structure and building a financial history which will allow FSPs to better engage these entrepreneurs.** Whileinternational crowdfunding platforms are abundant, they do not seem targeted to specific country context, especially those LDCs like The Gambia: just to name a few, payment systems available on international platforms restrict contributions originating in lower-income countries**[[1]](#footnote-2)** or do not detect informal flows at the household level, for example. Internal research shows that existing solution do not often include training and country-specific marketing strategies to ensure uptake and usage of disadvantaged segments. Also, when it comes to pay out the campaigners, international platforms do not have specific linkages with financial services providers that offer tailored financial services to poor youth, resulting in a vicious cycle of financial exclusion. This is why UNCDF want to test a new integrated approach tailored to the Gambian context to ensure access and usage of new innovative platform that combines different way of raising funds while ensuring a training component for those segments (both in-country and from diaspora) that are not familiar with these innovations. As such, UNCDF believes crowdfunding could help FSPs tap into an innovative mechanism to improve lending decisions, lower collateral requirements and interest rates to potentially overcome the barrier of serving underserved market segments, particularly youth. It is within this context that UNCDF want to test a crowdfunding platform in the Gambia through the Jobs, Skills, and Finance Programme to help young entrepreneurs in their financing endeavors.

1. **OBJECTIVES OF THE REQUEST FOR APPLICATION (RFA)**

The purpose of this RFA is to select a **qualified technical partners (FinTech, consulting firms, technical providers, non-profit organizations, training providers etc.) committed, ready and able (i) to develop and manage a crowdfunding platform or (ii) scale up/expand if the solution is already existing for young entrepreneurs and self-employed youth in Gambia**. The objective of the platform is two-fold: (i) it will to help diaspora channel their investments into youth and women-led MSMEs and (ii) will help Gambian youth and women pool start-up funds and/or access investments for the businesses/economic activities while connecting them to a local financial services provider (FSP) so as to help youth build a relationship with an FSP. UNCDF is looking for a partner able to:

1. source the beneficiaries for the platform (i.e. through incubators, FSPs, TVETs etc)
2. identify key potential local financial providers to join the platform and complement the funds raised with additional financial services and matching funds (loans, equity, etc)
3. develop/adapt a peer-to-peer platform with android and USSD compatibility (iOS desirable) and able to propose both donation-based and lending-based options
4. provide training to the youth so that they acquire the skills to fully use the potential of the platform (e.g. to “pitch” their business to investors)
5. design activities of outreach campaigns to create trust and awareness among potential users and the general public, both in-country (North Bank, Lower River, Central River and Upper River regions) and abroad (diaspora).
6. Design a business model to be scaled up and self-sustainable by the end of the project.

The platform will first be tested with a sample of beneficiaries participating to the C4W activities (up to 200 beneficiaries) with the objective of giving them an alternative tool to mobilise funds for their future endeavours, it will then be scale up with other beneficiaries of the Programme in targeted regions.

The learning questions that UNCDF would like to address with this project are:

|  |  |
| --- | --- |
| **Learning Questions** | **KPIs** |
| What is the impact of crowdfunding platforms on vulnerable segment in mobilizing funds? | Financial flows received |
| How does crowdfunding help FSPs in de-risking investing in the youth and women segments? | New clients; default rates of targeted clients |
| What are the complementary non-financial services needed for the crowdfunding platform to be successful for youth and women? | Evaluations, participant surveys |

1. **PROJECT IMPLEMENTATION AND DELIVERABLES**

Partners are expected to be engaged in the following activities and expected deliverables:

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| **Main activities** | **Deliverables** |
| **Stage 1: Market research and Business Plan**  Depending on the approach used, the partner will conduct market research and develop the business plan for the development or scale up of an existing crowdfunding platform in Gambia. The partner should develop the financial model outlining the payment structure to be used to donate/lend and pay out (i.e. fees to be paid for the platform, fees to investors, etc.). The selected partner will work closely with financial service providers and payment platforms to identify how the platform will feed into the FSPs system. During this stage, the partner needs to identify 1) key diaspora countries 2) modules to build the skills of the youth to make their pitch for funds and 3) marketing strategies to ensure uptake and usage. | **Stage 1: Market research and business plan**   * Market Research Report * Business Plan including financial modelling |
| **Stage 2: Prototype development**  The selected partner will be expected to develop or to adapt their existing platform to the needs of women and youth and to the Gambian context. Please make sure you highlight the cost of technology (development), adaptation to the country context (branding, contents development, training modules, etc) in your proposal. | **Stage 2: Prototype development**   * Prototype of the platform for review by UNCDF or transition plan for an existing platform * Branding of the platform and awareness/marketing plans |
| **Stage 3: Testing, adaptation and Iteration**  During this stage, the selected partner could first test the platform with youth and women from the C4W component as user experience testing methodology is required. At the end of the test, the partner will improve the platform based on the youths’ experience and UNCDF feedback. A second launch with youth and women in other regions of the programme will be scheduled before the platform is made available across the regions of intervention. | **Stage 3: Testing, adaptations and Iteration**   * Report highlighting the results of the field test and the changes made to the platform * Final Platform Design Brief |
| **Stage 4: Launch, marketing and deployment of the Platform**  The selected partner will ensure the platform is launched and deployed in the 4 targeted regions. The selected partner will also be responsible for marketing of the platform with the youth and the women, investors in Gambia and outside (Diaspora). The marketing plan should incorporate a country-wide social media campaign. The platform should be capable of handling at least 2,000 campaigners in its first year and no less than 15,000 beneficiaries in the selected regions in Gambia after 3 years. Ownership of the platform should be clearly articulated in the proposal along with how the selected partner intends its continuity post-UNCDF granting. | **Stage 4: Launch, marketing and deployment of the Platform**   * Reporton platform’s deployment per region in The Gambia * Marketing strategy to attract users and investors * Quarterly reports on key metrics on platform usage |
| **Stage 5: Monitoring, quality assurance of the scale up and supporting learning agenda**  The selected partner will develop scale up the platform country wide and will monitor results in line with UNCDF’s learning agenda and should include all relevant information (behavioural data, financial flows) that help project partners to answer the learning questions. | **Stage 5: Monitoring, quality assurance and supporting learning agenda**   * Quarterly reports on key metrics on solution usage segregated by sex, by age, type of business, geography etc. * Case studies on the beneficiaries of the platform |

1. **Partner selection process**

***UNCDF will screen the candidates using the criteria below:***

* Any type of organization (commercial for-profit firms, educational institutions, and non-profit organizations) qualified to perform the required services may compete for this contract is eligible to compete
* At least 6 months in operations
* Demonstrable experience developing and running crowdfunding platforms particularly in a development context, for development organisations, and in developing countries
* Experience developing similar platforms in sub-Saharan Africa
* Have confirmed human resources to cover all planned/required activities;
* Provide high value for money for UNCDF (total budget/total number of youth and women reached)
* Provide high added value for Gambian providers (FSPs, training organizations, payment providers) and increase partnerships with local organizations
* Profitability of the platform and business model to sustainably offer the services

***A tentative calendar of the selection process is as follow***

1. October 16/10/19: Launch of the RFA
2. October 31/10/19: deadline to submit questions to [jsf.gambia@uncdf.org](mailto:jsf.gambia@uncdf.org)
3. **October : 06/11/19: deadline for submission of RFA application**
4. Expected launch date of activities: January 2020

***Agreement Parameters***

Duration: 3 years

Agreement size: up to US$500,000

***Submission procedure:***

* Proposals must be sent by email to [jsf.gambia@uncdf.org](mailto:jsf.gambia@uncdf.org) , mentioning the subject of the message "***Crowdfunding Platform for UNCDF JSF Programme*** ";
* All applications must be sent in English and in Word and the budget in Excel
* The deadline for submitting applications is ***6 November 2019***
* Submit a complete application following the instructions (Annex 2)
* Detailed budget with cost of platform development (technology), training and related activities with beneficiaries and support services

**Please make sure your application meets all the criteria for selection and eligibility before submitting** and includes all the documents required:

1. Cover letter in annex 1, providing written confirmation that the organization has reviewed UNCDFs grant agreement template (available upon request) and is ready to sign it without revision to the standard language
2. Application form duly filled in (Annex 2)
3. Supporting documents:
   1. Financial statements for the past three (3) years with a letter from management.
   2. Letter from the Executive Director, President and CEO or Board of Directors of the applicant organization, expressing their commitment to participate in the process.
   3. CV of staff who will be involved in this program
   4. Article of Association

**Only complete applications will be considered. Please make sure that ALL annexes are submitted**

**APPENDIX 1: Template for the application**

**[Insert: location]**

**[Insert: Date]**

**To: Maria Perdomo, Youth Finance Global Specialist**

**Dear Madame:**

[

We the undersigned *[insert: name]* as candidates for the **Development of a Crowd-Funding Platform for Youth in The Gambia** project in accordance with your Call for Expressions of Interest dated *[insert: date].* We present our application, which includes the technical proposal.

We hereby declare that:

a) All information and statements made in this application are true and we accept that any misrepresentation contained therein may result in our disqualification; and

b) We have no outstanding bankruptcy or ongoing litigation or any legal action that could adversely affect our business

We confirm that we have read, understood and accept the duties and responsibilities that are requested in this request for Application (RFA), as well as the standard language of UNCDFs performance-based agreements (PBAs), including the public good requirements and knowledge products to be shared. Therefore, if our request is accepted, we will be ready to sign and accept the legal language, without modification, of the UNCDF Grant Agreement (PBA).

We fully understand and acknowledge that UNCDF is not obliged to accept this request, that we will bear all costs associated with its preparation and submission, and that UNCDF will not be responsible for these costs, regardless of the conduct or results evaluation.

We remain at your disposal,

Regards,

Authorized signature [In full and initials]:

Name and title of the signatory:

Company Name:

Contact Details:

[Please mark this letter with your corporate seal, if available]

**ANNEX  2 : Application Form**

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| **SECTION 1: GENERAL INFORMATION ON THE CANDIDATE** | |
| Exact Name of the Organization (as it will appear on the agreement): |  |
| Type of Organization (for example, for-profit commercial enterprise, non-profit organization, etc.): |  |
| Country of registration: |  |
| Year of registration: |  |
| Actual or intended Country/ies of Registration/Operation and number of staff in each country |  |
| Please name your external auditors |  |
| In case of Joint Venture (JV), legal name of each party |  |
| Are you in the UN Ineligibility List? ☐ YES or ☐ NO |  |
| Attached are copies of original documents of:  ☐ Financial statements for the past 3 years duly certified by a public accountant  ☐Letter from the applicant organization’s executive director, CEO, or board, expressing its commitment to the execution and participation in this process.  ☐Complete CVs of all the team members involved in the assignment  ☐ Staff time allocation spreadsheet per activity  ☐Evidence of similar platforms produced under similar assignments (this can be links in a website, for example). |  |
| Licensing model of the Applicant (if applicable):  Please specify the cost structure of the licensing models to access the platform that will be created. |  |
| Please note if your organization is receiving technical assistance services from other donors, which are the areas of intervention, if there are opportunity for synergies or risk of overlapping |  |

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| **SECTION 2: DESCRIPTION OF THE ORGANISATION AND STRATEGY** | |
| Type of organization | *[Outline if it is a private or public entity, Fintech, NGO and/ or donor agency]* |
| Business Model | *Please provide a brief outline of the business model (Max 20 lines] Explain the value proposition*  *[When describing the value proposition, explore the various dimensions. ]*   1. *Product and services offered* 2. *Customer segment served/intended to be served* 3. *Marketing strategies* 4. *Complementary non-financial services for the platform* 5. *Financial model and key sources of revenues and expenses (brief description)* 6. *Partnership established with other entities]* |
| Vision plans regarding expanding and improving products and services in Gambia | *[Outline DFS vision and mission. How the your institution wants to expand and how this project can support your expansion and quality of services provided]* |
| Key figures in the past three years of operations [in case it is a start-up, provide current figures and projections].  Explain also if your institution can provide sex and age disaggregated data on platform users. | [In this section, you are expected to complete the table with the relevant ops and financial indicators and then making a brief analysis, by explaining any variation of those indicators. If platform users reduce or increase dramatically, if number of active merchants is much lower than registered merchants etc.]     |  |  |  |  |  | | --- | --- | --- | --- | --- | | **#** | **Main Performance indicators\*** | **2018** | **2017** | **2016** | | 1 | # of platform users |  |  |  | | 1.a | % of female users |  |  |  | | 1.b | % of users between 18 and 25 years old |  |  |  | | 2 | # of businesses that successfully raise funds |  |  |  | | 2.a | % of women-led businesses |  |  |  | | 2.b | % of youth-led businesses |  |  |  | | 3 | Volume of funds mobilised |  |  |  | | 2.a | Funds mobilised from diaspora |  |  |  | | 2.b. | Funds mobilised from domestic sources |  |  |  | | 4 | # of platform users receiving support services (i.e. training) |  |  |  | |  | Revenus |  |  |  | |  | ROA |  |  |  | |  | ROE |  |  |  | |  | Profit margin |  |  |  |   \*If in multiple countries, provide one table with the aggregated data and one table per country |
| Previous experience relevant for this RfA | *[Please describe your institution’s experience with crowdfunding platforms in particular in sub-Saharan Africa. If present in more than one country, please be specific].* |
| Rationale | *Outline any challenge your organization is facing to meet its business objectives and explain the reason why your institution is willing to work with UNCDF.* |
| Other grants and donors | *Outline in this section if your institution is receiving technical assistance services from other donors, which are the areas of intervention, if there are opportunity for synergies or risk of overlapping* |

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| **SECTION 3: APPROACH AND IMPLEMENTATION (max 3 pages) (if the work or part of it is delegated, please specify the rational, roles and responsibilities)** |
| 3.1. Approach to the Results Required: Please provide a detailed description of the methodology for how the organisation/firm will achieve project outputs, keeping in mind the appropriateness to local conditions and project environment. **Please be creative but make sure you take into consideration the specificities listed under “objective of the RfA”, section 2.** |
| 3.2. Activities and Timelines: The Applicant shall submit a Gantt Chart or Project Schedule indicating the detailed sequence of activities that will be undertaken and their corresponding timing, specifying timelines, and time devoted to each activity. **Please make sure you detailed the activities requested under section 3.**   |  |  |  |  | | --- | --- | --- | --- | | **Phase/Activity** | **Main Deliverables** | **Responsible Party** | **Planned date** | | **Phase 1- Activity 1** |  |  |  | | **Phase 1- Activity 2** |  |  |  | |
| 3.3 Plan to scale up the strategy proposed: please provide a tentative plan (“exit strategy”) to ensure sustainability and extend the platform once the grant agreement is over. |
| 3.4 Key Project Indicators: Please make sure you explain the hypothesis behind the projections. Add KPIs that you think are relevant for your proposal.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **#** | **Main Performance indicators** | **Y1** | **Y2** | **Y3** | | 1 | # of platform users |  |  |  | | 1.a | % of female users |  |  |  | | 1.b | % of users between 18 and 25 years old |  |  |  | | 2 | # of businesses that successfully raise funds |  |  |  | | 2.a | % of women-led businesses |  |  |  | | 2.b | % of youth-led businesses |  |  |  | | 3 | Volume of funds mobilised |  |  |  | | 2.a | Funds mobilised from diaspora |  |  |  | | 2.b. | Funds mobilised from domestic sources |  |  |  | | 4 | # of platform users receiving support services (i.e. training) |  |  |  | |
| **3.5 Key Project Risks**   |  |  |  |  | | --- | --- | --- | --- | | **Description of risk** | **Likelihood** | **Impact** | **Mitigation measure** | |  | High probability | Negligible |  | |  |  | Marginal |  | |  |  | Critical |  | |  | High probability | Catastrophic |  | |  | Medium probability | Critical |  | |  | Low Probability |  |  | |
| **SECTION 4: PERSONNEL (max 3 pages)** |
| 4.1 Team Members: Briefly describe the qualifications of at least 2 members of your institution who will be involved in this project (for example, financial services promoter for youth, director of market research or new products, etc.) |
| 4.2 Staff Time Allocation: Briefly provide the level of effort and time allocation of the staff members mobilized.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Project team** | | | | | | **Name** | **Function** | **Responsibility in the project** | **Full time/ Part time** | **Contact details (email/tel)** | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |
| 4.3 Qualifications of Key Personnel. Provide CVs for key personnel (team leader, management and general staff) that will be provided to support the implementation of this project. CVs must demonstrate qualifications in areas relevant to the outputs to be produced. CVs must not exceed 5 pages and should follow the format below:   |  |  |  |  | | --- | --- | --- | --- | | **Name:** | |  | | | **Position for this Contract:** | |  | | | **Nationality:** | |  | | | **Contact information:** | |  | | | **Countries of Work Experience:** | |  | | | **Language Skills:** | |  | | | **Educational and other Qualifications:** | |  | | | **Summary of Experience:** *Highlight experience in the region and on similar projects.* | | | | | Relevant Experience (From most recent): | | | | | **Period: From – To** | **Name of activity/ Project/ funding organisation, if applicable:** | | **Job Title and Activities undertaken/Description of actual role performed:** | | *e.g. June 2019-January 2020* |  | |  | | *Etc.* |  | |  | | *Etc.* |  | |  | | **Referencesno.1 (minimum of 3):** | *Name*  *Designation*  *Organization*  *Contact Information – Address; Phone; Email; etc.* | | | | **Reference no.2** | *Name*  *Designation*  *Organization*  *Contact Information – Address; Phone; Email; etc.* | | | | **Reference no.3** | *Name*  *Designation*  *Organization*  *Contact Information – Address; Phone; Email; etc.* | | | | **Declaration:**  I confirm my intention to serve in the stated position and present availability to serve for the term of the proposed grant agreement. I also understand that any wilful misstatement described above may lead to my disqualification, before or during my engagement.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature of the Nominated Team Leader/Member Date Signed | | | | |  | | | | |

**SECTION 5: BUDGET & DISBURSEMENT CONDITIONS**

The partner institution is asked to provide a detailed budget with a breakdown by cost and/or activity/phase and components. Budgets should be also provided in excel to verify the correctness of all formulas.

Please make sure you detail the cost for developing/adapting the platform, for training and related activities with beneficiaries and support services.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Cost component/ Phase** | **Unit/consultant** | **Unit price (USD)** | **Quantity/day** | **Total (USD)** |
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|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Total |  |  |  |  |

The budget needs to include the disbursement tranches. The disbursement tranches should be linked to the attainment of the KPIs (number of beneficiaries reached) the main deliverables mentioned in section 3 and the submission of the quarterly and quantitative report to UNCDF].

| **# of tranches** | **% of total loan/grant** | **Amount US$** | **Estimated date of Execution** | **Disbursement conditions for payment execution** |
| --- | --- | --- | --- | --- |
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|  |  |  |  |  |
| **Total Budget** | |  |  |  |

**SECTION 6: FINANCIAL CONTRIBUTION OF THE PARTNER INSTITUTION**

The costs that the partner institution will take in charge in addition to mobilizing dedicated human resources:

| **Cost category** | **Detail of partner’s contribution** |
| --- | --- |
| International travel |  |
| Domestic transportation |  |
| Workshop |  |
| Training material |  |
| In-kind |  |
| Other |  |

1. <https://www.covafrica.com/2017/02/crowdfunding-in-africa-opportunities-and-challenges/> [↑](#footnote-ref-2)