

Partner Questions Arising from LIFT’s Call for Proposal: Financial Inclusion

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| General | |
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| 1. | <p><i>Can the applicant (and therefore contract signatory) be registered in any country, or is the grant only open to entities registered in Myanmar?</i></p> <p>There is no requirement to be registered in Myanmar at the time of application.</p> |
| 2. | <p><i>Can the deadline of submission of the 23rd of March be extended? If not, would the evaluation committee accept an electronic submission on the 23rd of March and the hard copy sent on the same day, per courier?</i></p> <p>The deadline will only be extended if the Fund Management Office considers that an extension is required. This will be communicated on the websites. Sending hard copies on 23 March: This is acceptable as long as the date of sending indicates 23 March 2015 and the tracking number is shared with the FMO via email on the 23 March 2015. It is required to reach the FMO within 7 days.</p> |
| 3. | <p><i>We would like to meet with UNOPS and provide a presentation of our proposal, is this possible?</i></p> <p>Unfortunately, given the large number of applications and time restraints, LIFT is unable to take live presentations.</p> |
| 4. | <p><i>Can a private sector firm apply directly and use the proceeds to hire technical assistance from consulting firms and other partners?</i></p> <p>Proposals from the private sector are acceptable with the expectations that the grants will not be used for profit making purposes for the submitting firm.</p> |

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| 5. | <p><i>Approximately how many grants would LIFT prefer to sign, and what is the target funding per grant?</i></p> <p>LIFT will decide the numbers of grants based on the targets included in the proposals received.</p> |
| 6. | <p><i>"The Financial Inclusion Programme will target support to existing financial institutions in the central dry zone, the Ayeyarwady Delta, and the new and existing institutions in the upland regions..." Why are there specific distinctions of new vs. existing? What is the definition of new vs. existing?</i></p> <p>New financial institutions are defined as "start-ups"—currently not operational. Expansion of existing financial institutions (through branching) is not defined as "new."</p> |
| 7. | <p><i>For the "Work Plan" should this LIFT "Activity Work plan and Fund Request" format be used? (see: http://www.lift-fund.org/work-plan-activity-plan-and-fund-request)</i></p> <p>These templates are not required to be followed at the stage of submission of proposals. They can guide you in what LIFT will require in terms of details.</p> |
| 8. | <p><i>Can the Myanmar Foreign Trade Bank (MFTB) be used for funding transfers?</i></p> <p>It is possible.</p> |
| <p>Types of Activities and Coverage</p> | |
| 9. | <p><i>Which activities are funded under the financial inclusion programme- i.e. loan fund investment, programme operational costs, set up cost?</i></p> <p>Funding is possible for any or all of loan fund investment, operation costs and set-up costs.</p> |
| 10. | <p><i>Is LIFT calling for consultancy services to manage one/ two components/ the entire Financial Inclusion programme of US\$ 44 M?</i></p> <p>This Call is not for consultancy services to <i>manage</i> the programme, it is to <i>implement</i> the financial programme. LIFT will manage the programme and related grants.</p> |
| 11. | <p><i>Funds under market development assistance can be used for what purposes- i.e. both technical assistance and loan fund or just technical assistance?</i></p> <p>Funding under market development is possible only for any or all of technical assistance.</p> |
| 12. | <p><i>Are activities related to establishing Village Savings and Loans Associations (VSLA eligible under this call or will they fit into the general livelihood calls to come?</i></p> <p>VSLA activities are relevant to this call.</p> |

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| 13. | <p><i>Regarding mobilized savings, does LIFT have any requirements for the types, terms, and sizes of the IDAs offered?</i></p> <p>LIFT does not specify the terms for savings. It is the responsibility to the applicant to identify.</p> |
| 14. | <p><i>Regarding mobilized savings, is there a limit for how much LIFT will match each Individual Development Accounts (IDA)?</i></p> <p>There is no limitation. This depends on the implementation strategy of the applicant.</p> |
| 15. | <p><i>Regarding mobilized savings, can LIFT funds also be used to pay regulatory required interest on the IDAs?</i></p> <p>LIFT fund cannot be used to pay interest on the IDA.</p> |
| 16. | <p><i>Does the proposal need to cover the project in its totality (i.e. its five components) in all the three geographical regions, or we can propose for only some part of the overall project?</i></p> <p><i>Do proposed projects need to address or engage in all areas of the RFP? Or is it acceptable to address specific parts of the scope?</i></p> <p>You can submit proposals for the entire programme or for components of the programme.</p> |
| 17. | <p><i>Anticipating the follow-on RFP under the Delta 3 programme, is it okay to mention, in the application for this CFP, some activities (outside financial inclusion) that may be undertaken by the same organization, to make a greater impact?</i></p> <p>Yes.</p> |
| <p>Geographical Focus</p> | |
| 18. | <p><i>Should objectives be divided by geography and/ or component?</i></p> <p>Objectives can be disaggregated by geographical focus and/or programme component.</p> |
| 19. | <p><i>Would LIFT consider funding a proposal which does not include any of the focus townships?</i></p> <p>It depends on the activities proposed. For example, the proposal for training to microfinance institution may not require focus townships. However, for the proposal for microfinance services, it is better the specific geographical focus is mentioned.</p> |
| 20. | <p><i>How much detail on target townships is required, considering LIFT is yet to develop their uplands programme framework and to determine a geographic focus? Do applicants need to list proposed townships/ rural economic development hubs in the application?</i></p> <p>LIFT prefers proposals with specific geographical focus.</p> |

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| 21. | <p><i>How many townships/ rural economic development hubs is LIFT looking to fund in the uplands?</i></p> <p>LIFT will share this information on the website when the upland programme design is completed.</p> |
| 22. | <p><i>Which townships can be included in “Dry Zone, “Delta”, and “Uplands”?</i></p> <p>As mentioned in the Call for Proposals, the regions include but are not exclusively limited to the following townships: “ 1) Dry Zone, with a focus, though not exclusively, on six townships—Mingyan, Taungthar, Natogyi, Mahlaing, Pakokku and Yesagyo; 2) Delta, with a focus, though not exclusively, on four townships—Bogale, Labutta, Mawlamyinegyun and Pyapon; and 3) Uplands, with a focus on rural economic development hubs at the village tract and township level—communities where there are business clusters of traders, and small and medium scale businesses, government services, and infrastructure”</p> |
| 23. | <p><i>Is all of Shan State considered “upland”?</i></p> <p>Yes. However, LIFT’s upcoming upland programme will not cover all townships in Shan.</p> |
| 24. | <p><i>When does LIFT anticipate that the uplands work will start as development of the upland programme appears behind those of the other two areas?</i></p> <p>We will advise when the upland programme is finalised.</p> |
| 25. | <p><i>Can the bidders present proposals that cover only certain geographic areas or only a portion of the indicative budgets? (Example: a proposal that covers two components in two geographic areas for 50% of the indicative budgets of each).</i></p> <p>A proposal with focus on certain geographic areas with respective budget allocation is acceptable.</p> |
| <p>Partial Risk Guarantee Fund (PRGF)</p> | |
| 26. | <p><i>Usually, a guarantee is a financial product and not a grant. With the Partial Risk Guarantee Fund being essentially grant funding, the dynamic of the guarantee will differ from mainstream guarantee financing wherein a guarantor backs an investor who in turn invests in the investee. Can you explain in more detail how the guarantee ‘mechanism’ of the PRGF works?</i></p> <p>The PRGF is a mobile portfolio guarantee fund (it is for the applicant to propose/customize the PRGF in its proposal). It is for the applicant to lay out the specific operating arrangements—types of borrowers, size, term and purpose of loans/leases, and the mechanism for paying the guarantee in the event of a default.</p> |
| 27. | <p><i>Are licensed MFIs in Myanmar allowed to do leasing/hire-purchase as described under Partial Risk Guarantee Fund (PRGF) programme?</i></p> <p>Yes.</p> |

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| 28. | <p><i>Regarding the PRGF: Will MFIs funded by LIFT be expected to work in coordination with the PRGF in their respective service areas? I.e. even if the PGRF is not included in a bid will agencies still be expected to be a channel for PRGF to connect to qualified clients.</i></p> <p>No.</p> |
| 29. | <p><i>Regarding with the PRGF, who is going to manage the fund? Does LIFT anticipate one aggregate fund on a portfolio basis across all institutions? Or is each institution expected to manage its own portion?</i></p> <p>LIFT FMO will manage the overall PRGF.</p> |
| 30. | <p><i>Regarding the PRGF, will LIFT fund technical assistance for the development of these underwriting standards?</i></p> <p>Yes.</p> |
| <p>Consortium and Partnerships</p> | |
| 31. | <p><i>Can a consortium of more than one organization be proposed?</i></p> <p>Yes</p> |
| 32. | <p><i>Is it expected to do a joint proposal in partnership between the FI and an agricultural input supplier for investment in small scale agricultural technologies (SSATs), agri-business, agro-processing?</i></p> <p>A proposal that includes a partnership between financial institutions and agricultural input suppliers is acceptable.</p> |
| 33. | <p><i>Is it possible for one applicant to put in multiple applications as a lead agency?</i></p> <p>Yes. It is however suggested that this is mentioned in the proposal.</p> |
| 34. | <p><i>Is it possible for an applicant to lead one application and sub on another?</i></p> <p>Yes. It is however suggested that this is mentioned in the proposal.</p> |
| 35. | <p><i>As the call for proposals mentions “LIFT expects to sign more than one grant agreement”, does it mean that the programme will be implemented in modules by different companies or one company can present its proposal in a modular way?</i></p> <p>Either a proposal with the entire programme or a proposal with some components is acceptable. It is expected the LIFT will sign more than one grant agreement with several different organisations.</p> |
| 36. | <p><i>Does the evaluation committee expect bidders to have signed memorandums of understanding with financial partner institutions at the moment of submission, or would it be part of the inception phase?</i></p> <p>It is not necessary to complete signing of MoU with partners by the time of proposal submission. However, it is important to mention the strong commitment of the partners in the proposal.</p> |

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| 37. | <p><i>Is subcontracting allowed?</i></p> <p>Yes.</p> |
| 38. | <p><i>Are the investments in existing financial institutions to be understood as grants to the financial institutions directly and/or through eligible implementing partners, with realistic proposals for financial products to be self-sustaining after LIFT support ends? Or will funds invested by LIFT in financial institutions be expected to be returned to LIFT at the end of the programme?</i></p> <p>LIFT accepts proposals with direct investment in existing financial institutions as well as investment through implementing partners. Either approach requires financial self-sustainability after LIFT support. The proposal needs to state clearly how it is planning to achieve self-sustainability.</p> <p>Ownership of the fund will be decided based on the performance towards the end of the project.</p> |
| 39. | <p><i>Can we employ the services of a professional Microfinance Institute to handle the Microfinance component in our proposal?</i></p> <p>Yes. Applicants should propose the management arrangements that think best suited for an optimal outcome.</p> |
| 40. | <p><i>Will LIFT consider financial investments and activities with registered co-operatives that are identified clearly as existing financial institutions in the regions targeted by the Call for Proposals, in particular as existing business co-operatives are mentioned specifically in the anticipated follow-up RFP (pg. 8)? Or will LIFT only consider financial investments and activities through registered MFIs and commercial banks?</i></p> <p>Cooperative societies, businesses operating in principles of cooperatives, governance ownerships, microfinance institutions, and commercial banks are the stakeholders for financial inclusion. Proposals relating to these institutions are considered.</p> |
| <p>Budget</p> | |
| 41. | <p><i>What is the estimate budget for a project proposal that LIFT is calling for? Is US\$ 600,000- 700,000 budget appropriate for a proposal?</i></p> <p>LIFT will not state expected budget of each proposal. It depends on the bidder. Please refer indicative budget in session 3 of the call.</p> |
| 42. | <p><i>Would any indirect costs (a max of 6%) be on top of the \$44.5m or deducted from it?</i></p> <p>US\$ 44.5 Million is inclusive of indirect costs.</p> |
| 43. | <p><i>Where can we access the budget format template for financial inclusion project? Which one do we use- budget initial, budget revision, financial reporting microfinance, financial reporting?</i></p> <p><i>What are the requirements for the financial proposal?</i></p> <p>Budget format can vary depending on the types of the activities/projects. LIFT budget formats are available in LIFT web site; refer to “budget initial”. It is advisable to familiarise with the budget template, but it is not a</p> |

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| | <p>requirement to use it. The submitting organisation will have to comply with the budget requirements outlined in the proposal.</p> <p>Please refer the paragraph “grant budget breakdown” of Annex 2.</p> |
| 44. | <p><i>What percentage of the funding for the Dry Zone and Delta Zone is expected to go to focus townships?</i></p> <p>Budget allocation depends on the types of activities and projects proposed.</p> |
| 45. | <p><i>Some parts of our project require funding for up to 6 years. Would this be possible?</i></p> <p>As mentioned in the Call for Proposals, LIFT cannot commit to funding beyond 31 December 2018.</p> |
| <p>Monitoring and Evaluation</p> | |
| 46. | <p><i>Do you have a Value for Money handbook/guide for the application stage?</i></p> <p><i>Simple cost benefits analysis per beneficiary- where can we access the instructions/format for this?</i></p> <p><i>Are we to use unit costing required by DFID? Where do we access this? Where do we get the format for Simple cost benefit analysis (CBA)?</i></p> <p>LIFT’s value for money study is available at http://www.lift-fund.org/value-money-study-0</p> |
| 47. | <p><i>Where can we access the template to align performance and budget data in one form/reporting tool?</i></p> <p>Forms and templates are available at http://www.lift-fund.org/guidelines. There is currently no template that directly links budget and performance in the same document. You are not required to use the LIFT templates.</p> |
| 48. | <p><i>Our log frame should be clearly linked to LIFT log frame. Where can we access the LIFT Log Frame? Is this the one in stated in the strategy?</i></p> <p><i>Is it required to submit a logframe? If so should this be submitted in line with the LIFT Logical Framework</i></p> <p>LIFT is in progress of updating its logframe. Meanwhile, LIFT updated result framework is available at http://www.lift-fund.org/sites/lift-fund.org/files/uploads/documents/LIFT%20strategy%20(2014-18).pdf. It is up to if you would like to include the logframe in your proposal.</p> <p>Using the logframe is optional.</p> |
| 49. | <p><i>Can you provide instructions to applicants on how to present and appraise alternative approaches? Can we access a copy?</i></p> <p>Please refer to Annex 3 of call for proposal: selection criteria to be used by LIFT.</p> |

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| Personnel | |
| 50. | <p><i>Can we attach Job Descriptions for Key Staff in the case that CVs are not available?</i></p> <p>CVs are required.</p> |
| 51. | <p><i>Is LIFT expecting all positions to have been recruited by proposal deadline or will there be scope for recruitment if successful?</i></p> <p>LIFT expects a list of proposed candidates along with letters of commitment from individuals.</p> |
| 52. | <p><i>Is there a preferred template for CVs?</i></p> <p>There is no template for CVs. It is up to bidder.</p> |
| 53. | <p><i>Do key personnel (Project Director, Senior Technical Advisor and CFO) working in the proposed project need to be based in Myanmar during the entire duration of the project, or can they be deployed on an intermittent basis?</i></p> <p>Applicants need to submit what they consider to be the most effective management and support provisions for their project proposals. Key personnel involved in the day to day management and technical support of the project should be based on location in Myanmar.</p> |