

Request for Proposal (RFP)

Project Title: Enabling Formal Financing to Women-led Enterprises in NRLM

Date Issued: November 20, 2023

Proposal Submission Deadline: November 24, 2023

Contact Person: Udit Thukral

Contact Information: udit@sa-dhan.org, +91-7042653362

Project Background:

Sa-Dhan will implement a project funded by the Bill Melinda Gates Foundation (BMGF). The project is to provide Technical Assistance (TA) to DAY-NRLM to improve their national, state, and district-level implementation architecture and work with the SHGs and Vitta Sakhis to ensure women-led enterprises [WLEs] have improved access to formal sources of finance, larger loans, and financial support by graduating from SHG-Bank linkages to Enterprise-Bank linkages in order to push for Enterprise Financing models.

This TA project would directly contribute to increasing women's access to credit, providing a steady cash flow and working capital to women-led enterprises, and helping increase the incomes of women by 50%. It will help diversify and build a basket of financial products, services, and delivery channels for credit, and enterprise financing.

Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) is a flagship poverty alleviation program implemented by the Ministry of Rural Development, Government of India. NRLM currently has around 8.4 million SHGs with over 90 million women SHG members.

According to NRLM's estimate, around 10 million of these women members are mature, with more than 2 years of entrepreneurial and SHG experience. These women have loan requirements mainly in the range of INR 75,000 – INR 0.5 million (USD 940 to USD 6,250) and many of these also need loans above INR 0.5 million.

To cater to this huge credit requirement of women entrepreneurs, NRLM has taken the initiative to help these women 'graduate' from group-based loans to individual

microenterprise loans by working both on the demand side as well as on the supply side.

Under this project, Sa-Dhan will provide support to NRLM in this initiative of graduating SHG members to take individual enterprise loans from formal financial service providers. The project targets to mobilize around 1 million enterprise loan applications for WLEs, to be submitted to financial service providers such as banks, SFBs, and/or NBFCs.

The TA project will be implemented over a period of three years – November 2023 to October 2026 – in the states of Bihar, Jharkhand, Uttar Pradesh, Chhattisgarh, West Bengal, Gujarat and Assam.

Scope of Work for Technical Agency:

To support various components of this TA project, Sa-Dhan is seeking a Technical Agency to be associated for the entire duration of the project for 3 years. Sa-Dhan expects the Technical Agency to act as a co-implementing partner for the project. The Technical Agency will support several critical components of the project. The Scope of Work for the Technical Agency will be as follows:

M&E

- Preparation of inception report
- Establishing an M&E framework for the project in line with the Theory of Change
- Should be able to establish a technology-based M&E system on the SaaS model for the project, with dashboards for tracking project outputs and outcomes
- Conduct periodic project monitoring visits and submit periodic monitoring and project progress reports
- Conduct Project Baseline and support in project Endline

Learning Documentation and support in dissemination

- Documentation of project activities and case studies
- Creation of a project video
- Support in exposure visits of SRLM staff to project sites for cross-learning
- Support in webinars, workshops, and seminars for dissemination of learning
- Making project presentations to stakeholders

Capacity building

- Creation of training content on enterprise financing targeted at SRLM staff and Vitta Sakhis (field cadre)
- Delivery of TOTs and training
- Creation of digital training content and videos which is deployable on the Learning Management System and other social media platforms
- Making an android-based Learning Management System (LMS) available on a SaaS model for digital training
- Manage server, data hosting, data security, maintenance, and other technical aspects of the LMS

Process advisory and SOPs

- Creation of microenterprise financing process for NRLM and SRLMs
- Creation of process flow and SOPs for the execution of activities and financing through Financial Service Providers (FSPs)
- Creation of tools, and assessment frameworks as may be needed in the project E.g. for identification of entrepreneurs, credit due diligence of entrepreneurs, business planning, enterprise analysis, etc.

Loan Management System

- Support in the development of or in the engagement of an existing Loan Management System for tracking enterprise loan applications – loan application in different stages, disbursements, repayment performance, overdue tracking, etc

Other support

- Support in the development of loan products, credit assessment process, pilots, etc., if needed
- Participate in communications and meetings with BMGF, NRLM, SRLM, FSPs, and other stakeholders
- Support in managing the project team and coordination of activities
- Participate in discussions with Financial Service Providers and provide expert opinions and directions

Technical Agency should ideally have the following attributes

- At least 7 years of relevant experience in consulting
- Must have worked with bi-lateral and multilateral agencies
- Must have experience of working with government agencies or on government projects
- Should have significant experience in microfinance and microenterprise financing
- Should have experience in M&E, L&D, training, and process consulting of development projects