

REPUBLIC OF GHANA



MINISTRY OF FINANCE

TERMS OF REFERENCE

(CONSULTING SERVICES – FIRM SELECTION)

Name of Project	Ghana Development Finance Project
Loan No./Credit No./Grant No.	P169742
Assignment Title	Firm to design a system to monitor, evaluate, and report on the development impact of the DBG, support initial implementation, and train staff capacity.
Reference No:	GH-GDFP-281777-CS-QCBS

1. Background

The Ministry of Finance (MoF) has received funding from the World Bank toward the cost of the Ghana Development Finance Project (the Project), and it intends to apply part of the proceeds for consulting services.

The objective of the Project is to support the establishment of a financially sustainable development bank – the Development Bank, Ghana (DBG) – to increase access to finance, in particular long-term finance, for viable MSMEs and small corporates. Women-owned/led SMEs (WSMEs) will be particularly targeted by the Project. In addition, the Project will provide technical assistance to participating financial institutions (PFIs) that are interested in expanding their lending to target enterprises, particularly SMEs and WSMEs.

The DBG was established in 2020 as a limited liability company and is licensed by Bank of Ghana under the Development Finance Institutions Act, 2020(Act 1032). It has sound corporate governance, including a seven-member independent board and professional management.

The DBG provides wholesale financing/lines of credit and Partial Credit Guarantees (PCGs) to eligible PFIs and is developing a digital financing platform to offer financial and non-financial services to MSMEs. The DBG reaches creditworthy MSMEs and small corporates through PFIs. DBG's interventions focus on agribusiness, manufacturing, and high value services.

The DBG is recruiting a consulting firm to: (i) design a monitoring, evaluation, and learning (MEL) system to enable the DBG to report on its development impact; (ii) support the initial implementation of the MEL systems; and (iii) build staff capacity

2. Objective

The objective of the assignment is to establish a strong MEL framework and system to enable DBG to track and report on its financial and operational performance, development impact, and to learn

from its operations. The framework and system will also enable the DBG to generate and track specific results indicators agreed with its financiers, including the World Bank. Moreover, the framework will be used to support planning and resource allocation at various levels of decision making and provide a feedback loop in the evaluation of DBG's programs and mandates.

The development of the framework and system should consider the scope of DBG's interventions, including financing and non-financing products at PFI and end-borrower level (MSMEs and small corporates), as well as DBG's interaction with the overall lending ecosystem.

3. Scope of Work

The Consultant will:

- Review DBG's strategies and policies, sectors and areas of operation, development mandate, financiers'¹ project appraisal documents (PADs) and associated M&E frameworks, as well as international best practices in MEL by development banks.
- Propose other indicators (beyond those adopted in PADs) that DBG can use to measure its development impact;
- Design a comprehensive MEL system that: (i) includes a well-articulated theory of change that clearly defines and connects activities and outputs with expected outcomes and impacts, based on sound assumptions; (ii) outlines the M&E methodology and tools to be applied at various levels of the results chain, including the definition of variables and underlying model; (iii) details the data requirements as well as the process that needs to be established in collecting the required data; and (iv) outlines detailed MEL reports to be produced for different units or areas of the DBG;
- Gather baseline data for all the proposed indicators and establish processes for their subsequent update;
- Propose rigorous and cost-effective impact evaluations that DBG can conduct and the associated tools and methodologies, including the necessary technical requirements (data, expertise, etc.) and strategic partnerships for their completion; clearly specify the development impact questions that such evaluations would help to answer;
- Propose an organizational structure for the implementation of the MEL system, including the institutional roles and responsibilities, required human and financial resources, etc;
- Develop a manual that outlines how the M&E systems will be operationalized, including but not limited to how indicators are to be collected, updated, rated, and standardized across various sectors.
- Develop training materials to support DBG staff in the use of the MEL system and train selected staff on the MEL and its implementation;
- Create an M&E dashboard and recommend ways to automate the M&E system and integrate it with DBG's management information systems;
- Provide implementation support over a period of 5 calendar months for an effective resource of four (4) man months in total during the one-year period. During this period, test the MEL

¹ Financiers include the World Bank, European Investment Bank, KfW, and African Development Bank.

system developed and prepare (jointly with DBG staff) a standardized MEL report and the first MEL report

4. Reporting Requirement

The Consulting firm will work closely with DBG's Vice President, Economic, Research and Strategy Department and report directly to the CEO of DBG

5. Deliverables, Timing and Payment

Deliverables	Timing	Payment (%)
Inception report outlining the consultant's detailed understanding of the assignment, work plan, methodology to be applied, and detailing of information needed from DBG including the proposed outline of the final framework.	Two (2) weeks after the commencement of the assignment.	10% of Contract Sum after acceptance of Inception Report
Initial draft of the MEL Framework reflecting DBG strategies, policies, and products. The framework must include MEL tools, reporting templates, workflow, and indicators (baseline, intermediate and end targets.)	Four (4) weeks after the submission of Inception report.	
Organizational structure and operational manual for MEL implementation.	Four (4) weeks after the submission of draft M&E framework	30% of Contract Sum after acceptance of draft monitoring guidelines and operations manual
First workshop with stakeholders to discuss the draft MEL framework, organizational structure, operations manual, reporting templates, etc.	Two (2) weeks after submission of organizational structure and operational manual	
Revised MEL framework, organizational structure, operations manual, reporting templates, etc. incorporating feedback from workshop participants	Three (3) weeks after first workshop with stakeholders	
Training materials to support DBG staff in the use of the MEL framework	Two (2) weeks after Revised MEL framework, organizational structure, operations manual,	20% of Contract Sum after acceptance of training report
Training sessions/courses for selected staff on the MEL and its implementation.	Two (2) weeks after training materials to support staff	
Revised training materials incorporating feedback from training/course participants	Two (2) weeks after completion of raining sessions	

Deliverables	Timing	Payment (%)
M&E dashboard and recommendations to automate the M&E system and integrate it with DBG's management information systems	Three (3) weeks after revised training material incorporation feedback	
Second stakeholder workshop to present final MEL framework, reporting templates, manuals, etc., as well M&E dashboard	Two (2) weeks after M&E dashboard & recommendations to automate integration	
Final M&E MEL framework, reporting templates, manuals, etc., as well M&E dashboard reflecting the inputs and comments provided at the stakeholder's workshop	Four (4) weeks after 2 nd Stakeholder workshop.	30% of Contract sum after acceptance of final M&E system
Implementation support, standardized MEL report, and first MEL report		10% of Contract sum after submitting of implementation support report.

6. Duration and Location of Assignment

The duration of the assignment is **12 months**.

7. Facilities, Data, and Information to be Provided by the Client

The Consultant is expected to partially work on-site at DBG. The DBG will ensure that the consultant has access to relevant institutions and information relating to the assignment.

DBG shall provide the following to facilitate the work of the consultant:

- a. Financiers' PADs
- b. Environmental and Social Commitment Plan of the Development Finance Project
- c. Other background documents as requested by the consultants.
- d. DBG will provide the Consultant with one (1) counterpart staff to work with the Consultants.

8. Qualification / Experience of Consultant and Key Staff

The assignment will be delivered **by a firm** with the following qualifications:

- Minimum of 10 years of experience in the design and implementation of MEL frameworks, databases, and systems development.
- Proven track record in completing similar projects for financial sector clients.
- Experience in producing evaluation studies, preferably on access to financial services.

The Team shall include the following key experts:

a) Team Lead

- Degree in Monitoring and Evaluation, Project Management, Business Management, Economics, Information Technology, or any other closely related field.;
- Proven evidence of producing analytical reports to inform decision making.
- Track record in conducting economic analysis, including analyzing the impact of policy intervention on macroeconomic variables such as GDP growth, employment, productivity, etc.;
- Knowledge of impact evaluation methodologies and techniques;
- At least 10 years of professional experience in designing MEL framework.
- At least 5 years of experience in the design and delivery of robust, relevant, and timely evaluation strategies and reviews of development interventions using qualitative and quantitative methods.
- Experience in managing/ leading complex MEL projects in the financial sector
- Exposure to MEL systems used by development banks.
- Fluency in English (written and spoken).

b) M&E Expert

- Degree in public administration, business management, financial management, social science, statistics, economics, or other relevant field.
- Eight (8) years of relevant work experience in MEL, including in the design and/or implementation of an MEL system, including hands-on experience in design, monitoring and evaluation of development projects, preferably in the financial sector
- Work experience in management of donor funded projects (particularly projects funded by multilateral agencies) within the last three years.
- Experience in conducting training and facilitation of MEL activities.
- Excellent technical skills in socio-economic research and program and project performance assessment.
- Proficient in the following software applications: Word, Excel, and Power Point.
- Fluency in English (written and spoken).

c. IT Expert

- Bachelor's degree in Information Technology, Computer Science, or related discipline;
- At least 5 years professional experience of database development, data analysis, and M&E frameworks pertaining to the financial sector.
- Capacity to translate user needs into a solution with clear and specific requirements, focusing on Reliability, Accessibility, Performance, Security, Availability, Capacity, Usability, Data integrity, and Recoverability.

- Experience in developing dashboards and operational portals integrating various management information systems
- Attention to detail and capacity to understand different use cases.
- Experience in quality control of software development.
- Fluency in English (written and spoken).