



POVERTY REDUCTION FUND (PRF)
IDA Credit No. 58270, Project No. P157963

**Request for Expression of Interest (EOI)
for Microfinance Services**

Poverty Reduction Fund, an autonomous body under Ministry of Agriculture and Forestry (MAF) is implementing third phase of Poverty Reduction Fund i.e., PRF III with financial assistance from the Government of Lao PDR (GoL), The World Bank, and the Swiss Agency for Development and Cooperation (SDC). The Poverty Reduction Fund (PRF) is the GoL's key initiative to reduce poverty and eradicate mass poverty by 2020. The Project Development Objective is to improve access to basic services for the project's targeted communities. This will be achieved through inclusive community and local development processes with emphasis on ensuring sustainability.

The PRF III has four components are as follows:

- Component 1: Community Development Sub-Grants
- Component 2: Local and Community Development Capacity Building
- Component 3: Project Management
- Component 4: Nutrition Enhancing Livelihood Development

Nutrition Enhancing Livelihood Development otherwise called as the LN component (Livelihood and Nutrition) of PRF III. This component forms and nurtures habitation level Self Help Groups (SHGs) by mobilizing poor and poorest of the poor households. The SHGs are further federated as Village Self Help Group Management Committee (VSMC) at village level. Till now; the project has formed and nurtured 915 SHGs and 165 VSMCs (who are managing the livelihood fund and saving money) in 4 districts of Houaphan and Savannakhet Province. The VSMCs have bank accounts and received USD 1.216 Million livelihood fund and also provided loans to SHG members on the basis of micro investment plans. Until now, all 915 SHGs have savings more than 220,000 USD that are lend to members for emergency cases e.g... transportation to hospital, treatment expenses, educational material for kids and rice shortages and some loan from saving are also put for investment of IGAs.

For most SHGs, the livelihood fund has rotated more than twice and the total loan amount is more than USD 2.28 Million. While loan activity is ongoing and most SHGs are functioning reasonably well, many are having difficulty setting appropriate repayment periods (i.e. depending upon the types of investment and their maturities), frequencies and amounts of periodic repayments, enforcing repayment, etc. Support is needed to strengthen the financing practices of the SHGs. Nevertheless, the competency of VSMC in management saving scheme still poor as well as bookkeeping and accounting systems also too complicate thus create confusion and depression to continue carry on bookkeeping and accounting systems.

The objective is Considering the intensive work required for the livelihood and nutrition activities; the PRF requires a Microfinance service to anchor, facilitate, support and strengthen the financial inclusion program by streamlining the ongoing savings-credit program of SHGs, loan from livelihood fund and its timely repayment, regular book keeping, updated MIS and ensure timely decision making. The task also includes facilitating the financing of loans from commercial Banks to Self Help Groups (SHGs), Village Self Help Group Management Committees (VSMCs) and Production Groups, more details can be found in TOR.

The consultancy service period is approximately 6 months.

The PRF would like to invites eligible consultancy services to indicate their interest in providing the services. Interested consultancy services must provide information indicating that they are qualified to perform the services, including:

- company profile, brochures;
- brief description of experience in managing similar evaluations of community development project,
- composition of the team (specific responsibilities for each team member);
- CVs of the team members; and
- other issues relevant to this assessment.

A consultancy service will be selected under Consultants Qualifications Selection (CQS) method in accordance with the procedures set out in the World Bank's Guidelines "Selection and Employment of Consultants by World Bank Borrowers, dated January 2011, revised July 2014" which can be found at the website: <http://www.worldbank.org/>.

Interested consultancy service may obtain further information at the address below during office hours from 8:30 to 16:00 or visit <http://prflaos.org>.

Only selected consultancy service will be contracted and requested to submit a combined technical-financial proposal.

Expressions of interest must be delivered by hand to the address below by 16:00 hour no later than 7th December 2018.

Attention to: Procurement Unit
Poverty Reduction Fund Office
C/o Prime Minister Council's Office
Sisavat Village, Nahaidiew Road
Chanthaboury District, Vientiane Municipality, Lao PDR
Phone: 856-21-261479-80 (ext. 105)
Email: youthavinh@prflaos.org