

Part 3: Results Framework

3.1. Programme Outputs and Activities

In each work stream UNCDF has defined sector outcomes and partner outcomes. These changes will be brought about by certain outputs in the four work streams resulting from one or more activities completed by UNCDF. The combination of activities in each work stream is based on MM4P's current range of activities in the four countries in which it operates and represents the most commonly identified needs in each work stream. **The actual choice and timing of activities depends on the current stage of the DFS market, the most pressing needs mutually identified by MM4P and its partners as well as the activities of other donor organizations supporting the market, if any.**

Also included, are several "indirect benefits" of MM4P's work. These outputs and outcomes are changes which do not directly result from MM4P activities but are influenced by them. These are usually the result of either copying the actions of MM4P partners or other actors crowding in to the market without direct assistance from the programme.

Policy Work Stream - Country Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
<u>Initial</u> - UNCDF provides training/capacity building to regulators for DFS - UNCDF links regulator to peer networks (AFI, AMPI, etc.) - UNCDF provides training and technical support to develop data collection priorities <u>Advanced</u> - UNCDF provides training and technical support to implement data collection and analysis - UNCDF provides direct technical support to regulator on policy & regulatory aspects - UNCDF assists regulator in drafting regulations* - UNCDF ensures that revised regulations take into consideration consumer protection issues such as transparency, disclosure, data privacy and protection, recourse	<u>Initial</u> - Regulator issues general policy or guidelines allowing for DFS and approves the launch of services - Regulator identifies and begins to collect data on DFS <u>Advanced</u> - Regulator approves enabling policies on customer access to DFS (e.g. related to know your customer, customer due diligence, anti-money laundering) - Regulator approves enabling policies for DFS agents (e.g. agent eligibility, selection, management and oversight) - Regulator approves enabling policies for DFS providers (e.g. related to e-money issuance, banks, non-banks and e-money issuers) - Regulator initiates and/or strengthens proportional oversight of DFS (e.g. related to monitoring and reporting, on-site supervision) - Regulators use DFS data for decision-making (e.g. data on DFS is collected, analyzed and informs policy development) - New or revised regulations take into consideration consumer protection issues such as transparency, disclosure, data privacy and protection,	- Regulator has developed and implemented policies based on analysis of the proportional risk of DFS - Regulator engages in customer protection and awareness activities, monitoring providers activities	Regulations are proportionate to risk, enable a wide range of competing providers and agents to safely provide service to any interested users so that services are accessible, reliable and affordable and that recourse is available and effective

Policy Work Stream – Country Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
	recourse)		

Ecosystem Work Stream – Country Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
<u>Initial</u> • UNCDF provides on-site expert to DFS to stimulate market, promote partnership and coordination • UNCDF holds events and conducts workshops on DFS, including product design and agent networks • UNCDF provides exposure visits and support to attend international conference on DFS to key stakeholders • UNCDF conducts research on payment streams and customer needs and demands, disaggregated by gender, rural/urban, etc. • UNCDF introduces the agent network accelerator for providers and agent network managers, including: ◦ Agent network survey and individual diagnostics ◦ In-country agent management workshop ◦ Participation in ANA training at Helix Institute (Kenya) ◦ Follow-up on-site technical assistance from Helix Institute <u>Advanced</u> • UNCDF conducts market research on customer and agent experience, capability and performance • UNCDF provides direct technical support for agent networks • UNCDF provides direct financial support for agent networks • UNCDF provides direct technical assistance to DFS providers and users linking to DFS (e.g. MFIs, governments, NGOs) for new product development, marketing and consumer education, high volume usage	<u>Initial</u> • High volume users pilot DFS and experience the positive benefits of DFS • New products are piloted that reach the low income market, including women and rural customers, through partnerships • New customers experience the benefits of DFS, including women and rural customers • Providers and agents implement new or improved marketing and education campaigns • Providers pilot new agent models or partnerships in rural areas • Agents open in previously unbanked, underserved areas • Donors coordinate and co-fund support for DFS <u>Advanced</u> • Providers increase registered DFS customers and active DFS customers particularly among women • Agents provide good service to customers • Agents serve multiple DFS providers, creating shared agent networks <u>Potential Indirect benefits</u> • Additional high volume users enter market • Additional agent network managers enter market • Additional funders provide support for DFS in MM4P markets	• High volume users drive adoption and usage of DFS • Providers are offering multiple financial services through partnerships with others • Customers usage increases to sustainable levels • Agents increase activity levels to sustainable levels <u>Potential Indirect benefits</u> • Additional DFS agents crowd in to market expanding reach of agent services • Additional partnerships are formed with DFS providers	• More than 15% of the adult population is actively using DFS • Agents multiply rapidly, including in rural areas, reaching 20 per 100,000 adults, due to benefits of being an agent so that DFS is accessible and reliable • The sector has adequate access to financial and technical support for expansion, due to strong funding and technical coordination <u>Potential Indirect benefits</u> • New businesses that provide services to low income customers develop due to the access to DFS

Ecosystem Work Stream - Country Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
• UNCDF provides direct financial support to users linking to DFS providers and users linking to DFS for product development, marketing and consumer education, and high volume usage.			

Provider Work Stream - Country Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
<u>Initial</u> • UNCDF conducts workshop on strategy, planning and key operational issues • UNCDF provides in – house training on key operational issues <u>Advanced</u> • UNCDF provides direct technical support to providers listed in ecosystem activities above (new product development, marketing and consumer education—especially for women, high volume usage, meeting evolving standards on responsible digital finance). • In addition, UNCDF provides direct technical assistance to providers on key operational issues • UNCDF provides direct financial support to implement operational changes and pilot initiatives	<u>Initial</u> • Providers strengthen agent network management • Providers strengthen organizational structure and process • Providers pilot partnerships for agents and products <u>Advanced</u> • Providers recruit agents into unserved areas • Providers improve the front end customer experience (registration, ease of use) and minimize customer risks for DFS • Providers increase financial and human resources for DFS Indirect benefits • Additional DFS Providers enter the market • Additional providers copy partners' strategy and implementation	DFS becomes part of providers' core business by increasing providers' net income Providers have increased % of women as part of DFS clients Indirect benefits • Additional providers make DFS a core part of their business	Providers offer appropriate, safe, and affordable services on a sustainable basis Indirect benefits • Competition among DFS providers is driving quality up and prices down

Learning and Sharing Work Stream - Programme Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
<u>Initial</u> • UNCDF creates MM4P peer network (in progress) • UNCDF curates content from other expert DFS sources with partners (on-going) • UNCDF supports the development of global training programmes (e.g. Helix Institute, in progress) which it partners can attend • UNCDF commissions cross-	<u>Initial</u> • Stakeholders join peer network (in progress) • Partners and Regulators submit performance data to MM4P • Partners use MM4P DFS hotline • Partners and others download MM4P publications • Partners are considered to be meeting emerging standards of responsible digital finance	• Several of MM4P partners are recognized as "high performance" providers globally • Partners using information to improve their performance • MM4P is	• Several of MM4P markets are recognized globally as successes • Lessons shared are influencing stakeholders in other challenging markets • Global data

Learning and Sharing Work Stream – Programme Level			
Activities	Outputs	Partner Outcomes	Sector Outcomes
country research on key issues to answer its learning agenda and support its country activities • UNCDF implements DFS Help line for MM4P partners (in progress) • UNCDF collects baseline data for measurement plan at country and global level • UNCDF requires partners to report to global data sources (e.g. GSMA Adoption survey, the Mix Market, and other relevant global data collection services) on-going) • MM4P partners are part of evolving responsible digital finance (developing, meeting, reporting on standards, as appropriate) <u>Advanced</u> • UNCDF collects data for its measurement plan through a country level tracker survey • UNCDF collects outreach and performance data from partners, regulators and other means • UNCDF sends regular information of programme progress to Media • UNCDF publishes MM4P Country Monitors and Briefs • UNCDF organizes annual partners meeting to share first-hand experience • UNCDF completes country and global case studies on DFS from its own experiences	<u>Advanced</u> • Partners actively share experiences through the peer network • Media is reporting stories on MM4P and its partners • Partners report performance to GSMA Adoption Survey	recognized as expert source on DFS in challenging markets • MM4P partners contribute to establishing common understanding and standards of responsible digital finance • MM4P partners have enhanced ability to serve women, rural and other underserved markets"	collection on DFS is strengthened and improved with MM4P input • The sector has a larger group of trained and experienced professionals working in LDCs • MM4P is considered leader on establishing common understanding and standards of responsible digital finance

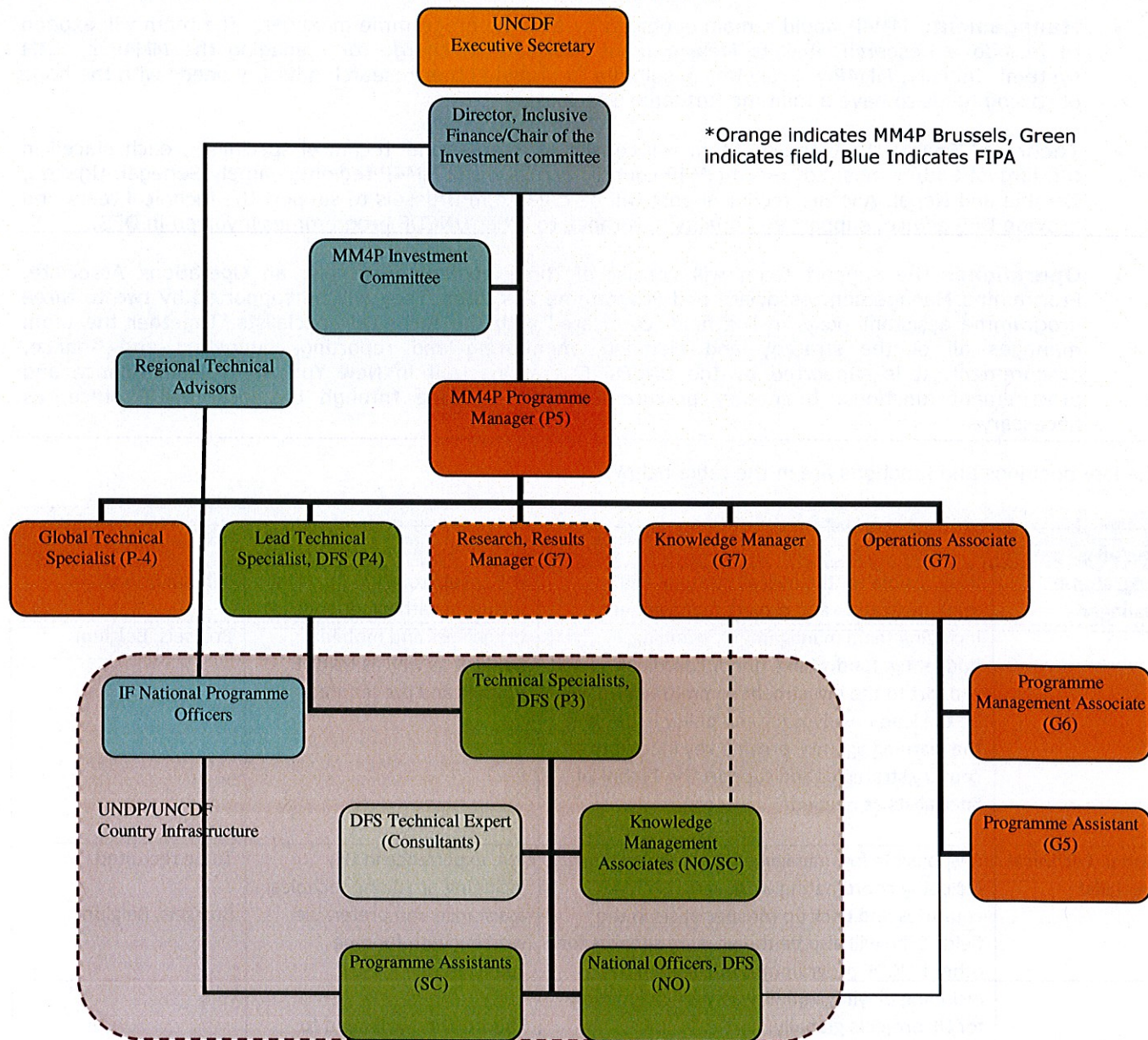
For every country MM4P will coordinate with UNDP ensuring that outcomes/outputs directly contribute to the existing UNDAF outcome(s).

Please refer to **Annex XI** for details on the Annual Work Plan.

Part 4: Management and Coordination Arrangements

4.1. Governance and Oversight

All programmes activities are overseen by the UNCDF Executive Secretary. For inclusive finance, the Director for Inclusive Finance, based in New York, oversees global programmes, including MM4P, per UNCDF policies and procedures. MM4P is governed by an investment committee (IC), consisting of donors (contributing in excess of \$1 million), as well as one non-funding, technical member (CGAP). UNCDF has developed an IC policy for MM4P that governs their role and input (please refer to **Annex II**).



4.2. Programme Management Unit

UNCDF has an MM4P programme management unit (PMU) based in Brussels. UNCDF ensures that the Programme Manager, who is responsible for day-to-day oversight of the programme, conducts all operations in compliance with the UNCDF Rules and regulations. In addition to the full time Programme Manager, the current MM4P team consists of Technical Specialist and Operations Associate, as well as a 1/3 full time equivalent Knowledge Management Associate, based in Brussels.

For the expansion, UNCDF will also be expanding its programme management unit and decentralizing its technical team to the MM4P countries, as seen in the simplified organizational chart below (for a detailed chart, please refer to **Annex III**). This is in keeping with the belief that UNCDF's technical resources are most efficiently deployed when they are closest to the partners.

UNCDF is proposing reorganizing and adding several additional full time staff in order to implement the proposed expansion with MCF:

- **Management:** MM4P would remain overseen by a single programme manager. The team will expand to include a Research, Results Measurement associate in charge for managing the MM4P's, RRM system. Initially, MM4P will rely on consultants to provide other research advisory needs with the hope of raising funds to have a full time Research Specialist.
- **Technical Team:** the technical team will consist of international technical specialists, each placed in the largest and/or most advanced MM4P country across three MM4P regions, namely Senegal, Uganda, Zambia and Nepal. Another technical post will be created in Brussels to support the technical team and provide DFS advice, support and quality assurance to other UNCDF programmes involved in DFS.
- **Operations:** The support team will consist of three posts in Brussels, an Operations Associate, Programme Management Associate and Programme Assistant. They will be supported by two to three programme assistant posts in the field, co-located with the technical specialists. Together the team manages all of the strategy and planning, monitoring and reporting, budgeting and finance, procurement. It is supported by the UNCDF Operations Unit in New York for certain finance and procurement functions. In-country procurement will be done through the local UNDP office, as necessary.

The key positions and functions are in the table below.

Title	Responsibilities	Experience	Status
Brussels			
Programme Manager	Responsible for the overall strategy and implementation and project management, including team management, planning, budgeting, fundraising, donor coordination and support to the investment committee. He will be the lead on advocacy and policy issues and the learning agenda, provide key input into all country strategies and support the Technical Specialists as needed.	P-5 Level/expert in financial inclusion with experience in branchless and mobile banking as well as UNCDF policies and procedures.	Tillman Bruett Brussels, Belgium
Global Technical Specialist	Responsible for managing MM4P global work, including coordinating work across MM4P countries and back up for specialists in the field. S/he will also be the primary support for other UNCDF programmes engaged in DF, including playing a quality assurance function for DF projects globally.	P-4, experience in DF, including providing technical assistance and preferable working with funding agencies. This position will need to come from UNCDF core resources until such time as other funding can be raised.	To be recruited. Brussels, Belgium
Research and Results Measurement Associate	Finalize design and implement the monitoring and evaluation framework in the context of the DCED approach; building the reporting capability of partners; working to facilitate reporting from partners; overseeing the	(G-7) Level. At least five year in results measurement and / or research. Knowledge of analysis and RM methods in the development context.	To be recruited Brussels, Belgium

Title	Responsibilities	Experience	Status
	research plan, including drafting TORs, working on the technical evaluation and overseeing consultants work; work with KM Associate to provide information for learning and sharing agenda, Manage external evaluation teams and liaise with the Evaluation Unit in NY.	Familiarity with quantitative research and data capture methods.	
Knowledge Manager	The Knowledge Management Officer will be shared with other UNCDF global programmes, MicroLead and YouthStart. S/he will help develop and implement the research agenda, oversee research and learning events, networking and reporting, as well as overall coordination with UNCDF Communications.	(G-7) Experience in communication, marketing in the development contacts, building communities of practice and leading outreach efforts.	Karima Wardak Brussels, Belgium
Operations Associate	The Operations Associate acts as Deputy to programme manager, facilitates all procurement, contracts, recruitment, legal aspects of partner agreements. Manages Programme Assistants and Finance and Administrative officers in the field. Handles higher level finance functions (variance reporting, reversals, revisions, etc.) and plays role of buyer. Is primary liaison with UNCDF operations. <i>Finance and administrative support would be provided by UNCDF headquarters and/or regional centers, with local logistical support provided by UNDP country offices.</i>	Currently (G-6). Strong knowledge experience of UN procedures, budgeting and procurement. Legal knowledge. Familiar with project management principles.	Carlos Escrivá Gil Brussels, Belgium Recommend promotion to G-7
Project Management Associate	With programme manager, assist with all global and cross-country projects and initiatives. To provide quality control on the project cycle across countries, finalizing TORs and agreements with partners, assisting with procurement and finalizing/managing technical aspects of contracts.	G-6 Several years of experience in UNDP or other similar agency work. Familiarity with ATLAS, UN Structures, finance and budgeting functions.	To be recruited. Brussels, Belgium.
Programme Assistant	Facilitates all administration, office management, logistical support and first level finance roles (requisitions, vouchers).	(G-5) Familiarity with UN policies, procedures, and work with UN accounting systems. Ability to do budget and planning	To be recruited Brussels, Belgium
Field			
Lead Technical Specialist, Digital Finance	Responsible for overseeing technical team, providing technical input to other technical specialists, providing orientation, training as needed. Responsible for oversight of South/East Africa, supported in-country teams. Responsible for developing country strategies, annual work plans technical service provider management.	P-4 direct experience with MM4P, ecosystem approach, UNCDF systems.	Proposed to be François Coupienne, current technical specialist. Recommending relocation to Kampala, Uganda.
Technical Specialist, Digital Finance (3 positions)	Responsible for developing country strategies, annual work plans technical service provider management. Engages directly with partners, does project assessments and appraisals, directly monitors progress through country	P-3 direct experience in mobile financial systems development and deployments	Posts to be hired immediately, based in Dakar and Lusaka. Asia post to be hired when/if USAID Nepal

Title	Responsibilities	Experience	Status
	dash boards. Implementation of projects. The Specialist will also participate directly in the awareness raising, regulatory support and technical assistance, as required.		funding finalized for Nepal, based in Kathmandu. Primary Reporting will be to the Lead Technical Specialist. Secondary reporting will be to the RTA.
Non-Staff Posts			
Research Consultant	Assist Research, Results Measurement Associate in implementing all contracted field research. Helping to coordinate work with consultants, draft TORs, extract key lessons from research and draft research excerpts.	(Part-time consultant) Based in Brussels	To be selected from pre-approved contractors (LTAs) roster or through IC, if LTA produces insufficient results.
Communications Consultant	Assist KM Associate to implement sharing and communications plan, including drafting and finalizing publications, adding content to social media, assisting with events organization	(Part-time consultant) Based in Europe or US, with occasional trips to Brussels office.	To be selected through IC.

Please refer to **Annex IV** for more details.

4.3. Country Teams

In each country MM4P works with the existing CTA or NPO for inclusive finance, if they are present. The CTA/NO assists in managing all relationships with the government and local funders, as well as ensuing coherence and cooperation of all IF activities in the country. Depending on their ability and availability, they play a significant support role in support role on the other work streams under the direction of the technical specialist, including regularly meeting with partners, ensuring on-time reporting, organizing missions and managing local logistics. With the expansion, in the countries where FIPA has already a NO, MM4P will closely coordinate the deployment of its activities with that staff person, harmonizing MM4P's agenda within the broader FI programming in that country and seeking the required synergies and complementarities. This articulation will also be reflected in the job descriptions and matrix reporting of staff concerned, where primary technical accountability rests with the MM4P management, but where the role of, and link to, FIPA's country and regional technical infrastructure is also clearly acknowledged (i.e. through secondary supervision).

MM4P has resources to place Knowledge Management Associates (or consultants) to manage the large number of local activities, events and communications as well as overseeing local research efforts in across regions. Hiring is planned for Uganda, Zambia, Senegal and potentially Nepal. In addition, MM4P has resources to hire and finance and administrative post in Uganda, Senegal and potentially Nepal. These operations posts can report directly to the existing IF NO

Title	Responsibilities	Experience	Status
On-site Expert (8 contracts)	Responsible for direct implementation of activities, including ecosystem activities (workshops, meeting, etc.), identification of partners and direct technical assistance to partners. Will coordinate closely with all other technical service providers.	(Long-term consultant) At least five years' experience working on DFS. Particular focus on strategy, planning, operations in the	To be selected from pre-approved contractors (LTAs) roster or IC as needed. Liberia, Malawi, Nepal and Laos in place.

		early years. Position may switch after 18 – 24 months to more specialized experience (e.g. product development or agents) depending on need.	Uganda under selection. Senegal, Benin, Zambia to be contracted. Reports to assigned Technical Specialist, with secondary reporting to CTA/NO
Knowledge Management Associates (3-4 posts)	Assisting country teams in organizing events, building communities of practice, facilitating regular communications with stakeholders.	NO-B or SC for local.	Posts for Kampala, Dakar, Lusaka to be recruited immediately. Kathmandu and other countries pending fundraising. Primary reporting to Technical Specialist. Secondary reporting to CTA/NO.
National Officer (8 positions, 2 pending fundraising)	Responsible for day-to-day oversight of all inclusive finance in-country activities, programmatic and operational. S/he manages relationships with the central bank and other government partners, facilitates all in-country technical assistance, and manages all local events and procurement. The NO will also be the primary relationship manager for MM4P to ensure continuity and dialogue and monitor progress of partners and consultants.	(NO-C or SC rank for local). A senior level local or international person with direct experience in DFS and/or banking or has worked on financial inclusion initiatives that involved DFS (e.g. with a donor or donor project), familiar with the market, and who is well connected with providers and the regulator.	Shared NOs with other UNCDF programmes currently in Malawi, Nepal, and to be done in Benin and Senegal. Note that Uganda, Laos have shared CTAs. Zambia to be determined based on negotiations Primary reporting will depend on funding source, but will include the assigned Technical Specialist, DF. In all cases, the RTA/CTA/NO will be the secondary reporting.
Finance and Administrative Officer (3 positions)	The Administrative Officer will manage all local logistics, finance and administration. S/he will draw on the available UNCDF and UNDP country finance and administration units for its basic services based on the existing agreements and pricing lists agreed between UNCDF and UNDP.	(SC) A person with experience in the UN system, familiar with the policies, procedures that can facilitate necessary services from UNDP locally.	To be recruited locally. Reports to NO locally but technical oversight by MM4P Operations Associate.

4.4 Role of the On-site DFS Expert Consultant

As part of this new staffing strategy, MM4P will based a full time DFS Expert Consultant in each country for a period of 18-24 months. Given the need to initiate a range of awareness raising and project identification activities quickly, as well as the relatively short period of the placement, MM4P will use procurement rather than hiring. The DF expert will report to the assigned Technical Specialist, Digital Finance as soon as they are recruited. Until the post is filled, the DFS Expert will report to the MM4P Lead Technical Specialist with a secondary reporting line to the local UNCDF CTA/NO for inclusive finance. The Consultant will specifically:

- (1) Support MM4P in the launch and implementation of MM4P programme in country;
- (2) Provide high quality DF technical input and raise capacity of all stakeholders to accelerate the development of DF ecosystem in country;
- (3) Develop and implement activities at country level (ecosystem activities) to raise stakeholders knowledge and capacity on DF;
- (4) Assist all stakeholders in the development of innovative ideas, plans and projects to enter or expand in the DFS (ecosystem, regulatory, customer, high volume, agent work streams) that result in direct technical assistance and/or performance based grant agreements;
- (5) Support and participate in direct technical assistance to selected partners (providers work stream);
- (6) Coordinate and support the Technical Specialist at country and stakeholders level.

Because of the length and the technical profile required, it is likely that some of the individual consultants will exceed the threshold of \$100,000 and require approval of UNDP's advisory committee on procurement. In some cases, MM4P may advise using the long-term agreement for procurement (see below).

4.5 Role of the Technical Services Providers (TSP)

UNCDF works closely with several specialized consulting firms to implement the ecosystem and provider work streams. These firms have been pre-selected by UNCDF through a competitive process and are contracted under Long Term Agreement (LTA)²⁴. These technical service providers play a key role in the programme. Generally, UNCDF selects one firm to lead the implementation of the country work plan, performing a range of ecosystem activities in country, including workshops, trainings and direct technical assistance in support of the Country Team.

The firms currently contracted through the LTA process are:

- MicroSave with consortium:
 - Amarante Consulting
 - Bankable Frontiers Associates
- PHB with partner:
 - Real Impact Analytics
- Enclude Solutions

Once individual projects have been identified and approved, the LTA will be the primary (but not only) source of procurement to provide technical support to approved partners to implement projects.

4.6 List of programme technical partners

There is a relatively small group of technical, funding agencies and TSPs that support DFS. UNCDF has taken a consultative and cooperative approach with each of these organizations, and has collaborated with most of them during the first phase of the MM4P programme. UNCDF has worked to bring most of them together for the expansion of this programme, building a strong coalition that builds on each organization's strengths and leveraging each's resources. In its work with the MasterCard Foundation, several of these organizations were included as partners for implementing the expansion. They include:

- Financial Sector Deepening Programme – Zambia
- Financial Sector Deepening Programme - Uganda
- GSMA Mobile Money for the Unbanked
- Intermedia Financial Inclusion Insights
- Helix Institute of Digital Finance (MicroSave)
- The Mix Market
- University of New South Wales, Faculty of Law

²⁴ [MicroSave](#) was the sole LTA recipient in UNCDF's first round conducted in 2012. In early 2014 UNCDF concluded a follow-on LTA with MicroSave and new LTAs with two additional firms, [PHB Development](#) and [Enclude](#). Each also brings one or more partner firms under the agreement including [Bankable Frontier Associates](#) and [Amarante Consulting](#) (through MicroSave) and [Real Impact Analytics](#). UNCDF rates for the Long Term Agreement are based on volume discounts offered by the quoted suppliers.

4.7 Project Partners

MM4P implements by supporting DFS providers and other organizations through technical assistance agreements (TAAs) and performance-based grant agreements (PBAs). Please refer to **Annex V** for further information on all funders, technical partners and programme implementing partners.

MM4P has developed a policy and procedures for Direct Technical and Financial Support to ensure that such support is provided in a fair and transparent fashion. These policies are consistent with the Programme and Operations Policies and Procedures as well as UNCDF's Operations Manual. The policy is to guide MM4P technical staff on project identification and appraisal, in the context of DFS, as well as MM4P investment committee approval. The Policy can be found in **Annex X**.

4.8 United Nations Development Programme (UNDP)

As noted above, MM4P will prioritize engagement with UNDP before country programme deployments. MM4P will work through UNDP to provide inputs to each country's UNDAF is the framework. UNDP's Resident Representative will be UNCDF's spoke person vis a vis the government. The primary liaison with UNCDF will be the CTA/NO inclusive finance, should one be present, supported by the UNCDF Regional Office. UNCDF will work with UNDP for its finance, administrative and logistical support per UNCDF's arrangements in the country.

Part 5: Fund Management Arrangements

The expansion programme is financed through partnerships with donor agencies (DFAT, SIDA) and private foundations (BMGF, MCF).

UNCDF will programme the funds and manage the activities specified in the Resources and Result Framework (RRF) in line with its established rules and regulations. Direct implementation Modality (DIM) will be the implementation modality for all activities under this programme. The administration of this Programme shall be governed by UNCDF's policies, rules and regulations.

Agreements with Programme Partners

UNCDF's standard performance-based agreements (PBAs) will be used for all grant recipients. After reference and data checks (including unqualified financial audit reports), In most cases, larger cash grants, loans or guarantees will require a more thorough due diligence process, including on-site visits to the partners under consideration, to verify the information provided as well as their management and operational abilities to perform according to the anticipated agreement. Funds will be released in tranches over the life of the funding agreement based on the partners' meeting targets and disbursement conditions in the PBAs.

Part 6: Monitoring, Evaluation and Reporting

6.1. Monitoring

MM4P intends to implement Donors Committee for Enterprise Development (DCED) methodology for measuring achievements in private sector development to the extent possible. In preparation for this expansion, the Programme has developed a draft detailed results chain for the expansion that maps its approach from planning to its goal. Please refer to **Annex VI**.

The measurement plan focuses only on the results at the output level that are above the intervention line, i.e. after the MM4P activity is completed. Indicators below the intervention line (which relate to preparation and activities such as “number of workshops conducted”) will only be reported as part of the programme’s quarterly progress report.

Following DCED methodology, and in order to provide a mapping that is as thorough as possible, each element of the results chain is linked in one or several indicators; however given that the programme has limited resources, **MM4P will address a selection of key indicators included in the measurement plan**. Please refer to **Annex VI** for further details.

6.2 Evaluation

The programme is subject to an **independent mid-term and final evaluation**, managed by UNCDF Evaluation Unit.

As part of its Measurement and Evaluation, UNCDF wishes to determine if MM4P’s approach is helping to accelerate DFS expansion, namely:

- Do stakeholders in MM4P countries believe that MM4P activities helped move the market to expansion? If so, which activities were the most crucial?
- How much do the activities in the ecosystem and policy work streams, in particular, contribute to sector growth?
- Have MM4P countries given rise to more joint approaches or partnerships than other countries?

An evaluation plan will be formulated at the start of the project operations and UNCDF will solicit MM4P’s partners input. Evaluation reports will be shared on UNCDF’s website and widely circulated to stakeholders. In terms of process, the Evaluation Unit manages these evaluations together with M+E staff located in regional offices. The Unit reports directly to the Executive Secretary so ensuring the operational independence of the function.

In addition, a risk analysis was developed both at country and at programme level. The main risk categories were defined for the two levels, the mitigation actions were identified and the status was updated. Please refer to **Annex VII** for more details.

As part of UNCDF’s agreement with MCF, MM4P will conduct an impact study. Many potential impacts of DFS have been investigated, looking at individuals, business, governments and providers themselves. As noted by GSMA, there are many potential impact pathways²⁵ for individuals around DFS ranging from savings accumulation to health to personal empowerment.

While UNCDF evaluations don’t typically include impact evaluation it is nonetheless an important exercise useful to inform policy. In its discussions with MCF, it was agreed that UNCDF should incorporate *customer* impact in the expansion countries. To remain true to the purpose of the programme, impact research should focus primarily on issues related to financial security and opportunity, but may consider other key questions related to well-being. Specifically:

- What is the impact on customers of DFS, focused on low income, women and rural customers?
 - What are the real *financial benefits* to DFS users in terms of income (earned and unearned), reduced expenses and asset growth, perceived financial security?

²⁵ Mojca CargoWhat, “New Interactive mhealth Impact Pathway on Mobile for Development Intelligence” GSMA January 2013 and GSMA mWomen, “Impact Pathway for Mobile & Women”, GSMA February 2012

- What other impacts in regard to personal security and empowerment?

UNCDF recognizes that there are many methods that can be applied to deal with the attribution issue and that impact measurement is a complex task and can be costly. UNCDF and the MCF have discussed the benefits of doing a focused, narrow study on DFS customers to identify specific benefits rather than trying to quantify the benefits through a randomized control trial. UNCDF proposes to work with MCF to design an impact study that meets its needs and to outsource the design, development and implementation of this effort to an organization mutually identified by UNCDF and MCF. UNCDF has budgeted US\$558,000 to allow for at least three impact studies to be conducted.

6.3 Reporting

• UNCDF Reporting

Reports shall be governed by the regulations, rules and directives of UNCDF and, where applicable, the regulations, rules and procedures of the Donor/Implementing Partner. UNCDF shall provide to the Donors the following reports prepared in accordance with UNCDF accounting and reporting procedures.

- Annual status reports of programme/project progress for the duration of the Agreement, as well as the latest available approved budget.
- Annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
- Final reports summarizing programme/project activities and impact of activities as well as provisional financial data.
- Certified financial statements to be submitted no later than 30 June of the year following the financial closing of the project.

In addition, UNCDF has agreed to report to the MM4P Investment committee:

- Annual Work Plans and Budget. Annual work plans contain a list of planned activities, at the country and programme level. These are based on the calendar year and provided to the MM4P Investment Committee for approval.
- Semi-Annual Reports. UNCDF currently issues a semi-annual report for MM4P that reviews progressed against the annual work plan. It has agreed to adjust this report to meet MCF's requirements, including planned against actual timeline and budget.
- Country Dashboard. On a semi-annual basis, MM4P will complete a country dashboard which will provide a snapshot of key indicators and MM4P progress against its work plan.
- Agreement indicators. All agreements (TAAs and PBAs) include a set of required indicators against which the partner must report on a quarterly basis during the active life of the agreement.

• Partners Reporting

Partners receiving funding from the programme will submit **quarterly progress reports** to the programme on performance against standard indicators and targets as set in the TAAs and PBAs, as well as a brief summary of activities during the quarter. This will include performance data on financials as well as non-financial services provided. Data reported will depend on the kinds of services provided by the partner.

The baseline for calculating outreach of the programme will be a starting point of zero (0) clients with the measurement based on partners extension of services during the period of engagement with the programme. There is no global benchmarking for mobile money at present. If such develops, partners will be required to report to the benchmarking agency.

The programme will compile the reports received into a consolidated semi-annual report for the Investment Committee.

Part 7: Legal Context or Basis of Relationship

The programme will conform to the Standard Basic Assistance Agreement (SBAA) between the host governments and UNCDF. The administration of this programme shall be governed by UNCDF's rules and procedures. UNCDF Financial Inclusion Practice Area (FIPA) will serve as executing agent for the programme funds. The Project Manager will manage the programme on a daily basis with support to the UNCDF FIPA regional advisors. Other development partners wishing to make use of these arrangements would be able to do so, under cost-sharing arrangements. Development partners will be able to participate in key decision points in the process based on time, technical capacity and interest.

This programme forms part of an overall programmatic framework under which several separate associated country level activities will be implemented. When assistance and support services are provided from this programme to the associated country level activities, this document shall be the "Programme Document" instrument referred to in: (i) the respective signed Standard Basic Assistance Agreements (SBAA) for the specific countries; or (ii) in the [Supplemental Provisions](#) attached to the Programme Document in cases where the recipient country has not signed an SBAA with UNCDF attached hereto and forming an integral part hereof

This project will be executed by the partners with their financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNCDF. Where the financial governance of a Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNCDF shall apply.

The responsibility for the safety and security of the Partners and their personnel and property, and of UNCDF's property in the Partner's custody, rests with the Partner. The Partner shall: (a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; (b) assume all risks and liabilities related to the Partner's security, and the full implementation of the security plan. UNCDF reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The Partners agrees to undertake all reasonable efforts to ensure that none of the UNCDF funds received pursuant to the Programme Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNCDF hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Programme Document.

UNCDF will obtain a minimum of three government signatures to this programme document that will make this programme effective by government buy-in, which will also facilitate the project's ability to encourage policy changes in favor of mobile money and underserved populations and their access to appropriate and sustainable financial services. In countries where the programme intends on funding partners, the host government as represented by the central bank will be asked to provide its "no objection" to the funding for each proposal. Where constraints emerge to the expansion of services, the host country also agrees to make a best effort to address those constraints. Finally, the host country government agrees to facilitate the appropriate inclusion of the country specific intervention in their CCA/UNDAF/CPAP at the earliest available opportunity.

Part 8: Work plans and budgets

8.1. Work Plan

As explained in section 1.3. *Theory of Change for DFS Markets*, UNCDF uses a combines a making markets work for the poor approach focused on interventions to promote the shift between DFS market stages. This means (1) diagnosing the issues of the chosen markets (which was already done via scoping missions) (2) working with the national government/central bank on an implementation plan (usually confirmed by a letter of non-objection to MM4P activities) and (3) building local capacity of both the regulators and providers in the market (via technical assistance and grants). The actual scope of the activities may vary and evolves differently in each country.

MM4P has used the lessons learned in the first phase of the Programme, as well as inputs from the donors involved, to produce a work plan, detailed in GANTT form, for the (1) **Global activities** (Management & Operations, Research, Learning and Sharing, Communications & Events) as well as for the (2) **Country level activities** Benin, Malawi, Nepal, Laos, Liberia, Senegal, Uganda and Zambia. Please refer to the work plan is included in **Annex I**.

The GANTT for the MM4P countries (Nepal, Laos, Liberia, Malawi, and Uganda) is based on the current project plan. The GANTT for the MM4P expansion countries is based on the scoping missions conducted during 2013-2014 and will be amended to reflect the **country strategies** (individual country strategies devised by the programme staff + TSPs when deployed in country) which are expected to be finalized in early 2015.

8.2. Proposed deployment

MM4P will be using the remainder of 2014 to create country strategies for the new expansion countries, recruit a larger PMU and select the on-site experts. With assistance from UNCDF, it will commence securing office space in country and recruiting the country teams. With the assistance of a consultant, it will set up its DCED measurement and evaluation framework so that it may be implemented beginning in 2015. It will also work to design and implement the Tracker Survey to gather base line data for each country. With its own resources, UNCDF will also begin working with the central banks to introduce the programme and secure their approval. Beginning in 2015 will conduct a staged roll out in the expansion countries (Benin, Senegal, and Zambia) with two to three months between each.

8.3 Programme Expansion Budget

To continue its activities in its current countries and the planned expansion, UNCDF estimates the MM4P programme would require \$43,277,726 out of which UNCDF has secured funding commitments for \$34,960,750 and will have to fund raise an additional \$8,316,977.

MM4P was initially designed as a five year programme from 2012 – 2016 with original funding of \$12,263,500. At the date of the programme expansion, 31 September 2014, MM4P had spent \$3,225,000. \$9,038,499 of the remaining balance have been carried over to continue the programme expansion with the permission of the original programme donors. UNCDF has committed and an additional \$1,000,000 and MCF \$24,922,250.

Sources of funded budget:

	Remaining Balance 2012-2014	New Funds 2014-2019	Total
UNCDF	866,127	1,000,000	1,866,127
MCF		24,922,250	24,922,250
BMGF	5,801,926		5,801,926
SIDA	1,807,375		1,807,375
DFAT	563,071		563,071
Funded			34,960,750
Funding Gap		8,316,977	8,316,977
Total			43,277,726

Funding related to other UNCDF programmes

MM4P works in cooperation with the MAFIPP programme in Laos and the UNNATI/A2F programme in Nepal. These programmes have a Digital Finance component, which is outsourced to MM4P. The administration and funds are implemented by MAFIPP and A2F under the NIM modality. The quantities reflected below are the latest made known to MM4P and are only included for the purpose of forecasting the programme's needs.

MAFIPP	2,019,766
A2F	1,060,000
Cost sharing with other GTIs	456,710

8.4 Budget Summary 2011-31 Sep 2014

		2011	2012	2013	2014	Spent
	Description					
Output 1	Scalable Projects					
61300	Technical Specialist			129,811	87,575	217,386
62300	Recurring benefits			39,653	25,199	164,852
63300	Non-recurring benefits			34,313	23,014	157,327
64300	Relocation		42,433			42,433
71200	Consultants		63,479	213,727	150,652	427,888
72600	Grants			10,000	20,000	30,000
71600	Travel		21,203	31,738	2,410	55,351
74500	Misc.		454	17,000	0	17,454
	Subtotal		167,470	362,328	310,241	1,137,051
Output 2	Ecosystem Activities					
71200	Consultants			16,916		16,916
72600	Grants					
71600	Travel			28,406	6,746	35,152
74500	Misc.			0	0	0
	Subtotal			45,322	6,746	52,068
Output 3	Policy, Advocacy and Coordination					
61300	Advisor & Project Manager		140,805	162,630	126,639	429,074
62300	Recurring benefits		35,786	41,007	19,659	96,452
63300	Non-recurring benefits		29,092	65,622	71,250	165,964
64300	Relocation		25,709			25,709
61300	Uganda IF Specialist				16,873	16,873
62300	Recurring benefits				48,749	48,749
63300	Non-recurring benefits				3,107	3,107
64300	Relocation				16,366	16,366
71600	Travel				783	783
71200	Consultants					
	Subtotal		231,092	269,260	226,469	727,821
Output 4	Learning, Monitoring and Evaluation					
61200	GTI Knowledge Manager			9,121	22,907	32,028
62200	Recurring benefits			43,453	10,653	54,106
63200	Non-recurring benefits			2,193	2,163	4,356
66100	Overtime Differential					
63400	Staff Learning		1,287	12,931	171	14,389
71200	Consultants - M&E/Training		4,259			4,259
71600	Travel (inc. partners)		23,862	70,867	39,541	134,270
72400	Web/Printing/Publications			2,722	2,492	5,214
74500	Conferences, Misc		3,043	3,070	2,457	8,570
61200	Uganda KM associate					
62200	Recurring benefits					
63200	Non-recurring benefits					
	Subtotal		31,847	109,869	51,763	193,454
Output 5	Programme Support					
61200	Operations Associate		36,326	69,901	55,770	161,996
62200	Recurring benefits		5,934	17,873	17,496	41,303
63200	Non-recurring benefits		3,798	14,409	11,830	29,937
66100	Overtime Differential					
73100	Rent, Taxes, Utilities		16,601	22,133	39,585	78,319
BA005	Furniture		7,767	2,863		10,630
BA007	IT Equipment		1,263	160		1,423
71600	Travel					
71200	Consultants - M&E/Training			3,865	5,213	9,077
72400	IT & Communications		85	7,739	1,842	9,666

74500	Misc.		8,919	6,817	5,477	21,214
61200	Uganda admin assistant					
62200	Recurring benefits					
63200	Non-recurring benefits					
61200	Driver					
73100	Uganda Rent, Taxes, Utilities					
BA004	Uganda Vehicle					
BA005	Uganda Furniture					
BA007	Uganda IT Equipment					
74500	Uganda Misc.					
61200	UNCDF Field Staff		15,235	12,241	5,559	33,035
71600	Travel (inc. field staff)			52	211,201	111,777
74500	Misc. - Field Staff Local Costs		(10)	662		652
75100	FACADM		131,033	142,849	101,478	375,360
	Subtotal		229,245	302,107	240,363	772,415
	Total		653,358	1,394,898	1,176,744	3,225,001

8.5 Budget Summary 1 Oct 2014-2019

	Description	(Oct) Dec 2014	2015	2016	2017	2018	2019	Project life
Output 1	Reduction in Deaths							
61300	Admin & Project Manager MIVEP	99,666	313,750	296,358	304,899	314,407	244,519	657,399
61300	Global Technical Specialist (FS)	-	98,007	201,894	207,950	214,189	-	722,039
61300	Relocation	-	50,000	-	-	55,000	-	105,000
61300	Local Technical Specialist	202,731	227,355	234,838	242,624	249,153	255,879	1,312,580
61300	Relocation	-	50,000	-	-	-	56,275	106,275
61300	Technical Specialist Senegal	-	147,834	178,026	184,117	190,390	261,411	962,783
61300	Relocation	-	50,000	-	-	-	50,000	100,000
61300	DFS Support Associate (G)	-	131,450	135,393	139,455	143,639	77,323	627,260
70200	Consultants	2,354,538	3,604,823	2,837,082	1,542,586	354,460	202,592	10,896,081
70200	Grants	1,058,000	1,724,207	1,094,400	664,360	262,254	-	4,803,221
70600	Travel	50,881	231,633	181,090	153,113	139,985	86,101	842,803
70500	Misc.	955	1,000	-	-	-	-	1,000
	Subtotal	3,766,771	6,630,059	5,159,081	3,439,105	1,923,477	1,234,100	22,078,637
Output 2	Recovery Activities							
61300	Technical Specialist Zambia	-	147,474	152,648	157,977	163,467	48,530	670,096
61300	Relocation	-	50,000	-	-	-	50,000	100,000
61300	NOCS Senegal	-	68,319	93,825	96,639	99,539	51,262	409,584
61300	NOCS Brazil	-	40,120	82,647	85,127	87,681	67,733	363,308
70200	Consultants	381,527	3,004,958	2,904,280	793,527	992,523	-	8,076,316
70600	Travel	11,212	139,497	101,352	93,253	96,051	109,062	550,427
	Subtotal	392,740	3,450,367	3,334,752	1,226,524	1,439,260	326,588	10,170,230
Output 3	Policy Advice and Coordination							
61300	Uganda HR Specialist	165,180	228,396	239,839	-	-	-	633,415
61300	Relocation	-	-	33,750	-	-	-	33,750
70600	Travel	-	-	-	-	-	-	-
70200	Consultants	107,500	122,020	75,000	-	-	-	304,520
60200	UNCDF Field Staff	34,217	132,550	54,650	-	-	-	221,417
70600	Travel (inc. field staff)	27,000	38,500	35,000	-	-	-	100,500
70500	Misc. - Field Staff Local Costs	-	-	56,250	-	-	-	56,250
	Subtotal	333,897	521,466	494,489	-	-	-	1,249,852
Output 4	Training, Monitoring and Evaluation							
60200	MIVEP Associate (G)	-	144,592	148,930	153,398	158,000	123,793	728,713
60200	Staff training	5,829	5,000	-	-	-	-	10,829
70200	Consultants MIVEP training	65,000	1,009,780	692,200	740,212	-	616,431	3,123,623
70600	Travel (inc. partner)	131,846	120,000	30,900	31,827	32,782	16,883	364,238
70200	Web training/publications	22,251	69,424	58,916	-	-	-	150,591
70500	Conferences MIVEP	77,643	160,000	110,000	-	-	-	347,643
61200	Uganda KM Associate	20,936	28,898	23,402	-	-	-	73,236
	Subtotal	323,505	1,537,694	1,064,348	925,437	190,782	757,107	4,798,873

000000	Programme Support							
600000	Operations Associate/Bussels	44,905	135,000	141,523	145,769	157,323	80,672	705,192
600000	Programme Assistant/Bussels	-	119,495	123,080	126,773	130,576	102,887	609,802
600000	ISM Assistant/Zambia	-	54,231	55,858	57,534	59,260	15,259	249,142
600000	Administrative Assistant/Senegal	-	26,046	35,771	36,844	37,950	19,544	146,155
600000	Administrative Assistant/Benin	-	97,559	33,348	34,349	35,379	27,330	192,665
700000	Rent, Taxes, Utilities	1,678	71,338	73,469	73,478	75,682	77,953	303,599
800000	Food/Inc	3,300	10,000	4,000	-	-	-	17,300
800000	IT Equipment	3,000	6,000	3,000	-	-	-	12,000
700000	Rent, maintenance, IT office 1	-	12,500	12,875	13,261	13,659	7,034	59,330
700000	Rent, maintenance, IT office 2	-	12,500	12,875	13,261	13,659	10,552	60,827
700000	Rent, maintenance, IT office 3	-	12,500	12,875	13,261	13,659	14,069	60,364
700000	Travel	-	26,000	10,500	4,500	-	16,883	50,883
700000	Consultants - MRE/Training	15,431	24,000	24,000	-	-	-	63,431
700000	IT & Communications	9,158	12,000	12,000	-	-	-	33,158
700000	Misc.	1,523	11,000	9,000	-	-	-	21,523
600000	Operational administration	16,017	23,120	18,722	-	-	-	57,859
600000	Driver	5,765	8,224	6,600	-	-	-	20,589
700000	Operational Rent, Taxes, Utilities	-	50,000	30,000	-	-	-	80,000
800000	Operational Vehicle	32,384	-	-	-	-	-	32,384
800000	Operational IT Equipment	6,863	550	413	-	-	-	7,826
700000	Operational Misc.	3,728	7,200	5,400	-	-	-	16,328
700000	IT & COMM	284,363	852,415	701,889	382,966	306,223	188,720	2,716,576
700000	Subtotal	428,114	1,571,673	1,327,198	901,996	843,369	560,904	7,133,850
000000	Communications - MasterCard							
600000	MIS/IT/ISM Associate	128,302	164,751	152,112	156,675	161,375	166,216	919,431
600000	Comm. Associate West Africa	-	31,258	42,928	44,215	45,542	23,454	167,397
700000	Consultants communication	15,000	60,000	61,800	63,654	65,564	67,531	328,549
700000	Travel	-	15,000	15,450	15,914	16,391	16,883	79,628
700000	Web/Printing/Publications	-	88,800	66,744	94,208	70,809	200,115	500,666
700000	Conferences/Misc	-	138,000	142,140	146,404	150,796	155,320	732,660
700000	Subtotal	143,302	497,809	481,174	521,070	510,476	629,519	2,766,650
	Total	5,388,329	14,209,073	11,861,042	7,014,133	4,907,364	3,508,217	46,814,002

A draft detailed budget is included in **Annex VIII**.

8.6 Funding for the Gender component of the programme

The gender component of MM4P has been addressed horizontally. In order to meet the gender mainstreaming targets the programme MM4P will dedicate 3,382,481.56 USD specifically to this component (or 35% of the grants and 10% of the consultancy budget).

8.7 Resource Mobilization Strategy

So far the project budget is sound, UNCDFs Non-core leverage criteria (1 to 4) has been complied with and funding is available for the first year of operations. Going forward the project will have to raise an additional 8,316,977USD. This includes funding for several key areas:

- Full funding of the Management Unit, which relies heavily on DFAT and Sida through 2015. Initial discussions with DFAT and Sida suggest that these donors may not have additional funds to extend their participation in MM4P beyond 2016, making this a top priority. As part of a broader UNCDF proposal, MM4P has submitted a proposal to the EU/ACP. If successful, such funding would not be available until 2016. However, MM4P will need to work closely with the Partnerships Unit for these funds, which are the most difficult to raise.
- Funding for policy and regulatory work streams in Senegal, Benin and Zambia. Given its own legal constraints, the MasterCard Foundation is not able to fund these activities. Through 2015, MM4P will need to relay on its existing funds from Sida and DFAT for these activities. It does not currently have leads to fund this and is working to partner with BTCA and on developing partnerships with other organizations (GSMA in Senegal, FSD Zambia in Zambia) to "crowd in" their programmes to support regulators.
- Funding for continuation of activities in Malawi, Liberia and Nepal. MM4P is in the final stages of raising funds in Nepal through a contribution from MetLife Foundation (\$250,000) and USAID/Nepal (up to \$3.6 million). It is also finalizing an agreement for \$250,000 from USAID for Malawi, but requires an

estimated \$2 million additional funds. For Liberia, there may be an opportunity to raise funds through UNMEER which is currently under discussion.

- Continuation of activities in Uganda beyond 2016. MM4P will focus on its current funder for that country, the Bill & Melinda Gates Foundation. This necessitates a successful implementation of its current work.

Other possible sources might include the European Investment Bank which has expressed interest in maintaining a relationship with MM4P after the conclusion of the joint scoping activities. USAID has also expressed interest in deepening its relationship with UNCDF in digital finance.