

Call for Consulting Services

Subject:	Common Regional Market Action Plan 2021 – 2024 / Regional Investment Area
Title:	Mapping Western Balkan Economies to Assess Financial Inclusion from the Payments Perspective
RCC Department:	Programme Department
Eligible:	Consulting companies, bidding consortia of individual experts
Reporting to:	RCC Secretariat
Duration:	April – June 2024
Reference Number:	030-023

I. BACKGROUND

In November 2020, the leaders of Western Balkans (WB) endorsed the Common Regional Market (CRM) Action Plan (AP) 2021 – 2024 at the Berlin Process Summit held in Sofia. The CRM Action Plan consists of targeted measures along the four key areas: Regional Trade Area, Regional Investment Area, Regional Digital Area, and Regional Industrial and Innovation Area. Under this framework, financial services and the development of a modern payment system have been identified as key priority areas, both addressed under the financial market agenda by the RCC.

In the context of financial markets, one topic that has gained significance over the past few years has been financial inclusion. Although there is no global definition of financial inclusion, in its most common and generic form, it is defined as the process of ensuring affordable, prompt, and adequate access to a wide range of financial products and services by all segments of society, particularly the vulnerable groups. An inclusive financial system ensures the efficient allocation of productive resources, thereby reducing the cost of capital and offsetting the need for informal sources of credit.

Although the main indicators measuring financial inclusion suggest that access to and usage of financial services have expanded over the years, there is still a lot of room for improvement. For example, approximately one-fourth of adults in the Western Balkans still do not have a transaction account, which is a key aspect of financial inclusion.

Considering that payments and payment services are crucial components of the comprehensive suite of financial services, they are essential elements of financial inclusion. The World Bank has analysed the *Payment Aspects of Financial Inclusion (PAFI)* and created a framework of guiding principles that various jurisdictions use as the basis for their reforms. This Technical Assistance aims to map Western Balkan economies to assess their current financial inclusion status from the payments perspective (based on the PAFI framework) and to propose initiatives aligned with EU payment trends. The proposed initiatives/actions will be considered for inclusion in the Common Regional Market 2.

DESCRIPTION OF RESPONSIBILITIES

Objective of the assignment

The objective is to conduct a comprehensive mapping of Western Balkan economies to assess financial inclusion from the payments perspective, with the aim of proposing initiatives for the Western Balkans that are in alignment with EU trends in the area of payments.

Specific Tasks

This assignment should focus on the following specific tasks:

- Conduct desk research to compile an overview of supply-side (e.g. IMF Financial Access Survey) and demand-side (e.g. Global Findex) indicators to quantitatively demonstrate how the Western Balkan economies stand in terms of financial inclusion from the perspective of payments. This overview should concentrate not only on point-in-time data but also on trends over an agreed timeframe.
- Conduct a review of available regulatory and strategic documents, along with other necessary materials, to understand the initiatives Western Balkan economies have undertaken that align with the seven guiding principles developed by the World Bank on the Payment Aspects of Financial Inclusion (PAFI).
- Meet with responsible representatives of Central Banks and Banking Associations in each respective Western Balkan economy to identify common gaps contributing to financial exclusion within the framework of PAFI.
- Analyse the collected data and information and based on the findings propose a framework for viable policy actions for the Western Balkans that align with the PAFI guiding principles and developments related to the modernisation of payments in the EU. The actions should be concretely elaborated and relevant for all Western Balkan economies.

Methodology

The expert is expected to suggest the most suitable methodology for successful completion of the assignment. This may include, but is not limited to, a mix of online and onsite activities. Note that a clear methodological overview should be an integral part of the concept note.

II. LOGISTICS AND TIMING

Timeline

The engagement is expected to start in **April 2024** and end in **June 2024**. The selected bidder should submit a Gantt chart with a clear overview of planned activities.

Lines of Communication

- The task will be implemented in close consultation with the RCC Secretariat.
- The contracted bidder will report to the **Senior Expert on Competitiveness**.
- As appropriate, meetings with RCC experts will be organised to agree on expectations and deliverables.

III. REQUIRED OUTPUTS / REPORTING

The following deliverables will be produced and transferred to the RCC Secretariat during the course of the assignment, as per the timeframe specified below:

	Deliverables	Due date
1.	Detailed methodology and work plan submitted and agreed with the RCC	End of April 2024
2.	Submission of the overview of supply-side and demand-side indicators	Beginning of May 2024
3.	Draft report compiled with findings from desk research and meetings with central banks and bank associations	Beginning of June 2024
4.	Final report with detailed findings and recommendations delivered, incorporating feedback from RCC and other stakeholders	Mid-June 2024

IV. REQUIREMENTS

Education:	<ul style="list-style-type: none">• An advanced university degree (Master's Degree or equivalent) in finance, business, or other field of relevance for the assignment.
Experience:	<ul style="list-style-type: none">• Minimum of 5 years of relevant experience in finance, banking sector or other related fields;• Proven analytical skills and ability to conceptualise and write concisely and clearly, preferably evidenced by a list of published reports/papers in English;• Proven communication and presentation skills and ability to work in an environment requiring liaison and collaboration with multiple actors including government representatives, international organisations' representatives, business community, civil society institutions, donors and other stakeholders;• Advanced computer skills (MS Office and internet software).
Language requirements:	<ul style="list-style-type: none">• Fluency in written and spoken English, as the official language of the RCC;• Knowledge of other RCC languages is an advantage.

Core Values

- Demonstrates integrity and fairness by modelling RCC values and ethical standards;
- He/she is independent and free from conflicts of interest in the responsibilities defined by the Terms of Reference;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.

Core Competencies

- Demonstrates professional competence to meet responsibilities and post requirements and is conscientious and efficient in meeting commitments, observing deadlines and achieving results;
- Result-oriented; plans and produces quality results to meet the set goals, generates innovative and practical solutions to challenging situations;

- Communication: Excellent communication skills, including the ability to convey complex concepts and recommendations clearly;
- Team work: Ability to interact, establish and maintain effective working relations in a culturally diverse team;
- Ability to establish and maintain productive partnerships with regional and national partners and stakeholders.

QUALITY CONTROL

The expert should ensure an internal quality control during the implementing and reporting phase of the assignment. The quality control should ensure that the draft reports and deliverables comply with the above requirements and meet adequate quality standards before sending them to stakeholders for comments. The quality control should ensure consistency and coherence between findings, conclusions and recommendations. It should also ensure that findings reported are duly substantiated and that conclusions are supported by relevant judgment criteria.

V. APPLICATION RULES

The application needs to contain the following:

- Technical Offer;
- Financial Offer.

For companies and consortia of individual consultants:

- Company profile including a brief description (up to 2 pages) of the company. In case of a bidding consortium, the team leader should submit the profile of the consortium;
- Copy of Company's Registration Certificate (in case of consulting companies);
- In case of bidding consortia of individual consultants participating in this Call, they must indicate the members and show how the work is divided between them. Specifically, all members must name the team leader and authorise this member to represent the consortium and receive payments on behalf of the other members. A corresponding written authorisation, power of attorney must be attached to the bid;
- Financial records - company's balance sheet and profit-and-loss statement for the past 2 years (only in case of a bidding of consulting companies);
- CV of an expert(s), outlining relevant knowledge and experience as described in the Terms of References, along with contact details of referees;
- An outline work programme of a maximum of 5 pages describing the main issues, sources of information to be used, timeline and methodology. The work programme should include the initial outline of the content of the assessment ;

- List of references for relevant activities implemented over the past years demonstrating relevant experience in the subject matter;
- Signed Statements of Availability (Annex I).

For individual experts:

- Letter of Interest;
- CV outlining relevant knowledge and experience as described in the Terms of References, along with contact details of referees;
- An outline work programme of a maximum of 5 pages describing the main issues, sources of information to be used, timeline and methodology. The work programme should include the initial outline of the content of the assessment;
- List of references for relevant activities implemented over the past years demonstrating relevant experience in the subject matter;

Financial Offer

The financial offer should reflect the following:

- All figures should be expressed in EUR.

NOTE:

When preparing the financial offer, the applicant should take into account the following:

- Use a free format for the Budget providing the Global Price for the work to be provided.
- **Maximum budget should not exceed EUR 10,000.**
- The fee rates should be broadly consistent with those applicable in the region.

Applications need to be submitted by 15 April 2024.

VI. EVALUATION RULES:

- The consultancy will be awarded to the highest qualified bidder based on the relevance of skills and expertise to this assignment;
- The applications are evaluated following these criteria:

EVALUATION GRID	Maximum score
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A. Technical Offer (A.1+A.2+A.3)	100
A.1. Work experience, references list: Relevant work experience; evidence of other contracts of the size comparable with that of the tender; experience with clients comparable to the Contracting Authority.	35
A.2. Quality and professional capacity of the consultant(s): CV(s) satisfy the criteria set forth in the Section IV Requirements, education and experience demonstrate professional capacity and experience required.	35
A.3 Quality of the concept note: An outline of work programme describing the main issues, information, data sources, research and analytical tools to be employed by the author, as well as the timeline.	30
B. Financial Offer/ lowest price has maximum score	100

Score for offer X =

A: [Total quality score (out of 100) of offer X / 100] * 80

B: [Lowest price / price of offer X] * 20

In addition to the results of the technical and financial evaluation, a competency-based interview will be held with the selected bidder.

Information on selection of the most favourable bidder

The RCC Secretariat shall inform candidates and bidders of decisions reached concerning the award of the contract as soon as possible, including the grounds for any decision not to award a contract for which there has been competitive tendering or to recommence the procedure.

Standard letter of thanks for participation to unsuccessful bidders shall be sent within 15 days after the contract is signed with the awarded bidder.

The candidates and bidders wishing to receive a feedback may send a request within 15 days after receipt of the standard letter of thanks.

The request may be sent to the e-mail address ProcurementforRcc@rcc.int or to the address of the RCC Secretariat:

Regional Cooperation Council Secretariat

Attention to: Administration Department

Building of the Friendship between Greece and Bosnia and Herzegovina

Trg Bosne i Hercegovine 1/V
71000 Sarajevo
Bosnia and Herzegovina

Appeals procedure

Bidders believing that they have been harmed by an error or irregularity during the award process may petition the RCC Secretariat directly. The RCC Secretariat must reply within 15 days of receipt of the complaint.

The appeal request may be sent to the e-mail address ProcurementforRcc@rcc.int or to the address of the RCC Secretariat:

Regional Cooperation Council Secretariat
Attention to: Administration Department
Building of the Friendship between Greece and Bosnia and Herzegovina
Trg Bosne i Hercegovine 1/V
71000 Sarajevo
Bosnia and Herzegovina

ANNEX I: STATEMENT OF AVAILABILITY

REF: 030-024

By representing the Entity_____ we agree to participate in the above-mentioned tender procedure. We further declare that we are able and willing to work for the period(s) foreseen for the position for which our CVs have been included in the event that this tender is successful, namely:

Full Name	Available from (Date)	Available until (Date)	Acceptance by signature