

## Terms of reference (For individual Consultants Only)

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### Consultant to provide advisory service to support selected Financial Service Providers to extend and tailor financial products to the needs of young entrepreneurs and MSMEs in the digital economy

The Boosting Decent Jobs and Enhancing Skills for the youth in Rwanda's digital economy Project

Dar es Salaam Country Office

#### ▶ BACKGROUND

Rwanda's long-term development vision, Vision 2050, sets out an ambitious pathway for the country's transformation into a high-income, knowledge-based economy. Digitalization is identified as a key driver of this transformation, with strong emphasis on innovation, entrepreneurship, and private sector led job creation. In recent years, the Government of Rwanda has made significant progress in strengthening the enabling environment for the digital economy through investments in digital infrastructure, skills development, and reforms aimed at improving the business and investment climate.

These efforts are further articulated under the National Strategy for Transformation II (NST2), which positions MSMEs and digital entrepreneurship as central to accelerating inclusive growth, productivity, and employment creation, particularly for youth and women. NST2 highlights financial inclusion as a foundational enabler of enterprise development and economic participation, underscoring the importance of expanding access to affordable, appropriate and diversified financial services that respond to the evolving needs of a digitally enabled economy.

Rwanda has made substantial progress in expanding access to financial services, driven largely by the widespread adoption of mobile money and digital payment systems. These advances have strengthened transactional inclusion, enabled more efficient business operations, and reduced barriers to entry for individuals and small enterprises engaging in the digital economy. As a result, an increasing number of young entrepreneurs are actively using digital financial tools as part of their day to day business activities.

Building on this progress, evidence suggests that further gains can be achieved by strengthening access to finance that is better aligned with enterprise development and growth needs, particularly for young entrepreneurs operating in the digital economy. While many of these enterprises are digitally enabled, existing financial products are often designed around traditional business models and do not yet fully reflect the cash flow patterns, income structures, or investment needs associated with digital and platform based activities. This can limit entrepreneurs' ability to invest in digital tools, working capital, innovation, and market expansion, especially beyond the startup phase.

Under Outcome 1 of the project, the focus is on creating jobs in the digital economy through policies and investment growth in sustainable enterprises. Within this outcome, particular emphasis is placed on enhancing access to finance for entrepreneurs in the digital economy, recognising that finance is a key constraint to enterprise growth and job creation. To this end, the project supports measures that strengthen the readiness of young entrepreneurs to engage with formal finance, while at the same time reinforcing linkages between business development services and financial service providers (FSPs), in

order to improve the relevance and accessibility of financial products for businesses in tech and for digitally enabled enterprises.

These efforts build on existing national initiatives and financial inclusion mechanisms that have expanded basic access to financial services, while seeking to strengthen the transition from grant-based inclusion to more sustainable, enterprise-oriented finance. By strengthening FSPs' understanding of the business models, risk profiles and growth trajectories of young digital entrepreneurs, the project aims to complement ongoing access to finance efforts and support the design and piloting of youth-friendly financial products that are better aligned with the realities of technology-driven businesses.

Under the leadership of The Ministry of Youth and Arts (MOYA) and in alignment with existing national youth financing initiatives, the ILO project seeks to engage a consultant to provide advisory services to a selection of FSPs. The assignment will support FSPs and relevant stakeholders in extending and tailoring financial products and services to the needs of young entrepreneurs in the digital economy. By doing so, the consultancy will contribute to improved access to finance, stronger enterprise sustainability, and increased decent job creation for young women and men.

## ► OVERALL OBJECTIVE

The purpose of the assignment is for a consultant to lead on the provision of advisory services to an FSP collaborating with MOYA and the ILO to support the design, pilot testing and roll out of an economically viable youth-friendly financial product. The assignment will include the following activities:

1. **Develop a light touch market assessment** enabling an improved understanding of the young entrepreneurs and MSMEs in the digital economy market segment, including opportunities, challenges and market gaps related to the existing supply and demand for financial products and services. This step will enable the FSP to identify which sub-target group to prioritize for economic viability as part of the segmentation exercise.
2. **Develop a light touch institutional assessment** to quickly understand the strengths and weaknesses of the selected FSPs and enable to unlock the challenges inherent to the development of fit-to-purpose and economically viable financial products for young entrepreneurs and MSMEs in the digital economy.
3. **Identify, adapt or develop a financial product** adequately fitting the needs of young entrepreneurs and MSMEs in the digital economy and produce an outreach strategy helping them reach out to this target group. Some of these financial products could be standalone products delivered through FSPs' traditional delivery channels, or tech platforms, or through embedded finance mechanisms, using customer data to enable better risk identification and mitigation systems, facilitating smoother delivery, access and use.
4. **Develop an action plan (pilot and post-pilot)** to support the FSP to have clarity on operationalization and the outreach strategy to support concretely testing the impact of the financial product to be utilised by a selection of young entrepreneurs and MSMEs in the digital economy.
5. **Propose fit-to-context referral mechanisms with the partner FSPs** to provide targeted businesses with access to adequate financial products and services.

## ▶ KEY DELIVERABLES & INDICATIVE TIMELINE

The Individual Consultant will undertake the following activities:

### 1. Undertake a light-touch market assessment of the supply and demand for financial products and services to young entrepreneurs in the digital economy

- ▶ The objective is to analyse the status of financial service provision, unmet needs, and barriers in the FSP preferred operational areas in Kigali and/or Musanze. The market assessment will include major financial institutions in these areas (covering both formal and informal ones); major products/services they offer and which demographic/gender/social/business segments each product/service targets; market penetration (estimation) i.e., number of customers or volume of products disbursed; and gaps in terms of which demographic, gender, social and business segments that are being left out. The consultant will review the business models of the major financial institutions in the area: their major revenue and profit streams and identify their major risks and costs. The consultant should prioritize the gaps, which if met, would bring maximum benefit to young entrepreneurs and MSMEs in the digital economy. The market assessment will be conducted in close collaboration and engagement of the FSP research and marketing departments.
- ▶ **The Demand Side:** The objective is to understand the socio-economic characteristics, financial attitudes and behaviours of young entrepreneurs and MSMEs in the digital economy, in view of segmenting them into sub-groups and extract the ones which could be the most viable for the partner FSP. The entrepreneurs are expected to be from the ICT sector and the ICT enabled sectors with Toursim being a key sector for Musanze (as detailed in footnote <sup>1</sup>). The desk review will build on the findings of ILO's recent relevant research and other relevant documents, while the primary research will target 100 entrepreneurs at most from Kigali and Musanze. The data collection will be facilitated by ILO's relevant implementing partners. The consultant is expected to lead on the data collection tools development, quality assurance of data collected, analysis, synthesis and write up.
- ▶ **The Supply Side:** The objective is to systematically assess the partner FSPs and competitors' products suitability and accessibility, their own internal capacity, risk appetite and risk mitigation measures to target these groups. The consultant is expected to lead on the relevant interviews, developing the data collection tools followed by analysis, synthesis and final write up of the findings.
- ▶ The findings under the previous sub deliverables are expected to be written in one coherent high quality assessment that details the findings of the assessment including the recommendations to address any mismatch identified. This assessment will be submitted officially to the ILO and the Ministry of Youth and Arts for validation and hence the assessment is expected to be evidence based and to provide critical inputs to contribute to the available knowledge base on youth financial inclusion in Rwanda.

**2. Conduct an institutional assessment of the selected partner FSP**

- ▶ The objective is for a consultant to assess the FSP's governance, strategy, operations, products, delivery systems, processes, current portfolio and financial management, in a practical way enabling to extract inputs informing the concrete development of new financial products fitting the needs of young entrepreneurs and MSMEs in the digital economy. This will involve analysing the current business model of the FSP in serving its existing clients, especially if already serving young entrepreneurs and MSMEs in the digital economy, in their areas of operation, in order to identify gaps in financial service delivery where technical support can improve on their service delivery.
- ▶ The consultant will be expected to collect and analyse information/data on management system and human resources (skills, capacity, and HR management). The consultant needs to consider attempts to fill the gaps identified in the market assessment and draw lessons and recommendations for the financial product ideation exercise. This may include studying their current financial products or those that the FSP may have launched in the past but were discontinued.

**3. Based on the findings above, in collaboration with the selected FSP, design a tailored strategy for financial product development targeting sub-groups within the ICT or ICT enabled sector in Kigali and Musanze**

- ▶ Based on the market research and institutional assessment and in consultations with the selected FSP, the consultant is expected to facilitate the development of financial products and services tailored specifically for entrepreneurs in Kigali and Musanze in the digital economy. The developed financial products and services are expected to provide best return on investment, to hold a strong economic viability for the FSPs and to be in compliance with the Central Bank of Rwanda guidelines and regulations, taking lessons from global best practices. The underlying assumption is that this could lead to the FSP further developing its portfolio of products and services to other segments of the target groups after proving the business case during the pilot phase.
- ▶ The consultant will identify and estimate the resources and capabilities required to develop and market the financial product in terms of people, technology, procedures, and processes, to deliver, sustain and scale it up. They will also assess the current institutional set up of the FSP with respect to the resources and capabilities to deliver the proposed financial products in Kigali and/or Musanze and evaluate their needs. The consultant is also expected to enable a system to prioritize the products and services to be launched alongside the financial product based on agreed criteria with the selected FSP and the level of risks they are ready to take.

**4. Develop an outreach action plan for financial products (either tailored or identified as market-oriented products)**

- ▶ Based on the financial products and services designed or identified under Deliverable 3, develop a concise outreach and market activation action plan for the pilot phase for a

set of prioritized financial products. The consultant is expected to recommend the most efficient inclusive financial products to be developed, matching the unmet market needs for financial products and services with the institution capacity of the FSP as assessed within the institutional assessment and in the product ideation phase. The action plan will outline practical steps to increase awareness, understanding, and uptake of the products among targeted beneficiary groups in Kigali and Musanze.

- ▶ The outreach plan is expected to define priority target segments, key product mix and value propositions, communication channels, delivery mechanisms and roles and responsibilities of the partner FSP and other relevant stakeholders. It will take into account the characteristics of young entrepreneurs and MSMEs in the digital economy, including business maturity, sector specific needs, and geographic context, and propose realistic outreach approaches that can be implemented by FSPs within existing operational structures. This include technology/infrastructure (procurement, in-house development, partnership) and human resources development (organisation structure, skills profiles), proposed changes in processes, procedures and products with milestones, timelines and KPIs such as the number of clients to be served, products to be rolled out and volumes of financial products and services delivered with quarterly targets and milestones. The plan should also have a set capacity building programme for the staff to skill them in the proposed product delivery and changes in their operations.

**5. Propose fit-to-context referral mechanisms with the partner FSPs to provide targeted businesses with access to adequate financial products and services (e.g. affordable startup and expansion funding) (August 2026 to January 2027).**

- ▶ In collaboration with MOYA, the selected FSPs and relevant entrepreneurship and business development support actors, propose fit to context referral mechanisms that are aligned with the national youth financing systems, where relevant, to improve access to affordable startup and expansion finance for youth. The referral mechanisms will build on existing business development support structures and aim to improve the efficiency and transparency of pathways through which young entrepreneurs and MSMEs in the digital economy are identified, assessed, and referred to suitable financial products.
- ▶ The proposed referral mechanisms should clarify roles, eligibility criteria, and referral processes between partners, and identify opportunities to strengthen coordination between business development service providers and financial institutions. The focus will be on practical, scalable arrangements that lower access barriers for young entrepreneurs while supporting FSPs to manage risk and assess financing applications more effectively.

**6. Draft a final implementation report on the intervention, which could then be used as case study to generate knowledge and extract key lessons from this implementation. The consultant will develop a report determining the process undertaken for the development and delivery of the financial product and will also include success stories and case stories. This would further be published.**

## ▶ REPORTING LINES

The selected consultant will work under the direct supervision the Project Chief Technical Adviser who is based in Kigali, Rwanda and will receive technical advisory from the ILO Technical Specialist in financial inclusion based in the ILO's Social Finance Programme in Geneva, Switzerland (ILO-HQ), with support from the ILO Decent-Work-Team Specialist. This engagement includes regular planning and progress meetings, joint discussions, and agreement on research methods for the various technical areas covered under this project.

## ▶ SUBMISSION

All submissions shall be made through UNGM (UN Global Market). Interested candidates must be registered in the UN Suppliers Database as an Individual Consultant prior to submission.

individual consultant: [Individual Consultant account creation](#)

individual consultant guide : [How to create a supplier account on UNGM? – UNGM Help Center](#)

Submission link : [Consultant to provide advisory service to support selected Financial Service Providers to extend and tailor financial products to the needs of young entrepreneurs and MSMEs in the digital economy](#)

The interest candidate must submit the following documents:

1. A Resume including their qualification as Financial Product Development Advisor or a Financial Inclusion Expert.
2. Technical proposal including a description of the methodology to be used indicating the assessment, development of an inclusive outreach strategy and referral mechanism which will include detailed workplan of the advisory services.
3. A deliverable-based financial offer, which includes ONLY professional fees related to the activity.

**Note:** The following Table has been prepared to assist the Consultant in reporting their respective financial offers. Some deliverables have been reflected in the table as an example. However, all deliverables are to be reflected in the table.

ID	Activity Deliverables	Total Activity Deliverable Days	Total Number of Mission Days	Total Deliverable Cost*
<b>IMPORTANT NOTE: First activity below is provided as an example. Please ensure that this template table includes ALL activities detailed in the Key Deliverables section above. Also ensure that the last row is dedicated for Total Activity Days and Costs as shown below in the example.</b>				
A.1.	1. Undertake light Rapid Assessment...			
.	Please provide breakdown <b>for each activity</b> in the Key Deliverables section above.			
<b>Totals Activity Days and Costs</b>				

\*Deliverable Activity Cost = Daily Professional Fees X Total Activity Deliverable Days + Travel cost (mission days X Daily Subsistence Allowance-DSA) + flight cost

## ► PAYMENT SCHEDULE

Payment of Professional Fees will be made in three instalments:

- 1st payment of 10% upon submitting an inception report as indicated and the data collection tools.
- 2nd payment of 30% upon delivering Deliverable 1 and 2:
  - Deliverable 1: Light-touch market assessment of the supply and demand for financial products and services to young entrepreneurs in the digital economy
  - Deliverable 2: Institutional assessment of the selected partner FSP
- 3rd payment of 30% upon completions of Deliverable 3 and 4:
  - Deliverable 3: Tailored strategy for financial product development targeting sub-groups within the identified 5 major target groups
  - Deliverable 4: Outreach action plan for financial products (either tailored or identified as market-oriented products)
- 4th payment of 30% upon the completions of Deliverables 5, 6 and 7:
  - Deliverable 5: Implementation of the pilot and post-pilot based on the developed financial product development strategy and operational outreach plan for the pilot
  - Deliverable 6: Report detailing fit-to-context referral mechanisms with the partner FSPs to provide targeted businesses with access to adequate financial products and services
  - Deliverable 7: Final implementation report of the intervention.
- 100% of DSA once all relevant receipts, boarding passes are submitted

All reimbursement cost items need to reflect the ILOs commitment to using the most economical, direct, and standardized fares.

## ► SELECTION CRITERIA

The successful candidate will have a mix of expertise and qualifications in the focus areas related to this assignment. Evaluation of the suitability of the Consultant to work on this assignment will be made against the following technical criteria:

Evaluation Criteria	Maximum mark
<b>Expertise/Qualification</b>	
The individual consultant should have at least seven years of experience in financial products analysis and development and a university degree in Business Administration, Commerce, Economics, Finance and Accounting. A Masters in Business administration with specialisation in banking or financial services is an added advantage	10
At least 7 years' experience working in or providing financial product development withing an FSP, as well as working with government-led youth financing initiatives, public-private partnerships, or revolving funds is strong asset.	10
Conducted similar work for ILO (or another UN agency) in similar contexts to Rwanda is an asset.	10
Fluency in English and Kinyarwanda is a must	10
Maximum Points	<b>40</b>



<b>Proposed approach to deliver the ToR's scope of work</b>	
Applicant demonstrates (via submitted technical proposal) their expertise providing technical advisory in financial product analysis and development. The technical proposal includes a realistic workplan and technical assistance approach. The evaluation will assess the understanding of scope, objectives and completeness of response.	30
Quality of the sample report suggests that the applicant(s) possess the required level of knowledge and analytical skill.	30
Maximum Points	<b>60</b>
<b>Total for Both Section A (30 Points) and Section B (70 Points)</b>	<b>100</b>