

Terms of Reference

for

The “Enhancing Women’s Financial Inclusion through Islamic Finance” Program

I. About the Islamic Development Bank

1. The Islamic Development Bank Group (IsDBG) is a South-South multilateral development finance institution established in 1973. The current membership of the Bank is 57 countries located across Africa, Asia, Europe, and South America. The mission of the institution is to promote comprehensive human development, with a focus on alleviating poverty, improving health, promoting education, improving governance and prospering the people in accordance with the principles of Shari’ah (i.e., Islamic Law). To fulfil its objective the IsDBG provides financial resources through different modes of Islamic financing to support socio-economic development activities in its member countries as well as in Muslim communities in non-member countries. In addition, the institution has a specific mandate to develop and promote the Islamic financial industry.

II. Background

2. In the aftermath of the Global Financial Crisis of 2007–2008, the Group of Twenty during its Summit in 2010 formally recognized the importance of financial inclusion as one of the pillars of the global development agenda. Later during the formulation of the post 2015 agenda financial inclusion was positioned prominently as an enabler of at least seven of the seventeen 2030 Sustainable Development Goals. In-line with these commitments the IsDB has also undertaken measures to further show its support to this global priority and included support to enhance financial inclusion as one of the key objectives of the institutions President’s Five-Year Program and IsDB Group’s 10-Year Strategy (10-YS) which includes both the development of the Islamic financial sector and inclusive social development as strategic pillars.
3. Moreover, the IsDB’s Women’s Empowerment Policy underlines the importance of women’s financial inclusion as an essential part of improving women’s access to resources and services and prioritizes as indicated in Pillar 1: Access. Recognizing that women are a key target group for financial inclusion efforts and the growing interest to understand and explore ways to best utilize Islamic finance as a vehicle for broadening financial inclusion, the Islamic Finance Advisory & Technical Assistance (IFATA) Division of the Bank responsible for all matters related to Islamic Finance advisory and technical assistance to develop Islamic financial services industry in Member and Non-Member Countries and the Women and Youth Empowerment Division (WYE) responsible for identifying and initiating new programs that support women’s empowerment have collaborated to develop the Islamic Finance for Women (IF4W) Program.
4. The IF4W is a program developed to promote the Islamic finance industry to adopt gender-sensitive perspective and practices contribute to improving women’s access to financial

services. This will be done in three phases. The first phase will focus on developing a report to highlight the transaction characteristics of Islamic finance instruments and draw linkages on how they can address specific barriers women face in having access to finance and a guidance note providing information and practical steps on how to develop Islamic financial products that respond to the needs of women for dissemination to relevant public and private sector institutions providing Islamic financial services within member countries, and globally. In the second phase capacity development workshops will be organized for public and private sector institutions providing Islamic financial products on how to provide financial services and develop Islamic financial products for women. In phase three a selected member country will be engaged to develop and launch an Islamic financial product for women in-line with guidance note developed in the first phase of the Program.

III. Objective(s) of the Assignment

5. The objective of this assignment is to strengthen the Islamic Finance Industry ability to better support women's financial inclusion by: i) creating awareness and disseminating knowledge on how Islamic finance can be used as a driver for women's financial inclusion; ii) developing the capacity of financial institutions in designing Islamic products for women and iii) supporting the development and launching of a new Islamic financial product for women. The Program will focus on providing support to government agencies, regulatory and supervisory authorities and also the market players (Islamic banks, financial institutions, etc.), which have a vested interest in enhancing women's access to finance.
6. This will be done by hiring a consultancy firm to:
 - A. develop a report to explain the characteristics and principles of Islamic finance through clear simple messages and draw linkages on how they can be applied to address the barriers women face in having access to financial services and provide recommendations on the types of Islamic products that can be developed for women;
 - B. prepare a guidance note to accompany the report that will focus on outlining the process of designing Islamic financial products for women and detailing the relevant types of products;
 - C. design a training workshop for public and private sector institutions providing Islamic financial products on how to provide financial services and develop Islamic financial products for women and serve as a trainer during the workshop;
 - D. provide technical guidance and support, to the respective country selected, in developing an Islamic product for women.

IV. Scope of Services and Expected Deliverables

7. There are four expected deliverables for this assignment details below.
 - A. The appointed firm will develop a comprehensive report on "Enhancing Women's Financial Inclusion through Islamic Finance". This task will mainly be undertaken

through a desk review of key materials and undertaking necessary consultation with selected stakeholders (to be identified by IsDB) for soliciting feedback to improve the contents of the report and guidance note.

The report should:

- Underline the ethical principles of Islamic finance.
- Categorize Islamic finance instruments according to principles.
- Describe in detail the characteristics of Islamic finance instruments.
- Highlight the importance of women's financial inclusion.
- Identify barriers/challenges that women face in accessing finance.
- Make linkages between the specific transaction characteristics of the various Islamic instruments as a solution to barriers faced by women in having access to finance.
- Provide practical examples of Islamic finance products which have helped to increase women's access to financial services.
- Draw attention to effective interventions that support women in having access to finance (financial education and literacy, gender sensitive credit scoring, consumer protection mechanisms, etc.) and the partnerships needed across financial and non-financial sectors to provide these services.
- Develop clear and simple messaging materials.
- Make recommendations on the type of Islamic products that could be developed for women.

- B. The firm will also develop a "Guidance Note for Developing Islamic Products for Women".

The guide is expected to:

- Outline of the main characteristics of Islamic Products
- Highlight key areas to consider when designing financial products for women
- Detail key measures to apply in developing the concept and designing financial products for women
- Provide references of good practices and examples of existing financial products designed for women.

As part of the finalization of the report and guidance note, an internal and external stakeholder consultation process will take place and at least one virtual/online meeting will be held where the consultant will be required to make presentation to the reviewers for feedback and discussion.

- C. Once the Report and Guideline are development the Firm will be required to prepare training course materials which will be used to conduct capacity development workshops to enhance the capacity of financial institutions to improve how their Islamic Products respond to women's financial needs. The Course materials to be prepared include MS PowerPoint presentation slides, MS-Word Check-Your-Understanding Questions, Relevant handouts to provide examples and case

studies, etc. The Firm will also be required to participate in the workshops to be conducted using these materials. Three 2-days workshops are part of the capacity building exercise; workshop locations are yet to be determined or may be delivered virtually through an online platform. This task will be advised in due course and subject to international business travel conditions permitting.

Training Course Materials should focus on:

- Imparting knowledge and understanding on how Islamic Finance can be designed for women
- Informing participants on key practices and approaches to use in designing Islamic products for women.
- Detailing the essential characteristics to consider for Islamic products for women and making a comparison on how amendments could be made to an existing Islamic product to make it more relevant for women.
- Highlighting the essential activities to undertake in developing a product for women.
- Outline the inclusive practices which can be integrated into their existing processes.

- D. After the report, guidance note and workshop materials are developed the Firm will provide technical input and guidance in developing and launching one new Islamic product for women in-compliance with IsDB's guidelines for an IsDB member-country. The country selection and task may start in parallel or after the workshops. This activity will involve 8 key steps: 1. conceptualizing the new product, 2. translating the idea into a tangible product. 3. working with the relevant authorities to ensure the product meets the regulations mandated by the appropriate authority. 4. registering the product with the relevant authorities. 5. operationalizing the product within the institution. 6. launching the product. 7. marketing the product to clients and 8. disseminating the product.

V. Consulting Firm Selection Procedure

8. **The Consulting Firm will be procured through the Quality- and Cost-based Selection (QCBS) method with the following Criteria:**
 - Adequacy of the Consulting firm's expertise and experience for the assignment (based on identified project team members who will undertake the assignment)
 - Strong understanding and experience working on women's financial inclusion
 - Experience in developing knowledge products, publications and practical guidelines.
 - Solid technical knowledge and experience in the Islamic Finance Industry
 - Experience in developing financial products for women
 - Demonstrated experience with design and facilitation of training workshops.
 - Professional English language-editing / copy-editing competency (either in-house or outsourced) by consulting firm.
9. **Qualification and Experiences Benchmark**

Ability of consulting firm to formulate a project team comprising two or more members with diverse expertise (Islamic finance, financial inclusion, financial product development, regulations and supervision, formulating financial products for women) to meet the wide range of knowledge-background required to fulfil this consulting job.

- Each project team member with at least an advanced university degree (Master) in Economics, Islamic Finance, International Development, Gender or Women's Studies, or a related discipline.
- Minimum of six years of proven experience in Islamic finance industry, and/or women's financial inclusion. With at least one member of the team meeting with at least three years experience in Islamic finance and another member of the team with at least 3 years experience in women's financial inclusion.
- A high level of organizational and coordination skills.
- High level of attention to detail.
- An excellent command of the English language – both written and oral.
- Ability to produce quality work within a deadline and under pressure.

10. Reporting Requirements and Time Schedule for Deliverables

A. Reporting Requirement

The Consultant will report to the Manager, Islamic Finance Advisory & Technical Assistance (IFATA) Division. On a frequent basis, the Consultant will engage and interact with the Senior Islamic Finance Specialist of IFATA and the Lead Gender Specialist of the Women and Youth Empowerment (WYE) Division, who are the focal points for the assignment. The Consultant will also participate in internal and external stakeholder discussions at various stages to discuss the process and clarify the deliverables; provide feedback and comments on intermediary products and track the overall project's progress.

Place of work and official travel involved: The majority of the assignment is remote excluding the possibility of holding in-person workshops. The Consulting firm will work part/full-time for the project. There are three anticipated official trips by one senior representative of the consulting firm to facilitate the three workshops planned (which may be done remotely if international travel restrictions still persist).

B. Time Schedule for Deliverables

The Consultant will be required to deliver the following deliverables according to the timeline specified:

Time	Deliverables
Week 0	Consultancy Agreement Signed
Week 4	Project Inception Report highlighting the proposed methodology and detailed plans to achieve the objectives of this project providing details outline of the report and guideline documents.
Week 8	First Draft of the "Enhancing Women's Financial Inclusion through Islamic

	Finance" Report
Week 12	Revised draft of "Enhancing Women's Financial Inclusion through Islamic Finance" Report based on IsDB Feedback
Week 14	First draft of "Guidance Note for Developing Islamic Products"
Week 18	Revised draft of "Guidance Note for Developing Islamic Products" report based on IsDB Feedback
Week 20	First Draft of IF4W Program Training Materials
Week 24	Revised Training Materials draft of based on IsDB Feedback
Weeks 24-28	Consultation Process on Report and Guidance Note with internal and external stakeholders – consultant required to present and take feedback during one online meeting
Week 32	Finalisation and delivery of written deliverables (Report and Guidance note) and Training Materials
Weeks 33-37	Capacity Building Workshops
Weeks 38-42	Support in Developing Islamic Financial Product for Women in one IsDB member country

11. Estimated Cost of the Proposed Consulting Assignment

The consulting assignment is expected to undertake 120 working days, based on 8 hours a day working day calculation. This remuneration fee includes all expenses to be incurred by the consultant, including professional fees, office/premises expenses, surveys, training programs, sundry expenses and all others required to complete the deliverables of this project as per expectations of the hiring department. This portion of estimates represent the remuneration fee of the selected consulting firm.

Where consultant (one senior representative) will be required to undertake physical travel, IsDB will cover the consultant's round-trip airfare, hotel nights for the duration of stay in location, ground transportation expenses (to/from airport), and visa fees. This portion of estimates represent the reimbursable expenses component of the consulting job. The consultant will NOT be paid any per diem.

12. Payment Schedule

The payment schedule to the consultant will be based on delivery of the following specific deliverables:

No.	Deliverables	Details	% Payment
1.	Project Plan	Upon successful awarding of the contract, the consultant is required to provide a comprehensive project plan outlining various steps and activities the consultant will undertake in order to complete the various component deliverables expected of this project.	10%
2.	Report	After agreement of the hiring department on the project plan, the consultant is to develop and deliver the comprehensive report on "Enhancing Women's Financial Inclusion through Islamic Finance. The consultant will make revisions as necessary based on feedback provided to the first draft of the Report. Following revisions and resubmission, the hiring department will review again for any further changes required and revert to consultant if required.	20%
3.	Guidance Note	After preliminary feedback on Report, the consultant will be required to develop and deliver the Guidance Note for Developing Islamic Products for Women. The consultant will make revisions as necessary based on feedback provided to the first draft of the Guidance Note. Following revisions and resubmission, the hiring department will review again for any further changes required and revert to consultant if required.	20%
4.	Final Written Deliverables and Training Materials	After the Consultation Process on Report and Guidance Note with internal and external stakeholders – the consultant is required to submit the Final written deliverables (Report and Guidance note) and Training Materials. The hiring department will escalate to authorized IsDB Management for approval.	20%
5.	Capacity Development Workshops	Once written deliverables and training materials are approved by IsDB, the consultant will be required to deliver three 2-days workshops as part of the capacity development exercise.	10%

6.	Technical Assistance for IF4W Product	The consultant will be required to provide technical input and guidance in developing and launching one new Islamic product for women in-compliance with IsDB's newly approved guidelines (Report and Guidance Note) for an IsDB member-country.	20%
		Total	100%

13. Client's Input and Counterpart Personnel

A. Client's Input

The Client shall make available to the Consultant, all documents and information relating to the assignment.

B. Instructions to Consulting Firms

Prospective consulting firms are invited to submit a technical proposal (including company profile) and financial proposal, each in two different files no later than **(to be advised later after REOI process)**. All proposals should be sent electronically to the following email addresses:

Name	✉	Designation
Mr. Syed Faiq Najeeb	snajeeb@isdb.org	Senior Islamic Finance Specialist
Mrs. Kristonia Lockhart	klockhart@isdb.org	Lead Gender Specialist

Clarification mechanism: For any technical queries or clarification, the Consultant may send an email to the focal personw on the above contact details.

Proposals Validity: All submitted proposals shall remain valid for two (2) months after the above submission date.

The consultant is expected to have fully read and understood **ALL sections** of this ToR document to comprehend the expectations of the hiring department from this project.