

## TERMS OF REFERENCE

Consultancy to Assess Barriers to Financial Inclusion and Entrepreneurship Development for Displacement-Affected Persons in Adamawa State.

### 1. Background Information and Context

Adamawa State's ethnic crisis and natural disaster poses dangers to affected populations, particularly women, and threatens socio-economic progress. Adamawa State, faces significant challenges arising from ethnic and religious tensions, posing serious threats to affected populations, especially women. Furthermore, the state has been grappling with the communal clashes, fuelled by land access disagreements, cultural differences, and changes in traditional climate patterns. Adamawa State has been affected by conflict, leading to displacement, loss of lives, and infrastructure destruction. The State has over one million or 24 per cent of the 4.4 million people targeted for humanitarian assistance in the BAY states in 2024. Of these people, 62 per cent are in host communities, 12 per cent are internally displaced persons and 25 per cent are returnees (OCHA 2024).

The State, like many regions affected by displacement, faces significant barriers in ensuring that vulnerable populations, especially internally displaced persons (IDPs), have access to essential financial services. These barriers range from economic, policy, technological, and sociocultural challenges. Vulnerable groups in Adamawa, including IDPs, often lack the necessary resources and documentation to access formal financial services, such as bank accounts, savings, or loans, which are vital for economic stability and resilience.

Internally displaced persons, often living in camps or with host communities, face numerous barriers to accessing financial services. These barriers stem from both structural factors, such as a lack of physical infrastructure and regulatory frameworks, and personal challenges, such as lack of identification documents, limited financial literacy, and socio-cultural restrictions. Without access to formal financial services, IDPs and vulnerable populations are left with limited options for saving, investing in income-generating activities, or securing loans for livelihoods recovery. This lack of access undermines their ability to rebuild their lives and achieve financial resilience, particularly in a volatile and uncertain economic environment.

Financial inclusion is a key element of economic recovery, and addressing the barriers faced by vulnerable populations in Adamawa State is essential to fostering their economic empowerment. However, these groups often face multiple obstacles, including:

- **Lack of identification and documentation:** Number of IDPs lack formal identification documents, which are often required to open bank accounts or access other financial services. Without these documents, they are excluded from participating in the formal financial system.
- **Low financial literacy:** Financial services require a basic understanding of banking, savings, loans, and credit. Vulnerable populations, especially those displaced by conflict, may not have had the opportunity to acquire this knowledge.
- **Barriers to Financial Access through Digital and POS Services:** IDPs and Host Communities face high transaction fees, informal charges, frequent transaction

failures, and non-monetary barriers such as long wait times, travel costs, and system inefficiencies, with vulnerable groups like women, youth, and persons with disabilities experiencing added challenges due to low digital literacy and mobility constraints.

- **Sociocultural barriers:** Cultural norms and gender disparities restricts women and other marginalized groups from accessing financial services. In some cases, women face additional barriers such as the requirement for male guardians or spouses to authorize financial transactions.
- **Technological barriers:** Although mobile banking and digital financial services have the potential to reach remote areas, technological limitations such as low internet connectivity, lack of digital literacy, and the absence of mobile phones among certain groups present significant challenges.
- **Distance to Financial Institutions:** The physical distance to banks and financial institutions often located in larger cities or towns increases transportation costs and presents travel challenges for users, particularly those in remote or underserved areas.

## 2. Overview

The consortium represented by NRC, DRC, IRC, JDPC and BBC Media Action is implementing a multi-sectoral, area-based response, providing integrated services across the following sectors: Water Sanitation and Hygiene (WASH), Shelter and Settlements, Nutrition, Health, Economic Recovery and Market Systems (ERMS) and Protection. Each organization based on the areas of expertise and the established presence in Adamawa state will be taking a lead in a specific sectorial focus where NRC will be leading on WASH, Shelter, Protection (focused on legal aid), DRC on Economic Recovery and Market Systems, IRC on Health, Nutrition and Specialized Protection Services (GBV and Child Protection), JDPC and BBC Media Action on Protection (Social Cohesion) and non-protection related issues to be determined. . Additionally, general protection will cut across the partners to ensure referrals and safe inclusive programming are incorporated in the project design and delivery. NRC, DRC, IRC, JDPC and BBC Media Action are established in Adamawa and have presence across the state where each agency will leverage on the existing community acceptance, access, knowledge of the context and investments done on ground. This will then further enhance the E2R consortium footprint, presence and services delivery when done jointly.

NRC will engage the service of consultant to conduct an assessment to identify gaps and recommendations on entry points for engagement with Financial Services Providers (FSPs) to inform access to adapted financial services packages to target population.

3.

#### 4. Project Details

Project title:	Emergency to Reliance in Adamawa State (E2R)
Organisation	Norwegian Refugee Council (NRC)
Donor	USAID's Bureau for Humanitarian Assistance (BHA)
Geographical coverage:	Michika, Madagali, Yola South and Numan LGAs.
Project duration:	September 2024 – June 2025
Planned Consultation period:	January/March 2025

#### 4. Purpose and Intended Use

The primary objective of this consultancy is to assess barriers limiting access to financial services by vulnerable populations, particularly internally displaced persons (IDPs) and Host communities in Adamawa State. The findings from the assessment will identify gaps in the existing financial ecosystem and provide actionable recommendations for engaging Financial Service Providers (FSPs) to design adapted financial services packages tailored to the unique needs of these populations. As part of this assessment, the consultancy will systematically analyse the affordability and cost structures of digital financial services (DFS) to determine how transaction costs, device requirements, and other expenses impact the adoption and usage of DFS among vulnerable groups. The impact of transactions, including official fees, extra informal charges, and non-monetary costs such as failed transactions, as these costs are / may be borne by the beneficiaries we intend to serve. Consultant will develop recommendations to address these.

A **3-pager policy brief** will also be prepared, summarizing the key findings and offering concise messages and recommendations that can be used for advocacy with policymakers, financial institutions, and other stakeholders. The multimedia materials and the advocacy brief will serve as powerful tools for engaging relevant stakeholders, raising awareness, and influencing the design of inclusive financial services for vulnerable groups in Adamawa State. The recommendations should include reducing DFS costs, improving service reliability, and addressing affordability issues for vulnerable groups. Linkages between different empowerment programs including cash-based interventions, and financial inclusion programs to support business sustainability.

## 5. Scope and Lines of Inquiry

Under the supervision of the Country Advocacy Officer – Yola with technical support from Country LFS Program Manager and oversight support from the Advocacy Manager, LFS Specialist and Area Programme Manager - Yola, the Consultant will be responsible for the following tasks:

- i. **Desk Review:**  
Review existing reports, policies, and data related to financial inclusion and the barriers faced by IDPs and vulnerable populations in Adamawa State.
- ii. **Financial Service Providers (FSPs) Mapping:**  
Conduct a rapid mapping or update the existing database of current financial services providers in Adamawa State, identifying their reach, service offerings, and engagement with vulnerable populations.
- iii. **Analysis of Digital Financial Services:**  
*Mobile Money and POS Transactions:* Evaluate the accessibility and affordability of mobile money and POS services as key financial tools for vulnerable populations.  
*Cost Analysis:* Examine the true cost of using these services, including:  
Official fees (e.g., service charges).  
*Extra informal charges* (e.g., commissions by agents).  
*Non-monetary costs* such as the impact of failed transactions, waiting times, and transaction reliability.
- iv. **Data Collection:**  
Conduct surveys, focus group discussions (FGDs), and key informant interviews (KIIs) with IDPs, vulnerable communities, financial service providers, and relevant local stakeholders.
- v. **Barrier Analysis:**  
Identify and analyse key barriers to financial access limiting financial access for vulnerable populations, including physical, legal, socio-economic, and technological obstacles. Assess how these financial costs—both monetary and non-monetary—affect the ability of recipients (IDPs, women, youth, and persons with disabilities) to utilize these services effectively.
- vi. **Assess potential linkages with I/NGO cash-based intentions with the State level financial inclusion programs to support a small business viability and sustainability. Identify opportunities for these initiatives to complement and support small business viability and sustainability in Adamawa State.**
- vii. **Recommendations Development:**  
Provide recommendations on policy, regulatory changes, and ways to engage FSPs to create financial products that cater specifically to the needs of IDPs and other vulnerable groups. Develop actionable recommendations to reduce fees, improve transaction reliability, and enhance financial literacy for better navigation of mobile money and POS systems. Strengthen linkages between State-level financial inclusion programs and I/NGO cash-based interventions to support small business sustainability.

- viii. **Stakeholder Workshop:**  
Facilitate a workshop to present preliminary findings, validate recommendations, and engage with key stakeholders, including Financial Service Providers, mobile money agents, and end users, to gather insights on cost structures and user experiences.

## **6. Methodology**

Working together with the selected consultant, a comprehensive interview guide will be developed collaboratively with the Country Advocacy Officer – Yola and LFS Program Manager – Yola. The consultant will administer interview scripts, capture interview sessions, produce advocacy/policy brief and multimedia advocacy materials. The final content will be approved by the NRC committee overseeing the consultancy. Methodological support will be provided by the NRC committee comprised of the Advocacy Officer – Yola, Advocacy Manager, LFS Programme Manager, Consortium Manager, LFS Specialist, Area Program Manager and Area Manager.

Information will be gathered by:

- Using existing (or upcoming) NRC primary data
- Using existing secondary data publicly available
- Writing up individual human impact case studies from the field.
- Key informant Interviews in the field
- Focus Group discussion in the field

## **7. Deliverables.**

- Inception report
- 3-Page Policy Brief: A concise, strategic document that synthesizes the assessment findings and offers clear messages and actionable recommendations for engaging FSPs, policymakers, and stakeholders.
- Barrier Assessment Report: A comprehensive report outlining the barriers to financial inclusion for vulnerable populations in Adamawa State.
- A final consolidated report including all findings, recommendations, and an executive summary for dissemination. This report should contain detailed findings on barriers to financial access, particularly mobile money and POS transaction challenges. The findings on the true cost of DFS, including both official and informal charges, and their impact on vulnerable populations. Recommendations for FSPs, policymakers, and stakeholders to improve access to affordable, reliable financial services.
- Stakeholder Workshop Report: A summary of the stakeholder workshop, including key outcomes and feedback.
- All deliverables will have to be produced in English.

## **8. NRC's Roles and Responsibilities**

- Share relevant data and documentation from within NRC with the consultant.
- Provide timely feedback at every stage of the consultancy
- Provide support in liaising with key stakeholders in Adamawa state
- Arrange consultations with NRC's relevant staff to gather input and feedback to facilitate the Consultant(s) understanding of substantive matters
- Make payment to the Consultant(s) in line with the contract and upon receipt of the agreed, high quality, deliverables
- Support the organization of in-country travel in Nigeria for the consultant
- NRC will be responsible for preparing the Terms of Reference, selecting, and managing the consultant, covering costs, and providing feedback.

## **9. Responsibilities of the Consultant**

- The consultant under the supervision of the Country Advocacy Officer – Yola will be responsible for preparing proposals, workplan, engaging beneficiaries and stakeholders, producing deliverables, and adhering to the agreed timeframe.
- Respect NRC's policies and fully adhere to the NRC code of Conduct and consultancy service procurement guidelines
- Organise his/her in-country travel, with support from NRC
- Make available both soft and hard copy documents and datasets related to the report as well as the list of interviews (and their transcription), sources, and partners consulted or used for the drafting of the advocacy report.
- Finalise the deliverables based on the agreed time frame
- Respect reporting requirements and provide high-quality deliverables in a timely manner

## **10. Terms and conditions**

NRC's Country Office, Nigeria will manage the contract. Part of the consultancy can be carried out in Michika, Madagali, Yola South and Numan LGAs. The Consultant(s) must have their own equipment necessary for the assignment (computer, phone, etc.) and software required to perform the activities. NRC will not cover international trips, visa fees, insurances and other related expenses. NRC will only cover in-country travel expenses to the field of the project operations.

## **11. Duration of assignment**

**The consultancy is anticipated to span a maximum of 32 working days and must be completed no later than March 23<sup>rd</sup>, 2025.** The Consultant(s) is requested to propose an estimated timeline in their proposal for consideration.

## **12. Reporting**

In all matters relating to the consultancy, the Consultant(s) will communicate with the focal points within NRC Nigeria. Both parties must communicate any changes to this consultancy in writing.

## **13. Required skills and experience**

- Advanced University degree in Economics, Public Policy, Finance, or a related field. Minimum 5 years' proven experience in conducting similar assignments.
- Knowledge of the context in Adamawa Nigeria and/or the Northeastern region
- Extensive knowledge and experience on financial inclusion issues.
- Proven track record of research conducted and production of advocacy reports/brief, with and for international organizations, including in the humanitarian and development sector
- Strong analytical and writing skills with proven experience in producing high quality research with ability to present complex information in a simple and accessible manner
- Exceptional organizational skills, ability to work independently in order to meet deadlines
- Ability to travel to Adamawa for the purpose of the consultancy
- Fluency in English is required, with knowledge of Hausa or any of the major languages spoken in the four LGAs—such as Bachama, Fulfulde, or Margi in Adamawa State—considered an advantage]
- Key staff to be involved in interviewing or interacting with respondents must be proficient in Hausa and at least one major language spoken in the respective local government area, The use of an interpreter as the primary source of information is strongly discouraged.

## **14. Application and Required Documents**

This is a national bid open to qualified applicants. Requirements for application are:

### *A) Narrative proposal*

- A cover letter with a brief presentation of your consultancy experience and explaining your suitability for the work, including previous relevant projects and how they are linked to this assignment.
- An in-depth methodology on how you will undertake work and achieve outputs set out in the terms of reference.
- Proposed timeline and expected delivery for each deliverable.
- Team composition (if relevant) and quality assurance approach.

### *B) Financial Proposal*

- Detailed cost breakdown to be included in financial proposal

### *C) Previous work examples: Applicant should share three previous examples of final work products from recent completed consultancies.*

*D) Resume*

- The resume of key staff must be annexed to the application documents in English.

*E) Submission of BID documents and Deadline for submission*

- Documents must be submitted based on the deadline set on the bid advert.

**15. Ethical Considerations**

All materials must respect the rights of interviewees, ensuring confidentiality and security. Staff and consultants involved must comply with NRC's Safeguarding Policy and Code of Conduct.

**16. Copyright**

All materials arising from the consultancy shall remain the property of NRC.

**17. Applications.**

Technical and financial proposals should include methodology, team composition, CVs, detailed budget, relevant experience shown (bidders should make available their portfolio of similar projects), availability, and confirmation of no prior involvement in the project.

**18. Payment Terms**

Payments will be made based on the following milestones:

- 30% upon submission of the Inception Report.
- 70% upon submission of the Final Report and all deliverables.

**Prepared by:**

Name: Habib Musa Mare

Position: Advocacy Officer- Yola


Signature:  Signed by:  
Habib Musa Mare  
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Date: 16 January 2025

**Reviewed by:**

Name: Sabiu Suleiman Shehu

Position: Country Advocacy Manager

Signature: 

Date: 17 January 2025

**Approved by:**

Name: Liban Abdullahi Jimale

Position: Ag Head of Programme

Signature: 

Date: 18 January 2025