

REGIONAL

LINE OF ACTIVITY FOR PROMOTING SMALL-ENTERPRISE FINANCING AND STRENGTHENING FINANCIAL INSTITUTIONS FOR MICRO-ENTERPRISE

Finance

CONSULTING SERVICES AND GOODS

Operations No. RG-M1122 Y TC-0108040-RG

Deadline: 8 August 2008

The Multilateral Investment Fund (MIF) was established in 1993 as part of the Inter-American Development Bank (IDB) Group to promote broad-based economic growth through private sector development, particularly micro-enterprises and small businesses in Latin America and the Caribbean. Facilitating access to loans and financial services by micro and small enterprises is a main area of interest to the MIF and the IDB Group, as it plays a major role in job creation and economic growth in the region.

The MIF has recently established a technical cooperation program to expand and improve small enterprise access to commercial financing from banks and other financial intermediaries (denominated the Line of Activity for Promoting Small-Enterprise Financing). This program complements another technical cooperation program funded by MIF to support the strengthening of financial institutions that provide financial services to micro-enterprises and low-income populations (Line of Activity for Strengthening of Financial Institutions for Micro-enterprise). Both programs aim at enhancing the capacity of Financial Intermediaries (FIs) with a demonstrated commitment to and interest in the provision of financial services to micro and/or small enterprises, to significantly expand their operations in these segments in a profitable, efficient, and sustainable manner. As part of these programs, MIF will approve several individual technical-cooperation projects for FIs in Latin America and the Caribbean countries over the next years.

Detailed information about these programs can be found at the following internet addresses:

--Line of Activity for Promoting Small-Enterprise Financing: www.iadb.org/mif/lape

--Line of Activity for Strengthening of Financial Institutions for Microenterprise: www.iadb.org/microfinanzas/

Technical cooperation projects financed under these programs will support the efforts of eligible FIs to organize and expand their small-enterprise financing programs, through the transfer or development of appropriate financial methodologies and technologies, and by strengthening FIs' technical and operational capacity to successfully manage these programs, so that they can further their penetration of the sector.

As specific needs will vary from one FI to another, the configuration of the technical cooperation projects, as well as the inputs to be financed (i.e., consulting services, training, equipment, software, etc.) will be determined individually by each project, on the basis of each FI's strengthening needs.

The consulting services to be procured by the FIs may include:

- *Support in the preparation of the strategic and business planning and organizational adjustments needed to manage the expansion
- *Advisory services for the development or adjustment of credit methodologies and strengthening of risk management, including policy design, reengineering processes, risk analysis methodologies, improvement of internal regulations, and support to improve credit information, among others
- *Assistance with the design and implementation of new products catering to the small enterprise segment; market research, product design and cost evaluation, sales strategy, distribution mechanisms, and financial service systems based on technological innovations, etc.
- *Assistance to the strengthening of human resources and managerial capacities, including the training of credit officers and the design of remuneration systems and policies, and human resource incentives
- *Support improvements in information systems and the application of financial service technologies tailored to the needs of the new products

Procurement processes of contracts will be conducted by beneficiary FIs as the services are needed, in accordance with the <I>Policies for Procurement of Goods and Works financed by the Inter-American Development Bank</I> (current edition), and is open to all eligible bidders as defined in the policies. Consulting services will be selected and contracted in accordance with the <I>Policies for the Selection and Contracting of Consultants financed by the IDB</I> (current edition).

The Multilateral Investment Fund invites eligible consulting firms from IDB member countries to express their interest in providing consulting services related to this program. Interested consulting firms must submit information establishing that they are qualified to perform this type of services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). The IDB will mainly pass on all the information received to beneficiary FIs without endorsing any particular firm.

Interested consultants should deliver their expressions of interest via postal services or e-mail to the address below by 1600 hours (Washington, DC) 29 July 2008.

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