

TERMS OF REFERENCE

OCTOBRE 2026

FINANCIAL SERVICES FOR LOCAL COMMUNITIES IN BOKEO, VIENTIANE & BOLIKHAMXAY PROVINCES (LAOS)

TERMS OF REFERENCE FOR PROJECT
EVALUATION (2024-2026)

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LIST OF ACRONYMES

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1. BACKGROUND

1.1. PROJECT FRAMEWORK

ADA and LuxDev began collaborating in 2019 to strengthen financial inclusion in the provinces of Bokeo, Bolikhamxay and Vientiane in the Lao PDR. Through successive phases of cooperation, the partnership supported the establishment of 83 Village Credit Schemes (VCS) and the continuation of 43 VCS from earlier phases, resulting in a network of 126 VCS across the three target provinces. One of the most significant institutional achievements of this collaboration was the transformation of the Bolikhan Network Support Organisation, originally established by LuxDev, into a fully-fledged Savings and Credit Union (SCU), Soumsom Phatthana, which now provides support to VCS in Bolikhamxay Province.

Building on the achievements and lessons learned from previous phases, ADA and LuxDev entered into a Partnership Agreement in 2024 for the implementation of the “*Financial Services for Local Communities in Bokeo, Vientiane and Bolikhamxay Provinces*” (LAO/338) intervention. Implemented under the Local Development Programme (LDP) in the Lao PDR, the intervention runs from 1 January 2024 to 31 December 2026 and contributes to the LDP's Intermediate Change A.2.1, which aims to ensure that villagers have access to affordable and appropriate financial services through enhanced financial products, strengthened village credit schemes, and digital solutions.

Under the current Partnership Agreement, LAO/338 finances up to 100% of the intervention's total cost. ADA is responsible for the overall management of the intervention, including strategic and technical guidance and coordination with LAO/338. ADA is supported by two co-implementing partners with complementary roles. TACDO Consulting Centre provides field-level implementation support, focusing on the strengthening, monitoring and capacity building of Village Credit Schemes through a team of 19 full-time staff deployed across the three target provinces. The Lao Microfinance Association (LMFA) supports the development of an enabling environment for financial inclusion through advocacy, stakeholder engagement, and collaboration with the Bank of the Lao PDR and local authorities to facilitate the implementation of relevant regulations and policies affecting the microfinance sector.

As the intervention comes to an end, ADA is commissioning a final evaluation focused on its contribution to the project, with the aim of assessing achieved results, documenting lessons learned, and informing future programming.

1.2. PROJECT OBJECTIVES AND APPROACHES

The intervention aims to improve access to sustainable and inclusive financial services for rural communities in Bokeo, Vientiane and Bolikhamxay Provinces through two complementary results:

- **R1:** *Village Credit Schemes (VCS)* in Bolikhamxay, Bokeo and Vientiane and Savings and Credit Union (SCU) in Bolikhamxay (*Soumsom Phatthana*), created under the Local Development Programme make significant progress towards institutional, technical, and financial sustainability.
- **R2:** local authorities have developed adequate capacity to implement new BoL instructions towards the supervision of village credit schemes, funds and banks.

Under R1, given the varying levels of institutional arrangements across the three provinces, the intervention adopted differentiated approaches tailored to the local context.

- In Bolikhamxay Province, where the SCU Soumsom Phatthana had already been established by the project as NSO, the intervention focused on strengthening the SCU's institutional governance, operational capacity and financial self-sufficiency, enabling it to sustainably support and supervise affiliated VCS.
- In Vientiane Province, where no previous NSO/SCU project approach exist, the intervention built on studies conducted during previous phases and piloted a linkage model between VCS and a

licensed microfinance institution (MFI). This approach aims to facilitate access to a broader range of financial services while strengthening the long-term sustainability and integration of VCS within the formal financial sector.

- In Bokeo Province, the intervention similarly built on previous assessments and piloted a linkage model between VCS and a local Savings and Credit Union in Pha Oudom district. The objective is to test alternative mechanisms for providing technical support, oversight and financial services to VCS in the absence of a locally established apex institution.

Under R2, the intervention aimed to strengthen the capacity of local authorities to implement the new Bank of the Lao PDR (BoL) instructions related to the supervision of Village Credit Schemes (VCS), Village Funds (VF) and Village Banks (VB). To achieve this objective, the intervention initially planned to support the review and finalisation of draft supervisory instructions, facilitate their dissemination, and strengthen the capacities of provincial and district authorities through targeted training activities, including Training of Trainers (ToT) programmes. However, frequent changes in leadership and turnover among decision-makers affected the advancement and limited the feasibility of the initially planned activities. Consequently, the intervention adapted its approach and shifted its focus towards obtaining legal and regulatory guidance to clarify the lawful status, supervisory arrangements, and feasible compliance options for Village Credit Schemes (VCS), Village Funds (VF) and Village Banks (VB) under the Lao legal framework.

2. OBJECTIVES OF THE EVALUATION

The evaluation is being commissioned by ADA in accordance with the Partnership Agreement signed with LuxDev on behalf of LAO/338. This project-level evaluation does not preclude further review of the inclusive finance component of LAO/338 in its final evaluation.

The scope of this evaluation is focused on the interventions carried out by ADA under the mandate of the Partnership Agreement (PA) signed by ADA and LuxDev in 2024 (PA 24 3123). The main objectives of the evaluation are to:

- verify the relevance of the project-level design,
- evaluate the effectiveness of the chosen intervention methods,
- highlight the results achieved by the project, best practices and improvement areas,
- assess the sustainability of the interventions for the local communities targeted as well as alignment of the intervention with the Lao PDR's national financial inclusion priorities,
- make recommendations for immediate follow-up interventions,
- propose key elements to retain for the implementation of similar future projects by LuxDev and/or ADA in the Lao PDR.

The project evaluation shall be structured around the OECD's DAC evaluation criteria: relevance, coherence, effectiveness, efficiency, impact and sustainability. It shall assess the conditions necessary to achieve the expected project results, with particular emphasis on the effectiveness, scalability and long-term sustainability of the interventions.

In particular, the evaluation shall answer the following evaluation questions:

Relevance:

- To what extent do the approaches applied in the 3 provinces (VCS as members of the SCU in Bolikhamxay, VCS linked to an MFI in Vientiane, and VCS linked to an SCU in Bokeo) align with and respond to the Lao PDR's National Financial Inclusion priorities and identified gaps?
- To what extent do these approaches address financing needs that remain underserved by other Financial Service Providers (FSPs)?

- Is the project's design still relevant now, given the evolving national regulatory circumstances (e.g. Microfinance Decree No. 184/2022, SCU Regulation No. 695/2021, Law on Cooperatives No. 52/2024)?
- To what extent did the activities implemented by the project in the three provinces serve the needs expressed by the target communities?
- To what extent are the intervention methods of the project aligned with the LDP's activity implementation approach?
- Were LAO/338's institutional partners at the national (LuxDev, DoP) and provincial levels (LuxDev, FDPs) adequately consulted to ensure the relevance of the project design and subsequent adaptive management decisions?

Coherence:

- Does this project complement — rather than duplicate or compete with — other technical assistance or financial inclusion initiatives in the same provinces or other projects of LuxDev in Laos?
- Was the pilot linking VCS to EMI coherent with the MFIs' own commercial strategies and incentives?
- How was the collaboration between ADA, TACDO, LMFA, and LuxDev structured and coordinated in practice — were roles and responsibilities (as defined in the Partnership Agreement) coherent, clearly defined, and were they respected during implementation?
- To what extent did direct beneficiaries and partners (VCS, SCU, MFI, district authorities) contribute to the design of the project?

Effectiveness:

- Assess and compare the appropriateness of the three approaches used to the respected local context (e.g. was the decision to prioritise linking VCS in Bokeo and Vientiane to existing FSPs rather than replicating the SCU/NSO model used in Bolikhamxay appropriate)?
- To what extent have VCS and the SCU SP made progress toward institutional, technical, and financial sustainability (Result 1), as measured against targets (e.g., PAR30 <5%, SCU SP Operational Self-Sufficiency reaching 90% by 2026)? How do these results vary across the 3 provinces?
- Has the SCU SP achieved the capacity development, business planning, MIS implementation, and governance improvements envisioned, and is it on track to eventually take over ADA/TACDO's supervisory role?
- Has the pilot linking VCS in Bokeo and Vientiane to FSPs demonstrated a viable sustainability model, and what factors have driven success or difficulty in this linkage?
- Have piloted digital solutions (front/back office) been adopted and used effectively by VCS/SCU/MFI staff and members, and do they vary meaningfully by province given the "unique digital opportunities" identified during the transition period study?
- To what extent has the migration to Core24 been completed with data integrity intact for VCS in Bolikhamxay?
- What factors (institutional, financial, or contextual) have most helped or hindered achievement of results to date, and how do these differ across the three provinces given their differing starting points (e.g. SCU vs. no NSO equivalent)?
- Which planned activities and results (e.g. full-province EMI-VCS scale-up in Vientiane, the Bokeo–SCU Pha Oudom-VCS linkage, BoL training-of-trainers) will remain incomplete at project closure, and what were the main drivers of the shortfall — design ambition, sequencing, external delay, or resourcing?

Efficiency:

- Were the human and financial resources allocated (ADA's HQ staff, TACDO and LMFA's staff, the Financial Inclusion Advisor) proportionate and sufficient to deliver both Result 1 and revised Result 2 across three provinces?
- Was the division of labour between ADA (strategic/technical oversight) and TACDO (field implementation, monitoring) efficient, and did it avoid duplication, particularly in VCS monitoring?
- Were activities and deliverables (e.g., 126 VCS supervised, trainings, MIS rollout) achieved within the timeframes set out in the work plan and deliverables schedule?
- From the perspective of the VCSs, SCU staff, MFI partners, and LAO/338's lead government partners in the provinces (FDPs), how well did ADA's overall project management and coordination contribute to results? What were the strengths and areas for improvement in ADA's management with partners?
- How does the cost-efficiency of the three approaches implemented compare with other models of rural financial inclusion in the Lao PDR or similar regional contexts?
- Was the phased and conditional payment structure as per the Partnership Agreement (three instalments tied to ADA meeting reporting deadlines and obtaining an operation permit in the Lao PDR) efficient, or did it create bottlenecks in fund availability for field activities?
- To what extent did the lack of a country office for ADA affect coordination between ADA, its co-implementors and LAO/338 teams (LuxDev and Lao government counterparts)?

Impact:

- What have been the effects of the project — positive or negative — on VCS members' livelihoods (income, resilience, capacity to manage economic activities) as a result of improved access to credit products?
- What have been the effects of the SCU/MFI linkage model on the direct partners themselves (SCU Pha Oudom, EMI) — e.g., portfolio growth, new products, staff capacity beyond agricultural/rural finance?
- Are there unintended effects — positive or negative — arising from linking informal/semi-formal VCS to formal, regulated FSPs (e.g., over-indebtedness risk, exclusion of the poorest members, or conversely improved financial discipline)?
- To what extent has the project contributed to LAO/338's overarching objective of "leaving no one behind"?

Sustainability:

- Is SCU Soumsom Phatthana's ongoing relationship with MFC — as the licensed provider of Core24 and its post-project technical support — secured through a service agreement that survives LuxDev/ADA's exit, and can the SCU independently finance MFC's licensing and support fees from its own operating income (rather than continued donor subsidy)?
- What would happen if the SCU is unable to sustain that commercial relationship?
- Is the Core24 MIS (or its lessons) transferable to Bokeo and Vientiane VCS, which currently have no NSO/SCU structure providing direct monitoring?
- How likely are the VCSs and SCU SP to sustain their institutional, technical, and financial gains after LDP's subsidised support ends (as noted in the PA itself)?
- Does the pilot linkage to FSPs (EMI in Vientiane province and SCU Pha Oudom in Bokeo) provide a credible, replicable pathway to reduce VCS reliance on grants, and could it be scaled at the national level if proven successful? What are suitable conditions for replication (regions, stakeholders, etc.)?
- Is/was the exit strategy — via building FSP's linkages and strengthening SCU self-sufficiency — realistic within the current 36-month timeframe, or does it need to be postponed and require further external funding and/or technical support?

- For activities that will remain incomplete or in early stages at project closure, is there a defined continuation or handover plan (owner, funding source, timeline)?
- What would be the risks and opportunities of engaging additional co-financiers or partners (donors, MFIs, or others) to sustain or scale this model beyond LAO/338?

In addition, the evaluator is invited to formulate complementary evaluative questions if deemed relevant and/or exclude questions in the present ToR if they are not considered feasible. Any such amendments must be discussed beforehand and clearly reflected in the inception report.

3. METHODOLOGY

3.1. SCOPE OF THE EVALUATION

The evaluator is invited to propose his/her own methodology, but the following elements should be taken into consideration.

The evaluation will include but is not limited to the following stakeholders and beneficiaries:

- A representative sample of ultimate village-level beneficiaries of the financial services developed/offered by each VCS and/or FSP (EMI and SCU Pha Oudom).
- A representative sample of the 126 VCS supported under the LDP, including their committees and members, across Bokeo, Vientiane, and Bolikhamxay Provinces
- The Savings and Credit Union (SCU) Soumsom Phatthana in Bolikhamxay Province
- LuxDev technical advisers and FDP staff in charge of LAO/338
- ADA project staff in charge of coordinating the project (both HQ and local level)
- TACDO (co-implementing partner), including their respective field and management staff
- The Microfinance Institution (MFI) linked to VCS under the pilot linkage model in Vientiane province (EMI) and the
- SCU Pha Oudom in Bokeo Province
- The digital solution provider(s) engaged under the digital piloting component (MFC and Laneth Tech).
- Potential other stakeholders identified and proposed by the evaluator

3.2. ACTIVITIES TO BE CARRIED OUT

Applicants are invited to propose specific activities as part of their proposed methodology to conduct the evaluation. Nonetheless, the evaluator is expected to:

- Review the project documents provided by ADA including but not limited to annual narrative and financial reports, quarterly monitoring updates and prior evaluations;
- Submit a detailed inception report explaining the methodology, the work plan, and the team;
- Based on the validated methodology, prepare, organise and conduct interviews/data collection (remote and in person, individual and collective, according to the proposed methodology), with the stakeholders mentioned in Section 3.1;
- Cleaning, consolidating and analysing all primary and secondary data against the OECD evaluation criteria and the evaluation questions defined in the ToR;
- Present first insights and discuss recommendations during an interactive session;
- Produce a draft evaluation report;
- Present main findings to ADA during a remote session;
- Finalise the evaluation report.

The list of activities to be carried out should be defined more precisely in the detailed methodology proposed by the selected consultant.

4. DELIVERABLES

The mission will result in a final evaluation report (maximum 30 pages, excluding annexes) that will include:

- Inception report, including the refined evaluation questions, evaluation matrix, methodology, sampling strategy, data-collection tools, work plan and anticipated limitations;
- Presentation of preliminary findings following completion of the main data-collection and analysis phase (PPT);
- Draft evaluation report, not exceeding 30 pages excluding the executive summary and annexes;
- Final evaluation report, incorporating comments received from ADA and Presentation of the final findings and recommendations to ADA.

The final report will include in the annexes:

- The list of people and organisations interviewed;
- The questionnaires developed;
- The list of documents and data used.

5. IMPLEMENTATION

5.1. ROLE AND RESPONSIBILITIES OF ADA

ADA will be responsible for:

- Discussion and validation of the proposed methodology;
- Sending project documents (concept papers, monitoring reports);
- Facilitation of contact with the partners and stakeholders to be interviewed;
- Review of the deliverables;
- Validation of the final report.

5.2. CALENDAR

The timetable to be followed:

Activity/Deliverables	Deadline
Receipt of proposals	06/11/2026
Announcement of the selected offer	13/11/2026
Signing the contract between ADA and the selected consultant	18/11/2026
Kick-off meeting between ADA and the selected consultant	20/11/2026
Sending of project documents by ADA	20/11/2026
Submission of the interim report by the selected consultant	04/12/2026
Presentation of preliminary findings	12/01/2027
Delivery of the first draft of the report	22/01/2027
Incorporation of ADA's comments	29/01/2027
Delivery of the final report (final version) by the selected consultant	06/02/2027

5.3. SUBMISSION OF THE PROPOSAL

The response to this call must be sent to Lucia Cigana (l.cigana@ADAimpact.lu), and Joseph Alaban (j.alaban@ADAimpact.lu) by email no later than **06/11/2026**. The email must include the following attachments:

- A technical and financial proposal;
- CV(s) of the proposed consultants and specify the division of roles and the incumbent;
- References to previous work done on the topic;
- Any other element deemed useful.

5.4. SELECTION OF THE CONSULTANT

The technical proposals will account for 70% of the final selection, whereas the financial proposal will account for 30%. The technical proposal will be evaluated against the following criteria:

- **Understanding of the assignment:**
 - demonstrated understanding of the project's objectives, context, and evaluation purpose.
 - understanding of the evaluation questions and intended users of the evaluation.
 - identification of key methodological challenges and how they will be addressed.
 - coherence and relevance of the proposed approach.
- **Methodology and work plan:**
 - appropriateness of the evaluation design.
 - quality of data collection methods (interviews, FGDs, surveys, document review, etc.).
 - data triangulation approach.
 - quality assurance measures.
 - realistic work plan and timeline.
 - ethical considerations and safeguarding approach.
- **Team qualification and expertise:**
 - Relevant academic qualifications.
 - Number of years of evaluation experience.
 - Experience with OECD-DAC evaluation criteria.
 - Experience in qualitative and quantitative research.
 - Data analysis skills.
 - Experience in the thematic area (e.g., financial inclusion, microfinance etc.).
 - Quality of previous evaluation reports submitted as samples.
 - Ability to produce concise analytical findings and actionable recommendations.
 - Quality of writing in the proposal itself.
 - Experience with donor-funded projects.
- **Contextual and Geographical Knowledge:**
 - Knowledge of the country/region.
 - Knowledge of the financial inclusion sector in Laos, precisely VCS/village banks/village funds.
 - Knowledge of relevant institutional and regulatory environment.
 - Familiarity with local languages.
 - Presence of local experts in the team.
- **Reference and past performance**
 - Quality of reference from previous experience



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