

FINANCIAL SERVICES SECTOR

Consultant Support to FSPs for Product Development and Customer Acquisition to Enhance MSME Access to Financial Services.

Targeted localities: Gadref state East Galbat and West Galabat Localities.

Background and Context:

In Sudan's current conflict-affected and economically unstable environment, many Micro, Small and Medium Enterprises (MSMEs), especially in the agri-business sector struggle to access finance due to informality, limited financial records, and high collateral requirements. Financial Service Providers (FSPs) similarly face challenges in designing appropriate products and engaging high-potential MSME clients.

Under the SPARK project, funded by the Embassy of the Netherlands and implemented by Mercy Corps, Activity 3.2.1 aims to bridge the supply-side financing gap by supporting partner FSPs in developing, testing, and rolling out innovative and inclusive financial products, especially for MSMEs in harvesting, agro-processing, and drying.

Overall Objective:

To build the capacity of selected FSPs to:

1. Design and deliver tailored, digital-inclusive financial products for MSME agri-businesses.
2. Improve customer acquisition strategies and credit assessment methods.
3. Establish trained MSME Relationship Managers capable of maintaining long-term, performance-based client relationships.

Key Tasks and Deliverables

Milestone 1 – Assessment and Opportunity Identification (Month 1)

Tasks:

- a) Conduct a joint needs assessment with each FSP to identify MSME financing gaps, client acquisition challenges, and value chain-specific demands.
- b) Review existing financial products and identify opportunities for adaptation or innovation.

Deliverables:

1.1 Joint Needs Assessment Report (FSP practices, MSME barriers, and gaps)

1.2 Report on Financial Product Opportunities in Agri-Value Chains

Milestone 2 – Product Design, Tailoring & Digital Integration (Month 2)

Tasks:

- a) Support FSPs to design or adapt at least two new MSME-focused financial products (e.g., asset finance, working capital loans).
- b) Integrate digital/mobile delivery mechanisms into product design.

Deliverables:

2.1 Detailed Product Design Documents (2 products minimum)

2.2 Digital and Mobile Engagement Strategy

2.3 Gender-sensitive and risk-aligned product features overview

Milestone 3 – Capacity Building of FSPs (Month 3)

Tasks:

- a) Provide tailored technical assistance on outreach, onboarding, data utilization, and MSME risk profiling.
- b) Develop and deliver a training curriculum for MSME Relationship Managers.
- c) Support FSPs in mobilizing trained teams and provide mentorship.

Deliverables:

- 3.1** Technical Assistance Report
- 3.2** MSME Relationship Manager Training Curriculum
- 3.3** Training Delivery Report (attendance, outcomes)
- 3.4** Registry of Trained Relationship Managers
- 3.5** Mentorship Support Log

Milestone 4 – Product Piloting and Rollout Strategy (Month 4)

Tasks:

- a) Pilot the new products with a small cohort of MSMEs.
- b) Collect feedback and iteratively refine the product offering.
- c) Co-develop rollout strategy for full deployment.

Deliverables:

- 4.1** Pilot Test Report (performance, feedback, suitability)
- 4.2** Updated Product Designs
- 4.3** Comprehensive Rollout Strategy

Milestone 5 – FSP-MSME Interaction and Feedback Loops (Month 5)

Tasks:

- Support FSPs in conducting MSME client workshops (financial literacy, product usage).
- Facilitate FSP-MSME dialogue to align expectations and promote trust.
- Establish a feedback mechanism between Relationship Managers and MSME clients.

Deliverables:

- 5.1** MSME Workshop Curriculum and Schedule
- 5.2** Interaction Reports (dialogue sessions, lessons)
- 5.3** MSME Feedback Collection Framework

Consultant Roles and Responsibilities

The Consultant will serve as the technical lead and implementation partner under the guidance of Mercy Corps. Responsibilities include:

1. Executing all tasks in the above milestones.
2. Direct engagement with FSPs to co-develop products and strategies.
3. Designing and delivering all training and technical assistance.
4. Collecting and reporting data on MSME-FSP interactions, training participation, and product uptake.
5. Coordinating with Mercy Corps to ensure alignment with SPARK goals and timelines.

Mercy Corps' Roles and Responsibilities

Mercy Corps will:

1. Lead strategic oversight, quality assurance, and coordination with FSPs.
2. Provide access to relevant MSME data and background reports.
3. Monitor consultant progress and provide feedback on deliverables.
4. Ensure MEL alignment and integration into the broader SPARK framework.

Partner FSP Responsibilities

Each FSP will:

1. Provide access and data for assessments.
2. Collaborate on product design, piloting, and refinement.
3. Commit staff to participate in training and implementation.
4. Mobilize trained Relationship Managers and deliver MSME workshops.
5. Report on MSME portfolio growth, engagement, and feedback outcomes.

Duration and Level of Effort

The consultancy is expected to run over 5 months, with the level of effort corresponding to each milestone. Total LOE and payment schedule will be tied to the satisfactory submission of milestone deliverables.

Reporting

All deliverables shall be submitted to Mercy Corps Sudan's SPARK project team. Templates and formats will be provided or agreed upon before kick-off.