

REQUEST FOR EXPRESSIONS OF INTEREST CONSULTING SERVICES

Selection # as assigned by e-Tool: RG-T2472-P001

Selection Method: Simplified Competitive

Country: USA

Sector: MIF/MIF

Funding – TC #: ATN/AS-14352-RG

Project #: RG-T2472

TC name: Regional Facility on Remittances and Savings

Description of Services:

The MIF seeks to hire a consulting firm or group of consultants to design and implement a survey among U.S.-based remittance senders from Latin America and the Caribbean and produce a report summarizing and analyzing the survey's findings.

The specific objectives of this consultancy are as follows:

- Generate reliable information about the remittance sending behavior of U.S. based migrants from some of the principal countries of origin of LAC migrants in that country;
- Generate reliable information about the use of different types of remittance providers and transaction channels (both for sending remittances and for receiving them in the migrant's country of origin);
- Generate reliable information about the savings habits of Latin American and Caribbean migrants residing in the U.S (considering savings in both the U.S. as well as in migrants' country of origin);
- Determine the level of financial inclusion among Latin American and Caribbean migrants residing in the U.S., including their level of access and use of formal financial products in the U.S. and when possible the in the country of origin;
- Generate data which can be useful for financial institutions and other private sector actors as they seek to design products and services adapted to the preferences of U.S.-based remittance senders from LAC as well as recipients in migrants' countries of origin, based on the MIF's framework for the design of remittances-linked savings products¹.

The Inter-American Development Bank (IDB) is executing the above-mentioned operation. For this operation, the IDB intends to contract consulting services described in this Request for Expressions of Interest. Expressions of interest must be delivered using the IDB Portal for Bank Executed Operations (<http://beo-procurement.iadb.org/home>) by: 11th of April, 5:00 P.M. (Washington D.C. Time).

The consulting services ("the Services") include:

1. **Validate the selection of migrant groups to be included in the study.** The selected Provider shall use existing data sources to identify the Latin American and Caribbean migrant groups residing in the U.S. to be included in the study. At a minimum, the Provider should include in the sample migrants from those countries in which the MIF currently supports projects through the Remittances and Savings regional facility. These countries are El Salvador, Guatemala, Honduras, Bolivia and Haiti. In addition, the migrant communities of Mexico and

¹ See Inclusive Savings for Remittances Clients, A Practical Network, <https://www.fomin.org/en-us/Home/Knowledge/idPublication/125475.aspx>

Colombia as well as of one additional Caribbean country in the U.S. shall be considered. The Provider is required to develop and present an appropriate strategy to gain access to these populations for the purpose of implementing the survey;

2. **Design and piloting of the questionnaire.** The Provider is expected to design a questionnaire that serves to pursue the objectives outlined in section 3.1. The selected questionnaire instruments shall be based on the existing literature about the financial behaviors of remittance senders, including other surveys commissioned by the MIF, as well as inputs by the MIF team. The questionnaire shall include information of interest to the private sector, especially financial institutions. The Provider is expected to pilot the survey instruments in the field before full survey implementation, and to modify them if necessary on the basis of the results of the pilot. The provider shall also establish procedures for the creation of the sample and data generation. The final questionnaire shall be revised and validated by the MIF team before being implementation. The questionnaire shall not include personally identifiable information of the interviewees;
3. **Data collection.** The Provider will implement the questionnaire among a sample of at least 2,000 remittance sending LAC migrants residing in the U.S., and perform all necessary training and supervision of personnel to this end. It is the responsibility of the provider to make the necessary preparations for data entry and data quality control;
4. **Analysis.** The Provider shall analyze the data and develop a final report with the processed results. The principal audience of this report consists of financial institutions and intermediaries that participate in the remittance market. Secondary audiences include governments, multilateral organizations, universities, research institutions and the press.

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-1. All eligible consulting firms, as defined in the Policy may express an interest. If the Consulting Firm is presented in a Consortium, it will designate one of them as a representative, and the latter will be responsible for the communications, the registration in the portal and for submitting the corresponding documents.

The IDB now invites eligible consulting firms to indicate their interest in providing the services described below in the [draft summary](#) of the intended Terms of Reference for the assignment. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to enhance their qualifications. Such association or Joint Venture shall appoint one of the firms as the representative.

Interested eligible consulting firms may obtain further information during office hours, 09:00 AM to 05:00 PM, (Washington D.C. Time) by sending an email to: ferminv@iadb.org, copying lukask@iadb.org.

Inter-American Development Bank
Division: Multilateral Investment Fund
Attn: Fermin Vivanco

1300 New York Ave, NW, Washington DC 20577, USA
Tel: +1 (202) 623-1000
Web site: www.iadb.org

SUMMARY OF TERMS OF REFERENCE

Latin American and the Caribbean Migrants in the United States A survey of financial behaviors

United States

RG-M1216

ATN/AS-14352-RG

Remittances and Savings Regional Facility

2. Background and Justification

1. The Multilateral Investment Fund (MIF) serves as an innovation laboratory to the Inter-American Development Bank Group to promote development through the private sector by identifying, supporting, testing and piloting new solutions to development challenges and seeking to create opportunities for the poor and vulnerable populations in the Latin America and Caribbean (LAC) region. To fulfill its role, the MIF engages and inspires the private sector and works with the public sector when needed.
2. Remittances – money transfers sent by migrants to individuals in their countries of origin – constitute an important source of income for many economies and households in Latin America and the Caribbean. Aggregate remittance flows to the LAC region reached a record of US\$ 70 billion in 2016, with Mexico, Guatemala and the Dominican Republic receiving the highest absolute remittance volumes at approximately \$US 27 billion, \$US 7 billion and \$US 5 billion, respectively. At the same time, remittances as a share of GDP are particularly large for smaller countries like Haiti, El Salvador, or Honduras, where inflows of migrant transfers correspond to more than 15% of GDP on average.
3. Evidence suggests that remittance transactions can serve as vehicles for the adoption of basic financial services such as bank accounts, insurance and lines of credit and may thus help to promote the broader financial inclusion of remittance senders and recipients. Despite this observation, a large share of remittance transfers is still paid out in cash. In addition to being a costly and unsafe practice, the predominance of cash remittances is a disincentive to the deferral of non-essential purchases in favor of formal savings destined for household or business-related investments in the future.
4. Against this Background, in October 2012, the MIF Donors Committee approved nonreimbursable technical-cooperation funding for the “Regional Facility on Remittances and Savings” (RG-M1216). The general objective of that program is to increase access to financial products and services tailored to low-income populations in Latin America and the Caribbean. The specific objective is to support the design of business models to develop and offer liquid planned savings products for international remittance clients, to help reduce their vulnerability.
5. In line with the objectives of component (iii) of the Remittances and Savings Regional Facility, the MIF seeks to generate updated information about the behavior of migrants from Latin America and the Caribbean who reside in the U.S. as it relates to the sending of remittances. This update is considered necessary given the significant changes that the U.S.-LAC remittance market has undergone since 2013. To a large extent, these changes are the result of an increased popularity of internet-based remittance services and the spread of different financial technology (FinTech) innovations that are impacting the way money is sent to, and received in, the countries of Latin America and the Caribbean. As a result, updated market information would enable

financial institutions, financial intermediaries as well as other relevant actors to better serve remittance clients in the U.S. and across the region, thereby helping to reduce these populations' economic vulnerability.

6. This consultancy and its resulting study complement current efforts by the Country Department Central America, Mexico, Panama and Dominican Republic (CID) of the IDB to carry out detailed analyses of the socio-economic profiles and preferences of migrants from Central America residing in the United States as well as their families in their corresponding countries of origin. As such, this consultancy contributes to increasing the overall effectiveness of the Bank's operations targeted at benefiting these communities.

3. Objectives

1. The MIF seeks to hire a consulting firm or group of consultants (henceforth "the Provider") to design and implement a survey among U.S.-based remittance senders from Latin America and the Caribbean and produce a report summarizing and analyzing the survey's findings.
2. The specific objectives of this consultancy are as follows:
 - 3.2.1. Generate reliable information about the remittance sending behavior of U.S. based migrants from some of the principal countries of origin of LAC migrants in that country;
 - 3.2.2. Generate reliable information about the use of different types of remittance providers and transaction channels (both for sending remittances and for receiving them in the migrant's country of origin);
 - 3.2.3. Generate reliable information about the savings habits of Latin American and Caribbean migrants residing in the U.S (considering savings in both the U.S. as well as in migrants' country of origin);
 - 3.2.4. Determine the level of financial inclusion among Latin American and Caribbean migrants residing in the U.S., including their level of access and use of formal financial products in the U.S. and when possible the in the country of origin;
 - 3.2.5. Generate data which can be useful for financial institutions and other private sector actors as they seek to design products and services adapted to the preferences of U.S.-based remittance senders from LAC as well as recipients in migrants' countries of origin, based on the MIF's framework for the design of remittances-linked savings products².

4. Scope of Services and Key Activities

1. **Validate the selection of migrant groups to be included in the study.** The selected Provider shall use existing data sources to identify the Latin American and Caribbean migrant groups residing in the U.S. to be included in the study. At a minimum, the Provider should include in the sample migrants from those countries in which the MIF currently supports projects through the Remittances and Savings regional facility. These countries are El Salvador, Guatemala, Honduras, Bolivia and Haiti. In addition, the migrant communities of Mexico and Colombia as well as of one additional Caribbean country in the U.S. shall be considered. The Provider is required to develop and present an appropriate strategy to gain access to these populations for the purpose of implementing the survey;
2. **Design and piloting of the questionnaire.** The Provider is expected to design a questionnaire that serves to pursue the objectives outlined in section 3.1. The selected questionnaire instruments shall be based on the existing literature about the financial behaviors of remittance senders, including other surveys commissioned by the MIF, as well as inputs by the MIF team. The questionnaire shall include information of interest to the private sector, especially financial institutions. The Provider is expected to pilot the survey instruments in the field before full survey implementation, and to modify them if necessary on the basis of the results of the

² See Inclusive Savings for Remittances Clients, A Practical Network, <https://www.fomin.org/en-us/Home/Knowledge/idPublication/125475.aspx>

pilot. The provider shall also establish procedures for the creation of the sample and data generation. The final questionnaire shall be revised and validated by the MIF team before being implementation. The questionnaire shall not include personally identifiable information of the interviewees;

3. **Data collection.** The Provider will implement the questionnaire among a sample of at least 2,000 remittance sending LAC migrants residing in the U.S., and perform all necessary training and supervision of personnel to this end. It is the responsibility of the provider to make the necessary preparations for data entry and data quality control;
4. **Analysis.** The Provider shall analyze the data and develop a final report with the processed results. The principal audience of this report consists of financial institutions and intermediaries that participate in the remittance market. Secondary audiences include governments, multilateral organizations, universities, research institutions and the press.

5. Expected Outcome and Deliverables

3.1 The expected deliverables of this consultancy are as follows:

1. **Sampling and data collection plan approved by the MIF team.** The first deliverable will be a detailed report which specifies the methodology which is going to be used to determine the sample of the study, including the justification for the selection of each migrant population as well as the strategy for data collection;
2. **Approved questionnaire.** The Provider will deliver a copy of the final questionnaire for approval by the MIF team before starting the field work;
3. **Cleaned data base.** The Provider will deliver a clean copy of the final data base, together with the tabulated results of all variables included in the questionnaire;
4. **Final report.** The Provider will produce a final analytical report of approximately 15-20 pages, which interprets the statistical results of the survey.