

TERMS OF REFERENCE

MARKET SURVEY ON THE LOCAL FUNDRAISING POTENTIAL IN BANGLADESH

Background

Save the Children (SC) is an independent child rights organization operating in Bangladesh since 1970. Its program areas span across six thematic sectors: Child Rights Governance and Child Protection, Health- Nutrition-HIV/AIDS, Child Poverty, Humanitarian and Education.

Historically, the Bangladesh Country office (SCiBD) has been reliant on funds raised through international grants and child sponsorship by its 28 Member offices. The sources of the donations have usually been institutional donors (multilateral and bilateral), UN bodies, private foundations, corporations and individuals. In-country local fundraising has been largely ignored due to the availability of international assistance; lack of clarity with the regulatory regime; and, internal SC procedures that bar local fundraising above \$50,000 per year. However, there is a consensus across members that many companies are becoming major actors in development and working together in partnership with them delivers significant shared benefits to the target communities and environment and also provides support to companies to achieve CSR and business objectives.

As per **2019-21 Strategy Plan**, SCiBD would **think global (holistic thinking) and act local (context-specific solutions)** to build a national identity **and try to diversify funding sources including domestic resource mobilization to retain and grow the strategic portfolio to reach the strategic ambition, several other factors** have also prompted SCiBD to look at local resource mobilization, specifically:

- *Bangladesh's continued growth and Middle Income status is causing donors to begin to consider phasing down their assistance. In addition, donors are increasingly directing their funds to the GoB as it strengthens its financial management capabilities;*
- *The GoB's willingness to fund NGOs through grants/contracts within their Five Year Development Plan as evidence by SCiBD's own fundraising success;*
- *A preliminary review of the legality of domestic resource mobilization by INGOs indicates that there may be scope to raise domestic resources.*

It is thus proposed to conduct an elaborate and detailed mapping of the local fund raising avenues and to find common grounds for approaching them for strategic long-term partnerships.

A. Project Goal / Purpose

The TOR invites consultants who will explore modalities and type of possible engagement possible with Local Agencies in line with SCiBD's partnership ethical engagement policy.

B. Project Objectives

- i. To identify the size and scope of the local fundraising market size (*i.e.* Local¹ corporations, Foundations, Govt. of Bangladesh and local private companies (e.g Akij, Bashundhara etc.)), Business associations and Individuals (HNI & Individual Child Sponsorship).
- ii. To develop strategy for accessing funds from Government, Private sector and Individuals.
- iii. To identify key barriers to fundraising from above channels and recognize steps to overcome/mitigate these barriers.
- iv. To develop an action plan to position SCiBD to mobilize local resources in the future.

C. Assignment

The Project time frame is between April 2019 and June 2019. This Terms of reference invites applications from the agencies to carry out the different tasks as listed below under each of the areas.

D. Description of Activities

a. Accessing Resources from Govt. of Bangladesh

Historically, the GoB has maintained a positive relationship with local and international NGO actors and has provided funds to NGOs for various projects in line with its Five Year Development Plans.

SCiBD has secured a few large funding from GoB but would like to understand better the funding mechanism of GoB. Specifically, the consultant should:

1. Assess the market size and funding potential from the 8 – 10 Ministries (such as MOH, MoPME, MoDMR, MoWCA, MoLGRDC, MoSW, MoLE (Labor & employment), MoYS (Youth & Sports) and MoE (CCA focal ministry)) and determine whether funding opportunities will likely increase/decrease in the future from these GoB entities.
2. Identify amounts funded by contracts versus grants as well as the types of contracts/grants by category (infrastructure, tech assistance, training, etc).
3. Identify leading recipients of GoB grants/contracts and the volume of business, including:
Average size and range of awards
4. Assess the process and mechanism for accessing government grants and contracts and an analysis of different processes followed by government ministries in sanctioning grants / contracts.

¹ Corporations with majority stocks belonging to Bangladeshi stakeholders

5. Identify barriers (legal or otherwise) to accessing GoB funds and how SCiBD can overcome. Determine if SCiBD's international status is a constraint.
6. Provide recommendations as to how SCiBD should go about fundraising from the GoB.

b. Accessing Resources from Foundations and Corporations

The international companies associated with the ready-made garment sector account for 80% of Bangladesh's total exports which totaled over \$28 billion in 2016-2017. SCiBD has funding relationships with 9-10 foundations/corporations and will further like to understand whether the local (Bangladeshi) foundations/corporations represent a potential funding source. Specifically, the consultant should:

1. Assess the market size/funding potential of local foundations, local private companies and large corporations and determine if there are any trends.
2. Identify who are the leading donors in the industry. Preferred sectors or causes, and the types of institutions funded.
3. Determine the average size and range of awards. Identify who are the largest recipients of funding and volume of grants received.
4. Identify barriers to access corporate/foundation funds; whether SCiBD's international status is a constraint; and how to overcome any barriers.
5. Make recommendations as to how SCiBD should proceed with this funding source.

c. Accessing Resources from Individual Donors (Including High Net Worth Individuals)

The Bangladesh's economy has been growing at 6%-7% per year for more than a decade which will likely continue as it begins to reap the benefits of a youth bulge (48% under 24 years).

According to the Boston Consulting Group, Bangladesh's middle/upper class with disposable income is roughly 12m, or about 7% of the population, and is growing at 10%-11% per year and is expected to more than triple by 2025 to 34m, SCiBD would like to position itself to tap this funding source in the future. Specifically, under this TOR, the consultant should:

1. Assess the market size and funding potential for individual giving, identifying any trends in philanthropy, and estimate at what point SCiBD should consider entering this market.
2. Describe the characteristics and behaviors of individual donors, average size and range of donations; for what sectors and causes; and, what types of institutions (local/int'l, faith based, etc.).
3. Identify who are the leading recipients in individual fundraising currently. The types of channels used to fundraise (face to face, digital, direct mail, etc.) and types of products (regular giving/sponsorship, one off, etc.)
4. Identify the barriers (including legal/tax) to individual fundraising and assess whether SCiBD's international status is a constraint. Make recommendations as to how to overcome these barriers as well as how SCiBD should position itself to raise funds from this source in the future.

E. Competitor Analysis

Based on the data collected above, undertake a competitor analysis of the charity sector. Who is the most successful in domestic fundraising. Define SC's comparative advantages/disadvantages through SWOT analysis and recommend actions to increase domestic fundraising.

F. Investment Costs and Return

Estimate the approximate investments required and expect financial returns (3-5 years) for each category (GoB, corporation/foundation, individual)

G. Methodology

- Desk research
- Review of other SCI experiences (Indonesia, Philippines, India, etc.)
- Quantitative and qualitative surveys among potential donors
- Interviews with key stakeholders (GoB, corporations, foundations, private companies, per organizations, philanthropists, SCI and SC members)

H. Deliverables

- Detailed description of the methodology and work plan to be undertaken, including specific tasks, timing and related deliverables, including draft and final products;
- Desk research report;
- All questionnaires;
- Draft report from quantitative and qualitative survey;
- Draft report from interviews key stakeholders;
- Final report and power point presentation

I. Timeline

4 months after contract signing.

J. Terms of Payments

- First Payment: On submission of work plan & methodology –20% of total contract value
- Second Payment: On submission of Draft report including power point presentation - 40% of total contract value
- Final Payment: On submission of Final report including power point presentation - 40% of total contract value

K. Management Arrangements

The selected consultant will work under the direct supervision of the Director Strategic Portfolio and Awards Management and Country Director.

L. Other Clauses if any

- a. The call is open for group of competent individuals, academic institution, consulting firm, or Civil Society Organization / NGO which has a legal mandate to take up consultancy contracts.
- b. It is expected that the applicant has 8-10 years' experience in similar work in developing countries.
- c. The applicant must have strong understanding of Government Funding, CSR in private sector context & Individual giving.
- d. The candidate must have demonstrated networking skills.
- e. A good network within corporate community is desirable.
- f. Excellent reporting, writing and facilitation skills
- g. High level of English proficiency (verbal and written)
- h. The agency will be selected based on 70:30 Quality & Cost based selection.

M. Evaluation Criteria

Detailed evaluation criteria attached.

N. Additional clarifications

- a. The applicant agency will be responsible for all compliance related to reporting and statutory taxes in the country where they are registered.
- b. The applicant agency will be responsible for availing visas for persons working on this assignment as needed.
- c. The applicant agency should have a strong understanding of child safeguarding principles and human rights ethics related to information management.
- d. The applicant agency must have demonstrated, high level skills in documentation.

O. Child Safeguarding Policy

SCiBD is committed to protect children and to prevent them from any harm they may be exposed to through our work. Therefore, the successful applicant will be requested to sign and comply with SCiBD Child Safeguarding Policy. This assignment may have no contact or interaction with children. Throughout the process, compliance with SCiBD Child Safeguarding Policy and standards must be assured.