

## **TERMS OF REFERENCE**

### **IMPACT ASSESSMENT *of* KASHF FOUNDATION**

#### **Institutional Background**

Kashf is registered as a Non-Banking Micro Finance Company which is regulated by the Securities and Exchange Commission of Pakistan. Kashf was set up in 1996 as the first specialized microfinance institution of Pakistan and began operations as a Grameen replicator. Since then Kashf has successfully carved out a distinct and unique niche for itself in the microfinance sector at home and abroad by offering a suite of innovative and transformative products and services to low-income households especially women. Kashf currently works in 75 districts in Pakistan through a network of 422 branches. A majority of these branches are in Punjab, followed by Sindh and Khyber Pakhtoonkhwa.

#### **Kashf's Model**

Kashf offers appraisal backed individual lending to its clients along with other non-financial services to have a transformative impact at the household level. Kashf believes in creating an enabling environment for women micro-entrepreneurs and is committed to creating products and services driven by client needs and demands which leverage on lessons from successful models from across the world. Kashf's main spheres of intervention include (1) Financial Services, (2) Insurance and Safety Nets, (3) Capacity Building Trainings, and (4) Social Advocacy Interventions.

#### **Impact Assessment**

Kashf is seeking an external impact assessment to assess the impact of its program on the economic and social well-being of its clients. The overall scope of the study is to select a statistically significant sample from Kashf's active clientele to gauge the impact of the interventions at the beneficiary level to determine impact of the program. The service lines to be evaluated are the Kashf Karobar Karza/Kashf Murabaha, Kashf Maweshi Karza/Kashf Muweshi Murabaha, Kashf School Sarmaya, Financial Management Trainings, Business Accelerator Trainings, Maternal and Reproductive Health Trainings and Kashf Sehatmand Zindagi Bima.

#### **Products and Services**

As mentioned earlier, Kashf follows an integrated approach for empowerment of its clientele but augmenting its financial services with other services. The following table provides an overview of the products and services offered by Kashf.

Financial Services	<b>Kashf Karobar Karza</b> <ul style="list-style-type: none"> <li>Offered for expanding a current business or setting up a new one.</li> <li>Loan Amount Range: PKR 45,000 – 300,000</li> <li>Loan Tenure: 12 - 18 months</li> <li>Payment Mode: Equal Monthly Installments</li> </ul>	<b>Kashf Murabaha</b> <ul style="list-style-type: none"> <li>Shariah compliant loan for expanding a current business or setting up a new one.</li> <li>Loan Amount Range: PKR 45,000 – 300,000</li> <li>Loan Tenure: 12 – 18 months</li> <li>Payment Mode: Equal Monthly Installments</li> </ul>
	<b>Kashf School Sarmaya</b> <ul style="list-style-type: none"> <li>Loan for Low-cost private school owners that is bundled with a capacity building piece</li> <li>Loan Amount Range: PKR 100,000 – 500,000</li> <li>Loan Tenure: 12, 18 or 24 months</li> <li>Payment Mode: Equal Monthly Installments</li> </ul>	<b>Kashf Maweshi Karza</b> <ul style="list-style-type: none"> <li>Loan product customized to meet the needs of rural women involved in dairy production</li> <li>Loan Amount Range: PKR 80,000 – 350,000</li> <li>Loan Tenure: 12 months or 18 months</li> <li>Payment Mode: Equal Monthly installments</li> </ul>
	<b>Home Improvement Loan</b> <ul style="list-style-type: none"> <li>Loan for renovation and improvement of a customer’s existing house. Loan Amount Range: PKR 70,000 – 300,000</li> <li>Loan Tenure: 12,18,24,30,36 months</li> <li>Payment Mode: Equal Monthly Installments</li> </ul>	<b>Kashf Fori Karza</b> <ul style="list-style-type: none"> <li>Instant loan to meet household/personal expenses</li> <li>Loan Amount: PKR 10,000 – 35,000</li> <li>Loan Tenure: 3, 6, 9 or 12 months</li> <li>Payment Mode: Equal Monthly Installments</li> </ul>
Insurance & Safety Nets	<b>Comprehensive Health Insurance</b> <ul style="list-style-type: none"> <li>Women centric family health insurance coverage for all family members (unmarried sons up to 25 years and all unmarried daughters)</li> <li>Monthly premium payment</li> <li>Coverage of up to PKR 40,000 per family member</li> </ul>	<b>Hospital Cash Health Insurance</b> <ul style="list-style-type: none"> <li>Health insurance coverage for clients in case of hospitalization</li> <li>Monthly premium payment</li> <li>Up to PKR 3,000 per night</li> <li>Bundled product with Kashf Fori Karza</li> </ul>
	<b>Khushaal Mustaqbil Plan</b> <ul style="list-style-type: none"> <li>Micro pension scheme to provide financial security and support to clients</li> <li>Monthly premium payment</li> <li>Premium Options – min. PKR 1,000 and max. PKR 5,000.</li> </ul>	

<b>Capacity Building Trainings</b>	<b>Kashf Financial Education Training</b> <ul style="list-style-type: none"> <li>Financial Management Trainings for KF Clients</li> <li>One time (2-3-hour long) training</li> <li>Free of Charge</li> </ul>	<b>Kashf Business Accelerator Trainings</b> <ul style="list-style-type: none"> <li>Business Accelerator Trainings for Women Micro-entrepreneurs</li> <li>Graduation upon attending 6 Sessions</li> <li>Free of Charge</li> </ul>
	<b>Maternal and Reproductive Health Trainings</b> <ul style="list-style-type: none"> <li>Free of Charge</li> <li>For women: 2-3 hour long</li> <li>For men: 2-3 hours long</li> </ul>	<b>Vocational Skills Trainings</b> <ul style="list-style-type: none"> <li>Training on vocational skills to enhance employability of participants</li> <li>Free of Charge</li> </ul>
<b>Social Advocacy Interventions</b>	<b>Social Theatre Performances</b> <ul style="list-style-type: none"> <li>Praxis oriented social theatre performances on pertinent social issues</li> <li>Attended by Kashf clients and their families</li> <li>Organized at the community level using local theatre groups</li> </ul>	<b>Television Series</b> <ul style="list-style-type: none"> <li>Mass media television series products on socially relevant issues</li> <li>Aired on popular Urdu drama channels</li> <li>Past series have received critical and popular acclaim</li> </ul>
	<b>Public Awareness Campaigns</b> <ul style="list-style-type: none"> <li>Creating awareness around a socially pertinent issues</li> <li>Using mass media, social media and print media</li> </ul>	<b>Gender Trainings</b> <ul style="list-style-type: none"> <li>Gender sensitization and gender justice trainings for women and men.</li> <li>Gender Councils through group of volunteers to raise awareness on gender related issues</li> </ul>

All clients that have been part of the Financial Management Trainings and Business Accelerator Trainings program are Kashf Karobar clients. Moreover, the Kashf Sehatmand Zindagee Bima is also a bundled product with the Kashf Karobar Karza and hence all claimants are either clients or client's family members. The Reproductive and Maternal Health trainees comprise primarily of clients, however, a portion of trainees is men which will also have to be sampled for in the Impact Assessment.

### Impact Assessment: Key Focal Areas

The Impact Assessment should cover the following key focal areas

<b>1. Client Access/Targeting</b> <ol style="list-style-type: none"> <li>Gender</li> <li>Marital Status</li> <li>Loan User</li> <li>Loan Cycle</li> <li>Loan Amount</li> <li>Education Status</li> <li>Religion</li> <li>Access to Other Loans</li> <li>Dependency ratios</li> </ol>
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10. Earners
11. Household structure (number of members, gender division, age groups)

## **2. Digital and Financial Access**

1. Ownership of following before and after Kashf loan
  - Mobile Phone
  - Mobile wallet accounts
  - Bank account
2. Was Kashf the first formal financial institution that you took a loan from?
3. What influenced your decision to take a loan from Kashf?

## **3. Income**

1. Client Business
2. Household business/Other income sources
3. Has the loan from Kashf helped you in overcoming financial distress?
4. Change in Household Income; if change happened reasons for change
5. Change in Personal Income ; if change happened reasons for change
6. Change in Business Profits; if change happened reasons for change
7. Change in Business Revenues; if change happened reasons for change
8. Addition of New sources of income
9. Impact of loan and trainings on above aspects
10. Has your business provided employment to other people before and after the loan

## **4. Quality of Life**

1. Education levels of family members
2. Impact of Kashf loan on ability to send their children to school/afford fee.
3. Impact of the loan to be able to manage emergency expenses
4. Ability to improve living conditions of the HHs (housing quality)
5. Improves access to utilities (water, electricity and sanitation)
6. Improved access to transportation

## **4. Savings**

1. Are you able to save? How has your ability to save changed?
2. How frequently do you save? How has your frequency of savings changed?
3. How much do you save (value terms)? How has the value of your savings changed?
4. How do you save (Modes of Saving)? How has the mode/mechanism in which you save changed?
5. Impact of loan and trainings on above aspects
6. Has your ability to deal with unexpected circumstances improved as a result of the loan?
7. Asset ownership as a result of loans from Kashf

## **5. Health**

1. How has the health status of the participant and her family changed over time?
2. Has the client and her family's access to hospitals increased? How much of this can be attributed to the Kashf Health Insurance?
3. What diseases have they or their family experienced over the past 2 years, and how have they coped with the loss in income and expenditure on healthcare? Has this changed since the introduction of the Kashf Health Insurance?
4. Does the client feel confident in her ability to manage HH's health expenses as a result of her association with Kashf?

#### **6. Food Security**

1. How has the quantity and quality of food consumed changed since taking a loan from Kashf?
2. Does the client think that the enhancement in disposable income has impacted food security for the household?
3. Has the client felt that food prices have changed in the last year? If yes, how has the client maintained smooth consumption?

#### **7. Gender & Empowerment**

1. How is decision making done (jointly, client alone, husband alone) on the following:
  - Use of client's business income
  - Decisions about the client's health and health of her children
  - Decisions on household purchases
  - Financial decisions in the household
  - Decision to take a loan for client's business
2. How has the decision making power of the client changed? Confidence level as an entrepreneur
3. On what facets of decision making has the client experienced changes?
4. Has the participant gained financial independence? What does the client quantify as financial independence?
5. How has the status of the client changed within the household since taking a loan from Kashf?
6. Education in household and community level constraints since taking a loan from Kashf?
7. How have the social ties for the client?
8. What realms of public life does the client deal with exclusively?
9. Has your relationship with your mother-in-law/in-laws changed after the training/loan?
10. Has your relationship with the males in your family changed after the training/loan?
11. How have community perceptions regarding women's economic role as a result of your economic activity?
12. Has the perception of the age of marriage changed after the training/loan?
13. Has the perception regarding girls education changed after the training/loan?
14. How has conflict in the household changed since the loan?
15. Have inter-spousal argument/fights decreased or increased after taking the loan? What factors have contributed to the change?
16. Has your husband changed his contributions to unpaid care since you have become economically active?
17. Has your relationship with your spouse changed after the training/loan.

18. Has the perception of abuse (physical/emotional/verbal) changes after the training/loan?
19. Have instances of physical abuse changed after the training/loan?
20. Have instances of verbal abuse changed after the training/loan?

#### **8. Maternal and Reproductive Health Trainings**

1. Does the respondent have information about family planning methods available? Where did she learn about them?
2. Does the respondent know about the precautions required to reduce maternal mortality? Where did she learn about them?
3. Does the respondent know about precautions needed to reduce infant mortality? Where did she learn about them?
4. Does the respondent know about the importance of having a certified health care professional to deliver babies? Where did she learn about them?
5. Has the respondent changed any practices related to maternal and reproductive health?
6. Has the respondent changed any attitudes related to maternal and reproductive health?

#### **9. Financial Management Trainings**

1. What the content, trainer, duration and curriculum useful and relevant?
2. What did you like most about the training?
3. Do you know how to open a bank account? Where/how did they learn to do this? Have you opened a bank account?
4. Do you know how to calculate profit and loss? Where/how did they learn to do this? Do you calculate profit and loss for your business?
5. Do you know how to make budgets? Where/how did they learn to do this? Do you make a budget for your business?
6. Do you know how to use internet for business? Where/how did they learn to do this? Do you use internet for your business?

#### **10. Business Accelerator Trainings**

1. What the content, trainer, duration and curriculum useful and relevant?
2. What did you like most about the training?
3. What have you been to learn from the training?
4. As a result of the training you have been able to make the following changes in your enterprise:
  - Expanded size of enterprise
  - Increased business revenue
  - Added new products
  - Hired more workers
  - Improved quality or desirability of product/services
  - Reduced costs by buying inputs in greater volume or at wholesale prices
  - Developed a new enterprise
  - Sold in new markets/enterprises
  - Been able to establish new business networks
  - Improved financial negotiations to procure business raw materials at a lower cost
  - Opened a savings account with a bank
  - Had an addition in earning members
5. Has the training impacted your decision-making ability? In what way?

#### **11. Social Theatre**

1. What is the content, trainer, duration, and curriculum useful and relevant?
2. Which performance did you attend?
3. What did you learn from the training?
4. Have you changed your opinion on the content covered in the performance?

#### **Impact Assessment Process**

The Consultants will send their technical and financial proposals to Kashf Foundation. The technical proposal should delineate in detail the following aspects:

1. Profile of the consultant with special reference to similar assignments/ work with microfinance providers (if applicable);
2. Proposed Methodology for the research;
3. Sample selection and rationale for choosing the sample;
4. Mechanisms for data collection and validation;
5. Identification of possible limitations and challenges in the process along with mitigating mechanisms.

#### **Outputs**

The Consultant will prepare an evaluation report that describes the evaluation and puts forward findings (disaggregated by gender wherever available), conclusions, recommendations and lessons. The Report must contain an executive summary which will be made public.

**Interested organizations must send their proposals to [info@kashf.org](mailto:info@kashf.org) by COB 28<sup>th</sup> February 2025.**