



**Fonkoze**  
fondasyon kole zepòl  
*Ann kreye richès pou lavi miyò !*

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## **Terms of Reference: Evaluating Fonkoze's BMZ/OID-funded projects in Tomonn and Dezam**

### **Background**

Fondasyon Kole Zepòl (Fonkoze) is part of a family of three institutions whose mission is to "work together to provide the financial and non-financial services to empower Haitians — primarily women — to lift their families out of poverty." Established in the mid-1990s, it quickly developed into Haiti's largest microfinance institution. By 2000, almost 5000 women had Fonkoze loans, a number that would multiply ten-fold. Evidence showed that borrowers were able to use Fonkoze loans to strengthen their livelihoods by growing their small businesses.

But Fonkoze eventually learned that its loans, even when supplemented by education programs, were not removing all the barriers that rural families confront. It found out that there was a segment of the population that its services were not reaching. The women who were succeeding with Fonkoze loans already had businesses that they could add borrowed capital to. In addition, they tended to possess other assets, like livestock, that they could use as insurance against the occasional setbacks that are nearly inevitable in the lives of the rural poor.

There was a layer of the Haitian population, however, too poor for the tools of microfinance, women who had neither a business they could add to nor any other wealth they could fall back upon, women living in ultra-poverty. Fonkoze established its Chemen Lavi Miyò (CLM) program for such women.

### **Fonkoze's Ultra- Poverty Program**

Fonkoze's extreme poverty program identifies the poorest families in a community, and it offers them a comprehensive package of support tailored to their need.

More than 95% of households in the program — called Chemen Lavi Miyò, or CLM — include either a woman with at least one child who depends on her or a disabled individual, whether male or female. Someone in the home, however, must be capable of the work the program will require. The families typically have no or almost no income-generating assets. They are often unable to send their children to school. They frequently go a day or longer without consuming a hot meal, and lack the ability to access healthcare, even where it is available.

The core of the CLM approach is woven of five strands:

1. Teaching families to manage income-generating activities,
2. Giving them the assets that they need to establish those activities,
3. Providing a small weekly cash stipend to help them both to get by while their new activities are getting started and to learn to manage money,

4. Establishing VSLAs within which they can begin to accumulate savings and access small loans, giving them further practice at managing money, and
5. Accompanying them for eighteen months with individualized weekly coaching and a range of measures targeting improved health that help them protect their first steps forward.

The families who need CLM require comprehensive support beyond enterprise training and business assets. Fonkoze knows, for example, that families often lose their livelihoods because of sickness or death. So, the program does what it can to help families learn to stay healthy. It provides water filters, assistance installing latrines, and training that encourages good hygiene. Weekly coaching includes multiple health-related messages. Young children and both pregnant and nursing women are screened for signs of malnutrition, and they receive timely referrals to treatment if they need it. They receive access to free healthcare, through Zanmi Lasante where practicable, and they are taught to use it.

Fonkoze also knows that a family can have neither good health nor a viable livelihood without decent shelter. They must be able to keep themselves and their business supplies secure and dry. So, the program helps each family repair or construct a small house with a solid tin roof.

Fonkoze knows in addition that the social isolation that accompanies life in ultra-poverty can undermine any progress a family might make, so it organizes committees in each community, made up of volunteers among the community's leaders, who agree to provide participating families with an extra level of accompaniment and a way to integrate themselves and their economic activities more fully into the lives of the communities they live in. It organizes Village Savings and Loan Associations, which give families a structured way to accumulate savings and to access small loans that can make additional investments possible or help with expenses that arise.

After 18 months, CLM members graduate from the program if they meet criteria that include the following:

- They have increased the value of the productive assets CLM has provided by at least 40%,
- They have at least two sources of income,
- They have an active savings account,
- All family members have appropriate government documents,
- The family consumes at least one hot meal a day, and
- They have a plan for the future and the confidence to believe they can succeed.

### The Need to Evaluate

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Fonkoze has carried out a small number of studies of the sustainability of the program's impact. Researchers interviewed program participants years after graduation to see how they were doing, and the results have been consistent. About one-third of members report continued progress, about a third report having sustained their progress, and a third report having lost ground after they graduated. But as the economic situation has worsened through the last years,

Fonkoze needs to know whether its graduates have been able to continue their success at the same rate.

Fonkoze is proposing to study the graduates of two cohorts of families who graduated from the CLM program. 250 of them are in Savanèt Kabral, a central communal section of Tomonn (also designated as Project 3085), and 200 are in Dezam, a communal section of Verèt (also designated as Project 5020). The group in Tomonn graduated from the program in 2019, and the group in Dezam graduated in 2022. These families were able to participate in the program thanks to support from Opportunity International Deutschland, which raised most of the money to fund them from the German government's Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ). OID and the BMZ are now providing support to enable Fonkoze to evaluate the program once more.

Fonkoze would like to ask:

- How do the two projects compare in terms of sustained success to previous projects that have been evaluated?
- To what extent did the deteriorating economic climate affect the income situation of former participants?
- How does the income, food security and social status of former participants develop after completion of the program.
- What factors within households indicate later chances of success early in program participation?
- How could these success factors be better promoted in the support provided within the program?

#### Additional Evaluation Questions

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The team also wants to better understand how some of the particular measures that are part of the program work. None has been studied individually before by Fonkoze.

As a routine part of its procedure, Fonkoze's team organizes Village Savings and Loan Associations (VSLA) for all members. (See: [www.vsla.net](http://www.vsla.net).) In addition, it establishes community development committees everywhere it works. Fonkoze would like to ask:

- What economic and social impact do VSLAs have on former program participants and other VSLA members after the program has ended
- What impact do VSLAs and community development committees have on the communities they operate within?

Fonkoze sets aside money in its budget to help members manage emergencies. Not all members use the fund, and most of the disbursements made are relatively small, but the use of the fund has never been studied. Fonkoze would like to ask:

- What is the benefit of the emergency fund? What effects does it have?
- To what extent does the emergency fund correspond to the do-no-harm approach?

Fonkoze has worked to engage Haitian elected authorities in the work, but with success only in very specific regions, not in Tomonn nor in Dezam. Nonetheless, it is possible to ask:

- To what extent is there coherence with the measures of the government and local authorities (synergies, added value of the project measures, coherence with policies)
- To what extent is there coherence with similar projects of other donors and NGOs (synergies, added value)

A cash stipend has been an important part of the program since the pilot. Program participants have received a small amount of cash once-a-week for the program's first 24 weeks. Fonkoze would like to ask:

- How do the participating households use the stipend?
- To what extent does the stipend contribute to the sustainable economic success of the participants?
- What other effects does the stipend have?
- To what extent could the impact of the funding be achieved through other instruments?

## Evaluation Methods

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Fonkoze proposes a combination of methods be used to address these varied questions:

1. Document study: From evaluations and research results already conducted on the CLM program in Haiti, as well as specifically on the use of grants and emergency funds in graduation programs in general (wide range of academic and professional publications, available from various scientific publishers and think tanks). As experts in economic inclusion of extremely poor households, the evaluators should already be familiar with the current state of the literature on the topic.
2. Analysis of existing data sets: Analysis of data sets that are already available via the Fonkoze data collection and management tool *Impact Atlas* (baseline, midline and endline with household data of all participants, as well as interim and final reports with the corresponding evaluation of the data). This particularly concerns the household data of the participants in project 3085 and the data on the savings groups from the two BMZ-funded projects 3085 and 5020, as well as the project in the neighboring region that was carried out in parallel to 3085. Additional data sets from other projects with the same program approach are also available if required.
3. Surveys: Additional data will be collected through a representative survey with former project participants of Project 3085, which was completed in 2020. Almost at the same time as the BMZ funded Project 3085, another project of the program with 100 households took place in the neighboring district. In order to increase the statistical significance of the surveys, it is advisable to include these households in the sample size. Sub-questions on the deteriorating economic environment, funding and financial literacy will also be asked for Project 5020. In total, 450 households fall into the basic unit of the surveys. Of these, around 286 households must be surveyed in order to achieve a confidence level of 95% with a margin of error of 5%.

4. Case studies and qualitative interviews: Approximately 10 detailed case studies will be conducted based on qualitative interviews with former program participants, particularly on the benefits of grants. VSLA members, village development committee members (topic of broad impact) and project staff (topic of program concept, VLSAs, grants, emergency funds, economic climate and security) will also be interviewed.
5. Focus groups (approx. 10 focus groups with 8 to 15 participants each): On certain key issues of the evaluation (savings groups, funding, economic situation, factors for decline in progress after project end). Focus groups in which selected program participants, members of the local communities of the former project regions and CLM employees can discuss the results of the data analysis and comment on them.

#### Requirements for the Evaluation Team

- Technical knowledge and relevant experience with graduation programs, social security and economic integration
- Proven skills in conducting evaluations and be able to analyze both qualitative and quantitative data
- Proven knowledge and application of "do no harm" approaches in data collection and analysis
- In the case of remote control of the survey team, appropriate experience and methodological knowledge must also be available
- The local survey or data collection staff must have experience in conducting surveys and the neutrality with which they must be carried out, as well as in planning and conducting focus group interviews and qualitative individual interviews
- All work in the project areas must be done in Creole, the only language that all rural Haitians speak and understand. The reporting language is French or English.

Estimation of the Expected Workload for the StudyActivities	# days		
	Experts		Data Collection Team
	Lead Consultant 1	Consultant 2	
<b>1. Planning</b>	<b>11</b>	<b>13</b>	<b>0</b>
Meeting with key stakeholders and knowledge holders (in particular Fonkoze Management Team, OID Project Coordination)	1	-	
Analysis of existing data and documents	4	4	
Development of the final evaluation methodology and matrix	2	1	
Development of data collection tools	2	5	
Drafting and presentation of a launch report with feedback from Fonkoze and OID	2	3	

<b>2. Data collection</b>	<b>12</b>	<b>35</b>	<b>76</b>
Travel days	2	6	
Meeting and preliminary discussion with Fonkoze on site	1	3	
Training and preparation of the local team to conduct the surveys	1	3	6
Conducting the surveys	3	10	40
Interviews with former program participants, VSLA members, CLM employees	4	8th	15
Focus group discussions	1	5	15
			0
<b>3. Analysis</b>	<b>5</b>	<b>13</b>	<b>0</b>
Data cleansing	0	3	0
Analysis of the data	2	5	
Qualitative data analysis	3	5	
<b>4. Reporting</b>	<b>8th</b>	<b>6</b>	<b>0</b>
Draft report for feedback	3	2	
Presentation of the draft report for revision	1	1	0
Revision of the report	3	3	
Presentation of the final report	1		
<b>Total</b>	<b>36</b>	<b>67</b>	<b>76</b>

Interest candidates should e-mail a cover letter, a proposed work plan, and an anticipated budget to both:

Steven Werlin  
 swerlin@fonkoze.org  
 and  
 Itamar Carlberg  
 icarlberg@oid.org

The deadline for responses is July 17<sup>th</sup> 2024.