Application Guidelines for "The Impact of Micro-Credit Repayment Rules on Seasonal Migration and Loan Repayment during the Agricultural Lean Season – A Randomised Experiment in Bangladesh"

June 15, 2011

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I. Application Summary

1. Overview of the Project

The emergence of Microfinance Institutions (MFIs) has been a recent policy development in poverty alleviation in developing countries. However, the interactions and side-effects of this policy instrument have not been studied extensively yet, but this is of tremendous importance for their evaluation.

Based on anecdotic and survey evidence it is found that micro-credit can actually hamper temporary migration during lean seasons, lowering the welfare of rural people. This problem has not been studied appropriately in the literature, even though it has direct implications for development policy. This establishes the need, importance, and relevance of a comprehensive and methodologically sound study of the problem.

Results from this project will help MFIs to optimize their credit schemes, and will help other interested parties including governmental institutions to either advocate relaxation of micro-credit rules or to search for alternative policy instruments especially in the periods of agricultural lean periods.

2. Duties

(1) Identifying 1,200 possibly Monga affected households to interview.

(2) Conducting the first main (base-line) survey of the households, using a questionnaire given by the IDE-JETRO. Keying data from collected questionnaires into a computer readable file (Digitalization)

(3) Provide microfinance services, both traditional and flexible, according to the design given by the IDE-JETRO.

(4) Conducting a short survey (same household, panel survey) during the Monga period of 2011, using a questionnaire given by the IDE-JETRO. Keying data from collected questionnaires into a computer readable file (Digitalization).

(5) Conducting the second main (post-intervention) survey in 2012 (same individual of the base-line survey, second panel), using a questionnaire given by the IDE-JETRO.

Keying data from collected questionnaires into a computer readable file (Digitalization).

(6) Conducting the second Monga survey, using a questionnaire given by the IDE-JETRO. Keying data from collected questionnaires into a computer readable file.

Note: The contracted party shall keep private information collected through the survey strictly confidential.

3. Contract Period

From July 26, 2011 to January 31, 2013.

4. Budget

(1)	Total Budget:	Maximum budget is USD 75,000, which consists of Direct Expenses and Overhead Expenses.
(2)	Direct Expenses:	Wages and salaries for researchers and research assistants, expenses for field survey, and expenses for books, documents and data.
(3)	Overhead Expenses:	Administrative Overhead (Administrative expenses needed to conduct the research and facility management and maintenance fees). Maximum is 10 % of direct expenses.

5. Requirements

The contracted party must have:

(1) Its own microfinance scheme which has been conducted for longer than a year.

(2) Experiences of activities in Monga-prone and flood affected areas in the Rangpur Division, Bangladesh.

(3) Researchers who are fluent in English.

(4) Research assistants who are familiar with the target area.

II. Application Procedure

1. Application Period

From June 15 to July 5

2. Application Deadline

July 5, 2011 18:00 (JST/Japan Standard Time)

3. Necessary Items to Complete the Application

    (1) Proposal Form

    (2) Budget Form

4. Ways to Submit the Application

  Submit the forms in PDF format to the following e-mail address.

  proposal@ide.go.jp

  Research Management Division,

  Institute of Developing Economies,

  Japan External Trade Organization.

5. Evaluation Criteria

  - Capacity in conducting full-fledged microfinance in the Rangpur Division, Bangladesh.

  - Soundness and feasibility of sampling strategy with sample households in Monga prone areas

  - Adequacy of work plan to complete the survey in the required timeframe

  - Experience with household surveys on the related subjects

  - Familiarity with the conditions of the study area

  - Qualification and competence of researchers and staff

6. Schedule

June 15, 2011	Application Available
July 5, 2011	Application Deadline
After July 6, 2011	
	Notification of the Application Result
	Drafting of the Contract
July 26, 2011	Conclusion of the Contract (first installment)
From July 26, 2011 (about a week)	
	The IDE-JETRO and the contractor jointly conduct training of research assistants
August 2011 (for a month)	
	Conduct the first main (base-line survey). Review collected questionnaires, and. revisit interviewees if necessary.
September 2011	Implement the field experiments and conduct the first Monga survey
November 30, 2011	

Submission of computer readable files containing the data derived from the first main and first Monga surveys and a progress report for the second installment

Late July 2012 (for a month)
Conduct the second main (post-intervention) survey. Review collected questionnaires, and. revisit interviewees if necessary.

September 30, 2012
Submission of a computer readable file containing the data derived from the second main (post-intervention) survey.

January 31, 2013 Submission of a computer readable file containing the data derived from the second Monga survey and a progress report for the final installment

III. Other Important Remarks

-IDE may terminate this Agreement on the occurrence of an event that Research budget after April, 2012 is not secured.

- All questions regarding this work shall be directed to the Research Management Division of the institute. Applicants are kindly requested to understand that any inquiries about the evaluation process shall not be accepted.

- A sample of the contract draft is available upon request. Contact to the Research Management Division for a copy.

- Applicants' information will be kept confidential and will be used only for purpose of the research management at the IDE-JETRO. The officer in charge of personal information protection is Director, Research Management Division. (Phone: +81-43-299-9526)

IV. Application Form

1. Proposal Form
   See the attached Proposal Form

2. Budget Form
   See the attached Budget Form

-END OF FILE-

Proposal Form

Contents:

I. Description of Contractor's Organization

II. Team Composition and Task Assignments

III. Work Schedule

IV. Strategy of Field Surveys

V. Experience of the Organization

VI. Experience in Microfinance

VII. CV and Experience of Principal Investigator

VIII. Further Remarks

Evaluation Criteria

- Capacity in conducting full-fledged microfinance activities in Rangpur division of Bangladesh.
- Soundness and feasibility of sampling strategy with sample households in Monga prone areas
- Adequacy of work plan to complete the survey in the required timeframe
- Experience with household surveys on the related subjects
- Familiarity with the conditions of the study area
- Academic and technical background and qualifications of the principal investigator
- Qualification and competence of key staff

I.   Description of Contractor's Organization

(Briefly describe the background, the name of the principal investigator, and the address, the contact number and main activities of the organization: <u>not more than one page</u>)

II.   Team Composition and Task Assignments

(List all team members involved in this project, including the principal investigator. Describe briefly how tasks (interview, data entry, and supervision of activities) are allocated to each member. If you need more than one page, copy and paste the format below and fill it in the next page.)

	Name	Employment Status (full time or other)	Education/Degree	Language skills: English	Task Assigned	Years of Experience in Microfinance
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						

III. <u>Work Schedule</u>

(Describe work schedule/timeline, separately for (1) Data collection/Field work, (2) Data input, (3) Data cleaning/correction, and (4) Submission of the final outputs. If preferred, duration of each activity shall be indicated in an Excel sheet.)

IV.   Strategy of Field Surveys

(Explain how to identify sample households for interview. <u>Points</u>: Which Monga prone areas will your organization select for this survey? Which Upazilas of which Zilas will be target areas? How are the 1,200 households assigned to those Upazilas? How will your organization implement the survey in terms of transportation to get the destinations?)

V.   Experience in Microfinance

(Describe achievements of microfinance of your organization in terms of the value, the number of borrowers, history and regions to operate).

VI.   Curriculum Vitae and Experience of the Principal Investigator

(CV of the principal investigator can be in any form and attach it as an Appendix.)

VII.   Further Remarks

Budget Form

Details of Disbursement Plan of Allowance for the Joint Research on："The Impact of Micro-Credit Repayment Rules on Seasonal Migration and Loan Repayment during the Agricultural Lean Season – A Randomised Experiment in Bangladesh"

Expense Items   Amount(US$)

I. Direct Expenses   _____

    1.Honoraria for Researchers

     Chief Senior Researcher

       ___ US$/h   x   ___ hours/day   x   ___ days/month   x   ___ months   x   ___ persons= _____

     Senior Researcher

       ___ US$/h   x   ___ hours/day   x   ___ days/month   x   ___ months   x   ___ persons= _____

     Associate Senior Researcher

       ___ US$/h   x   ___ hours/day   x   ___ days/month   x   ___ months   x   ___ persons= _____

     Researcher

       ___ US$/h   x   ___ hours/day   x   ___ days/month   x   ___ months   x   ___ persons= _____

    2.Wages and salaries for research assistants

   ___ US$/h x   ___ hours/day x   ___ days/month   x   ___ months   x   ___ persons= _____

    3.Expenses for field survey

     ___ US$ _____

    4.Expenses for books/documents/data

     ___ US$ _____

II. Overhead Expenses

    5.General administrative expenses(under 10% of "Direct Expenses" listed above)

                                                       _____

    Total (addition of I, and II listed above)   _____

Date: _____

               (Signature)   _____

               (Name of the representative) _____

               (Title) _____

               (Name of Institution)_____