



Financing Facility for Remittances



Enabling poor rural people
to overcome poverty

Annual Call for Proposals

www.ifad.org/remittances
www.RemittancesGateway.org

The International Fund for Agricultural Development (IFAD), a specialized agency of the United Nations, in partnership with the Consultative Group to Assist the Poor (CGAP), the European Commission (EC), the Government of Luxembourg, the Inter-American Development Bank (IDB), the Spanish Ministry of Foreign Affairs and Cooperation (MAE) and the United Nations Capital Development Fund (UNCDF), periodically releases an Annual Call for Proposals of the Financing Facility for Remittances (FFR).

Through its US\$18 million fund, the FFR seeks to reduce poverty by leveraging remittances and migrant capital for development in rural areas of developing countries. In addition to reducing transfer costs and developing institutional partnerships, the FFR seeks to:

- Promote access to remittances in rural areas
- Link remittances to rural financial services and products
- Develop innovative and productive rural investment opportunities for migrants and community-based organizations

The FFR's portfolio includes 36 innovative projects in 36 countries across the globe. These projects, aimed at addressing the challenges facing migrant workers and their families, have a particular focus on rural areas and rural finance. In order to achieve its objectives, the Facility launches competitive Calls for Proposals of which it finances the most innovative and promising projects.

The FFR operates in all regions of the world and focuses on both trans-national and domestic remittances. Public, private and civil society entities are all eligible to apply for FFR grant financing. Projects including multi-sector partnerships are favoured.

FFR thematic areas and objectives of the Annual Call for Proposals

1. Mobile financial services
2. Postal networks
3. Microfinance networks
4. Innovation in financial services
5. Migrant pensions and other government-to-person payments
6. Housing
7. (Micro-) Insurance
8. Migrant entrepreneurship and investment
9. Securitization
10. Open thematic area



The FFR recognizes the important contribution remittances make in meeting the daily needs of recipients, as well as their contribution to local and national development. The impact of these funds is dramatically enhanced when linked to other financial services such as savings, insurance and loan products. Inclusive financial systems and innovative partnerships between rural financial institutions and remittance operators can generate significant benefits by easing competition and reducing costs, thereby offering more resources to the poor and increased options for families to use their capital to its maximum potential.

General Conditions and Eligibility Criteria

Eligibility Criteria

Applicants may be (a) a non-profit institution such as a non-governmental organization; (b) a public, governmental institution; (c) a for-profit entity; or (d) mutual/cooperative organization or credit union.

The FFR strongly promotes partnerships between private institutions and public entities for the development of joint project proposals. If selected, the grant beneficiary would be solely responsible to IFAD for the successful implementation of the project.

All proposals must:

- Not exceed US\$250,000 per project in FFR financing (except for proposals under the mobile banking and mobile money transfers thematic area with a US\$500,000 grant maximum) and have an implementing period of no more than 24 months.
- Target countries must be IFAD member countries.

All applicants must:

- Have legal status and be registered in the country in which they operate.
- Have the capacity to enter into a legal agreement with IFAD and comply with the procurement guidelines of IFAD.
- Not act as an intermediary but be directly responsible for the preparation, management and implementation of the project proposed.
- Provide a financial counterpart contribution equivalent to at least:
 - 20 per cent of the grant amount requested for all regions except in Latin America and the Caribbean (LAC) region in the case of a non-profit applicant.
 - 30 per cent of the grant amount requested for a project in the LAC region in the case of a non-profit applicant.

The next FFR Call for Proposals will be advertised on www.ifad.org/remittances

- 50 per cent of the grant amount in the case of a for-profit entity in all regions.
- 10 per cent of the grant amount in the case of a migrant organization and at the sole discretion of the FFR.

In all project proposals, at least half of the required counterpart contribution must be in cash. The rest may be in kind.

- Have a minimum of two years of relevant operational experience for non-profit institutions (three years for for-profit entities).
- Present signed audited financial statements and reports for at least two previous years (three years for for-profit entities).

Selection Criteria

Proposals will be evaluated on the extent to which:

- The project idea is innovative and has potential for scaling up or replication.
- The project supports the overall aim of the FFR and meets the objectives of at least one of the FFR thematic areas.
- The project objectives are sound, realistic, achievable and measurable.
- The applicant has the financial and technical capacity to implement the project and builds on strong partnerships to support it.
- The project shows potential for sustainability.



For further information please contact

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