

Global Europe Results Framework Indicator Methodology Note

1. Indicator name
GERF 2.17: Number of beneficiaries with access to financial services with EU support: (a) firms, (b) people (all financial services), (c) people (digital financial services)
2. Technical details
<p><i>Please use the information provided in OPSYS or the SWD.</i></p> <p><u>Results Dashboard code(s)</u>: (a) 65228; (b) 65229; (c) 65230.</p> <p><u>Unit of measure</u>: Number of (#).</p> <p><u>Type of indicator</u>: Quantitative (not Qualitative) – Numeric (not Percentage); Actual ex-post (not estimated or ex-ante); Cumulative (not annual); Direct (not indirect).</p> <p><u>Level(s) of measurement</u>: Specific Objective – Outcome; Direct Output; Output.</p> <p><u>Disaggregation(s) for (b) and (c)</u>: Sex (Female; Male; Intersex); Gender (Woman/girl; Man/boy; Non-binary; Prefer not to say).</p> <p><u>DAC sector code(s)</u>: 24010 – Financial policy and administrative management; 24020 – Monetary institutions; 24030 – Formal sector financial intermediaries.</p> <p><u>Main associated SDG</u>: 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.</p> <p><u>Other associated SDGs</u>: 1.4 equal rights to resources; 2.3 agricultural productivity of small-scale food producers; 5.a equal rights for women to resources; 8.3 support productive activities and encourage MSMEs; 9.3 increased access of small-scale industrial and other enterprises to financial services.</p> <p><u>Associated GERF Level 1 indicators</u>:</p> <p>(a) GERF 1.13 World Bank Doing Business distance to the frontier score</p> <p>(b) GERF 1.14 Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider (SDG 8.10.2)</p> <p>(c) GERF 1.10 ITU ICT Development Index</p> <p><u>Associated GERF Level 3 indicators</u>:</p> <p>3.2 Amount and share of EU-funded external assistance directed towards digitalisation</p> <p>3.3 Amount and share of EU-funded external assistance contributing to strengthening investment climate</p> <p>3.4 Amount and share of EU-funded external assistance contributing to: (a) aid for trade, (b) aid for trade to LDCs, and (c) trade facilitation</p> <p>3.5 Leverage of EU blending and guarantee operations financed by EU external assistance, measured as: (a) Investment leverage ratio, (b) Total eligible financial institution financing</p>

<p><i>leverage ratio, (c) Private financing leverage ratio</i></p> <p><i>3.13 Number and share of EU- external interventions promoting gender equality and women's empowerment</i></p> <p><i>3.14 Number and share of EU-funded external interventions promoting disability inclusion</i></p> <p><i>3.15 Amount and share of EU-funded external assistance directed towards reducing inequalities</i></p> <p><i>3.16 Amount and share of EU-funded external assistance qualifying as ODA</i></p>
<p>3. Policy context and rationale</p> <p>The EU aims to tap into the huge potential of the private sector to create jobs and as an implementing and financing partner in the achievement of the Sustainable Development Goals (SDGs). However, access to financial, including digital, services is one of the greatest obstacles to private sector investments and therefore growth in sub-Saharan African countries. MSMEs are collectively usually the largest employers, but they typically lack access to capital and to risk management tools such as savings, insurance products and credit.</p> <p>Access to financial, including digital, services can make a positive difference to the lives of poor people, empowering them to start businesses, invest in education, manage risks and absorb financial shocks. This is especially important for women and other marginalised and vulnerable groups. For example, lack of access to credit is one of the main obstacles to women's economic participation.</p> <p>Access to financial, including digital, services for both businesses and individuals are important policy areas, as outlined in the New European Consensus on Development and the A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries. Digital is one of the five Global Gateway's key areas of partnership, addressing the digital divide and supporting open and secure internet.</p> <p>The 2030 Agenda for Sustainable Development and its SDGs include a commitment to ending poverty and promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (SDG 8), for which financial inclusion, as well as access to financial, including digital, services for both businesses and individuals are crucial.</p>
<p>4. Logframe inclusion</p> <p>If an intervention generates the result measured by this indicator, then it must be reported in OPSYS. Corporate targets have been set for the indicators used to monitor the Strategic Plan and the Multiannual Financial Framework (see Section 9). Progress towards these targets is reported annually in the Annual Activity Plan (for the Strategic Plan) and the Programme Performance Statements (for the Multiannual Financial Framework). These values are calculated by aggregating the results reported in OPSYS. These reports ultimately contribute to the Annual Management Performance Report submitted by the European Commission to the Council and Parliament during the annual budgetary discharge procedure. If targets are not met, explanations must be provided. Therefore, it is crucial that all results are recorded in</p>

OPSYS.

There are two ways of doing this:

- Include the indicator directly in the logframe (recommended approach);
- Match the indicator to the closest logframe indicator (only if the indicator was not originally included in the logframe and modification is not possible).

Why? The matching functionality in OPSYS only accommodates reporting current values and does not yet support encoding baselines and targets. This is a significant drawback because targets are a valuable piece of information, especially at the beginning of a Multiannual Financial Framework. Indeed, results take time to materialise as they are the last step in the chain, appearing only after programming, commitments, contracting, and spending have occurred. Targets allow to see what results are expected long before they materialise, which is reassuring to the different stakeholders concerned with accountability. **Therefore, include all corporate indicators directly in the logframe whenever possible, and reserve the matching functionality only for cases when this is not feasible.**

5. Values to report

The following values must be determined in line with the definitions provided in Section 6.

Baseline value: the value measured for the indicator in the baseline year. The baseline value is the value against which progress will be assessed.

Current value:

- **For logframe indicators:** the most recent value for the indicator at the time of reporting. The current value includes the baseline value which is reported separately for logframe indicators in OPSYS.
- **For matched indicators:** the most recent value for the results achieved at the time of reporting since the start of implementation of the intervention. This value is obtained by taking the most recent value for the indicator at the time of reporting and subtracting off the baseline value which is not reported separately for matched indicators in OPSYS.

Current values will be collected at least once a year and reported cumulatively throughout the implementation period.

Final target value: the expected value for the indicator in the target year.

Intermediate target values (milestones). A tool has been developed in OPSYS to generate intermediate targets automatically¹.

¹ This has been done in the context of the Primary Intervention Questionnaire (PIQ) for the EAMR. Three new KPIs provide an overall assessment of ongoing interventions (current performance and future performance) and completed interventions (final performance). Scores will be calculated for all INTPA and NEAR interventions participating in the annual results data collection exercise.

- **For outputs:** the intermediate targets are generated using a linear interpolation between the baseline and target values because it is assumed that outputs materialise sooner and more progressively over implementation (than outcomes).
- **For outcomes:** the expected progression over the course of implementation will vary across interventions. During the creation of a logframe, the expected outcome profile must be selected (OPSYS offers four options²) and this selection triggers the generation of intermediate targets for all 30 June and 31 December dates between the baseline and target dates for all output and outcome quantitative indicators. All automatically generated intermediate targets values and dates can be subsequently modified by the Operational Manager or the Implementing Partner with the approval of the Operational Manager.

6. Calculation of values

Specify all assumptions made, list definitions for all technical terms, provide any relevant guidance on (double) counting, and include checklist for quality control.

The value for this indicator is calculated by counting the number of people with access to financial services with EU support: (a) firms, (b) people (all financial services), (c) people (digital financial services), using the technical definitions and counting guidance provided below. Please double check your calculations using the quality control checklist below.

Technical definitions

- *Financial services* refer to credits, savings/deposits, insurance products, leasing, lending, transfer payments, remittances and other financial products/services and transactions. It does not include financing provided by the EU.
- *Digital financial services* refer to all or part of the above that are provided using digital technology.
- *Access to financial services* refers to private businesses or individuals who have at least one account at a formal financial institution in their name.
- *Firms* refer to micro, small and medium enterprises (MSME) that are formally established. The definition of MSMEs should be based on the definition applicable in the partner country.

- *KPI 10* reflects the relevance, efficiency and effectiveness of ongoing interventions. The information on relevance is provided by the Operational Manager's response to a question in a survey. The information on efficiency and effectiveness is provided either by the logframe data, if sufficient data is available, or the response to a question in a survey, if not.
- *KPI 11* reflects expectations regarding the most probable levels of relevance, efficiency, effectiveness and sustainability that can be achieved by ongoing interventions in the future. In this case, all the information is provided by the Operational Manager's responses to questions in a survey.
- *KPI 12* reflects the relevance, efficiency and effectiveness of completed interventions. The information on relevance is provided by the Operational Manager's response to a question in a survey. The information on efficiency and effectiveness is provided by the logframe data if sufficient data is available, or the response to a question in a survey, if not.

² a. *steady progress*: The outcomes are achieved continuously throughout implementation; b. *accelerating progress*: The outcomes are achieved towards the end of implementation; c. *no progress until end*: The outcomes are mostly achieved at the end of implementation; d. *none of the above*.

- *People* refer to individuals in their private capacity and include subsistence farmers/smallholders (typically self-employed and without employees).

Counting guidance

1. The unit of measurement is the number of firms or the number of people, not the number of financial products.
2. If intervention data is not available, some calculations may need to be done to arrive at the number of firms or people with access. For example, the number of firms with access to credit may need to be calculated using two other pieces of information from the enterprise survey:
 - Total number of firms x Percentage of firms with bank loans or a credit line
 - OR
 - Number of loans to firms / Average number of loans per firm

Record the calculations in the calculation method field to facilitate quality control.

3. (b) and (c) only: The Gender Action Plan III (GAP III) requires the reporting of gender-disaggregated values if possible and sex-disaggregated values if not. Use intervention data to provide the disaggregation.
4. Double-counting is not allowed: a beneficiary can be counted only once in each period of EU support. This means that if the same beneficiary receives multiple financial services, over one or more years of the same period of support, from the same or different interventions, this beneficiary should be counted only once. To avoid the double counting of beneficiaries over time, two approaches are possible. If it is possible to reliably estimate the number of beneficiaries supported in the first year, and the number of new beneficiaries supported in the following years (i.e. not yet supported during the reporting period in question), these numbers can be added up without the risk of double counting. However, if this information is not available, the maximum result of the reporting period should be used instead. Record the calculations in the calculation method field to facilitate quality control of the values reported. Report the geographic location of the beneficiary in the comment field to facilitate quality control of double counting.
5. However, there are exceptions to the double-counting rule: people counted under GERF 2.17 can also be counted under the following GERF indicators if the relevant conditions are met:
 - GERF 2.20 *Number of migrants, refugees, and internally displaced people or individuals from host communities protected or assisted with EU support;*
 - GERF 2.39 *Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality.*

Quality control checklist

1. Has the indicator been included directly in the logframe? Reserve the OPSYS matching functionality only for cases when this is not feasible.
2. If the indicator has been included directly in the logframe, does the current value *include* the baseline value? If the indicator has been matched to a logframe indicator, does the current value *exclude* the baseline value?

3. Has the right match been chosen? GERF 2.17a refers to micro, small and medium enterprises. GERF 2.17b and GERF 2.17c refer to people including subsistence farmers and smallholders.
4. If farmers and smallholders are benefiting from access to financial services, they should be counted under GERF 2.17b or GERF 2.17c and not GERF 2.1 *Number of smallholders reached with EU-supported interventions aimed to increase their sustainable production, access to markets and/or security of land*.
5. Have sub-grants and any other financing by the EU been excluded from the GERF value?
6. Have informal schemes been excluded from the GERF value?
7. Is the beneficiary only being counted when a financial transaction has been made? If an intervention merely connects a beneficiary to a formal financial institution, the beneficiary should not be counted.
8. (b) & (c) only: Do all people have at least one account in their own name at a formal financial institution? It is not enough for the individual to belong to a group with an account at a formal financial institution.
9. (b) and (c) only: Have gender (or sex) disaggregated values been reported? Gender (or sex) disaggregation is mandatory.
10. (b) and (c) only: Does the intervention focus on migration? If so, this result should also be reported under GERF 2.20 *Number of migrants, refugees, and internally displaced people or individuals from host communities protected or assisted with EU support*, if all conditions are verified. Double counting with GERF 2.20 is allowed.
11. (b) and (c) only: Does the intervention focus on inequalities? If so, this result should also be reported under GERF 2.39 *Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality*, if all conditions are verified. Double counting with GERF 2.39 is allowed.
12. Has double-counting been avoided? Beneficiaries should be counted only once during the same period of EU support.
13. Have all calculations been recorded in the calculation method field? Has all relevant information, including the geographic location of results, been reported in the comment field?

7. Examples of calculations

Example 1

In country A, the EU implements an MSME development intervention with a contribution to a specialised investment fund providing local entrepreneurs with capital through local financial institutions. EU support from 2022 to 2025 aims to help the local financial service providers develop specific financial products adapted to the needs of local enterprises.

The internal monitoring system developed by the intervention shows the following information about its portfolio:

Number of additional clients* with:	2022	2023	2024	2025

- insurance products	0	490	510	500
- bank accounts	0	1 200	1 150	1 200

* Clients are counted only once, in the year that they become a new client. The numbers are non-cumulative annual figures.

We know there is no double-counting of individuals between years for each financial service type since only new clients are included. However, it's not possible to ascertain if some individuals have both a bank account and insurance through the investment fund. In the example above, the number to report for firms with access to financial services with EU support is 3 550 (1 200 + 1 150 + 1 200) for the 2022-2025 period.

Example 2

- In Year 1, Bank A offers new financial services to 300 individuals and 100 firms in total. 160 of these individuals open online bank accounts and avail of related services; 80 firms do likewise.
- In Year 2, Bank A offers new financial services to a further 200 individuals and 60 firms in total. 120 of these individuals open online bank accounts and avail of related services; 40 firms do likewise.
- The baselines are zero because the customers are new.
- Each year, 25% of the firms with online banking benefit from lending through a special mechanism supported by the EU.

The number of beneficiaries with access to financial services is therefore:

	Individuals		Firms		
	Non-digital	Digital	Non-digital	Digital	Digital & lending
Start Year 1 (Baseline)	0	0	0	0	0
End of Year 1	140	160	20	80	20
End of Year 2	80	120	20	40	10
Cumulative value at end of Year 2	220	280	40	120	30

The values to report at the end of year 2 for the number of beneficiaries with access to financial services with EU support are therefore the following:

- firms = 160
- people (all financial services) = 500
- people (digital financial services) = 280.

For (a), the number of firms are counted and not the number of financial products the firms are provided with.

8. Data sources and issues
<p><i>Please use the data source categories specified in OPSYS.</i></p> <p><u>EU intervention monitoring and reporting systems:</u> <i>Progress and final reports for the EU-funded intervention; ROM reviews; EU-funded feasibility or appraisal reports.</i></p> <p><u>International organisation data portals and reports:</u> <i>IMF Finance Access Survey (FAS), https://data.imf.org/?sk=E5DCAB7E-A5CA-4892-A6EA-598B5463A34C; World Bank Enterprise Surveys data portal, http://www.enterprisesurveys.org.</i></p> <p><u>Other international reports:</u> <i>Global Partnership for Financial Inclusion (GPFI), G20 Financial Inclusion Indicators, https://datatopics.worldbank.org/q20fidata/.</i></p> <p><i>Include any issues relating to the availability and quality of the data.</i></p>
9. Reporting process & Corporate reporting
<p>The data collected on this indicator will be reported in OPSYS by the Implementing Partner. The values encoded in OPSYS will be verified, possibly modified and ultimately validated by the Operational Manager. Once a year the results reported will be frozen for corporate reporting. The methodological services in HQ that are responsible for GERF corporate reporting will perform quality control on the frozen data and aggregate as needed to meet the different corporate reporting requirements.</p> <p><i>Please replace ○ with ● for the relevant items below.</i></p> <p>This indicator is used for corporate reporting in the following contexts:</p> <ul style="list-style-type: none"> ○ NDICI via the Annual Report ○ NDICI via the Programme Statements ● INTPA Strategic Plan via the Annual Activity Report ● NEAR Strategic Plan via the Annual Activity Report ○ FPI Strategic Plan <p>This indicator has been included in the following other Results Measurement Frameworks:</p> <ul style="list-style-type: none"> ● EFSD+ ● GAP III ● IPA III ● TEI-MORE
10. Other uses
<p>GERF 2.17 can be found in the following thematic results chains:</p> <ul style="list-style-type: none"> - Business Environment Reform - Climate Change and environment - Digitalisation (c only) - Green Economy (a only) - Resilience, Conflict sensitivity and Peace

- [Remittances](#)
- [Sustainable Cities](#)

GERF 2.17 can be found in the following groups of EU predefined indicators available in OPSYS, along with other related indicators:

- Digitalisation (*c only*)
- Green Economy (*a only*)
- Private Sector
- Remittances
- Resilience, Conflict Sensitivity and Peace
- Sustainable Cities

For more information, see: [Core indicators for design and monitoring of EU-funded interventions | Capacity4dev \(europa.eu\)](#)

External bodies using the same or similar indicator:

- Asian Development Bank: Number of Small and medium-sized enterprise loan accounts opened, or end borrowers reached (number).
- World Bank: People, microenterprises, and SMEs reached with financial services
- African Development Bank: Owner-operators and MSMEs provided with financial services (thousands)

11. Other issues

The proposed indicators only capture access to finance for formal enterprises. Besides, the indicator is SME-related and does not measure the use of financial services. For this purpose, refer to the Global Findex survey (triennial), WB: <https://globalfindex.worldbank.org/>.

The IFC Enterprise Finance Gap Database, published in 2012, also contains data on access to finance for microenterprises and informal firms.

In addition, other key elements besides access, such as usage, quality and cost of financial products, are beyond the scope of this indicator but should be considered and where possible monitored at intervention level.