

Request for Proposal (RFP)

The current Request for Proposal (RFP) is developed for identification and selection of the potential Implementing Partner (Co-facilitator) to support the implementation of one of the pilots of the RECONOMY programme (hereinafter RECONOMY) – a regional inclusive and green economic development programme in the Eastern Partnership and the Western Balkans.

1. About the RECONOMY Programme

The Swedish International Development Cooperation Agency (Sida) has a long-standing commitment to the growth and prosperity of the Eastern Partnership region and the Western Balkans. As part of this commitment, Sida has partnered with HELVETAS Swiss Intercooperation for implementing RECONOMY, a regional inclusive and green economic development programme in the Eastern Partnership and the Western Balkans.

The overarching objective of the RECONOMY programme is to enable women and men, particularly young people, and those from disadvantaged and excluded groups, to benefit from economic opportunities by increasing their income and taking up decent employment/self-employment. The RECONOMY programme has an 8-months extension of the Inception Phase, which starts in May 2022 and will last till the end of December 2022.

The RECONOMY programme focuses on three broad workstreams:

- **Workstream 1:** The RECONOMY programme aims to address widespread skills mismatches - the gap between an individual's job skills and the demands of the job market - in the region. The focus will be on improving formal and non-training offers as well as strengthening labour market information and intermediation services.
- **Workstream 2:** The RECONOMY programme aims to support private sector development through promoting new and improved business and financial services and public-private coordination, stimulating enterprise investment, growth, invest and ultimately the creation of more employment and income-earning opportunities.
- **Workstream 3:** The RECONOMY programme supports advocacy (policy / regulatory/ legislative/ administrative improvements) so that target groups and private enterprises increase their participation and voice, and hence access better economic opportunities.

The market systems development (MSD) approach guides the implementation of the RECONOMY programme. Central to the application of the MSD approach will be working through a variety of market actors (both public and private) and supporting behavioural changes which will lead to long-term improvements in their performance, ultimately benefitting the target groups. The programme plays a facilitative role in this process, acting as an agent stimulating improvements in the way in which market actors within the system perform their functions.

2. The objective of the assignment

The RECONOMY is seeking out organisations interested in acting as Implementing Partner/Co-facilitator in this process and supporting the implementation of one of the pilots of the programme during the extension of the Inception Phase – May - December 2022. For this RFP, the focus is on the **SMEs' digitalisation in agribusiness, manufacturing, and wholesale & trade** in which the Co-facilitator's activities will be focused only on Armenia.

The role of the Co-facilitator, some selected deliverables/activities and expected results during the pilot implementation:

- Conduct the needs assessment of selected SMEs in Armenia operating in the fields of agribusiness, manufacturing, and wholesale & trade in order to identify the demand for digitalisation of their activities/ products/ services which should be addressed to make the sectors more accessible for the women and young job seekers in an inclusive and environmentally sustainable manner.
- Identify and assess the capacity and incentives of SMEs operating in the fields of agribusiness, manufacturing, and wholesale & trade, digital services/ products developers and relevant non-formal skills providers.
- Develop pilot ideas based on the synthesis of the assessment. Integrate the findings into the pilot idea.
- Engage identified/ selected SMEs operating in the fields of agribusiness, manufacturing, and wholesale & trade, digital services/ products and non-formal skills providers in the pilot implementation.
- Discuss, develop, and agree on business models and roles with market actors.
- Integrate and apply MSD principles to the pilot and reflection on how they will be used in facilitating the pilot.
- Facilitate linkages between engaged market actors in accordance with the developed business models.
- Adapt processes, such as data systems, monitoring arrangements, and tracking tools for tracing and measuring the pilot performance.
- Promote shared understanding, knowledge and learning among key market players about sustainable business models.
- Continuously document and share experiences of the pilot idea through regular exchanges and learning processes with other pilots and initiatives of the Reconomy Programme.

3. Application Procedure

RECONOMY is reaching out to a limited number of potential Co-facilitators/Implementing Partners. Your organisation is kindly asked to submit a short proposal in the following structure. The selection of the Implementing Partners will be based on an assessment of the quality of their proposals meeting the objective of this RFP.

Please note that in order to be eligible, your organisation must be non-profit.

3.1. Technical Proposal (max. 10 pages)

The technical proposal should be focused on **SMEs' digitalisation in agribusiness, manufacturing, and wholesale & trade** and structured around the above-stated two, 1st and the 2nd workstreams, which will be the focus of the Co-facilitator's role. Since the RECONOMY programme has a strong regional value addition, it would be a plus if the proposal focuses on ideas that will have regional added values to inclusive and green economic development.

Under workstream 1, the following questions should act as a guide:

- What are the key skills shortages or deficiencies in digital competence of young people and women for effective use of digital technology/ digitalisation in services/ products provision by Armenian SMEs in agribusiness, manufacturing, and wholesale & trade?

- What are the current capacities of skills development providers in Armenia (both public and private, formal, and non-formal) that could improve/ provide the skills to the SME staff to become digitally literate?
- What should the RECONOMY program do to increase the digital literacy of young people and women in Armenia, which will lead to an improved position of SMEs in agribusiness, manufacturing, wholesale and trade in the market and increase employment opportunities for young people and women? **(Propose not more than one intervention idea for SMEs digitalization for each sector – (i) agribusiness, (ii) manufacturing, and (iii) wholesale & trade).**

Under workstream 2, the following questions should act as a guide:

- What are the main obstacles that prevent the use of digital solutions by private sector actors in Armenia in agribusiness, manufacturing, wholesale and trade?
- What are the current capacities of digital solutions providers on the Armenian market and where are the gaps that prevent SMEs to apply for their services (like literacy, information, finance, etc.)?
- How should the RECONOMY programme go about tackling these constraints – fill the gap between relevant market actors? **(Propose not more than one intervention idea for SMEs digitalization for each sector – (i) agribusiness, (ii) manufacturing, and (iii) wholesale & trade).**

3.2. Capability Statement (max. 2 pages)

This should include details of the previous project(s) experience demonstrating the following capabilities:

- Experience relevant to the objective of the assignment;
- List and a short description of similar activities conducted or projects implemented;
- Experience of working in Armenia;
- Number of the staff and their relevant experience;
- Familiarity with the Market Systems Development (MSD) approach;
- Capacity to identify and manage environmental risks and opportunities within the project cycle
- Monitoring capacities and experience; and
- Experience managing and accounting for funding.

4. Financial proposal

The estimated budget for the planned co-facilitation is CHF 300,000 and the duration for the implementation is 8 months. By considering these, as well as proposed interventions, the applicant is kindly asked to provide the targets/ expected results, as a potential impact of the project implementation by providing/ filling-in the following indicators:

Goal - Women and young people, in particular, disadvantaged and excluded ones, benefit from improved economic opportunities (better income and decent jobs) inclusively and sustainably

| | |
|---|------|
| - Number of people with additional income and decent job opportunities | xxx |
| - % of people with additional income and decent job opportunities who express satisfaction with their situation | xxx% |

| | |
|---|------|
| - Number of people who improve their skills and knowledge, and increase their employability as well as start their own economic/income-generating initiatives | xxx |
| - % of people who express satisfaction with the relevance of skills, knowledge, and information services | xxx% |
| - % of private sector enterprises that report higher turnover and/or profit as a result of changes stimulated by the program | xxx% |
| - Number of policies/regulations/administrative requirements that directly contribute to economic opportunities and improved business environment | xxx |
| - Percentage of target groups and private enterprises who report increased economic opportunities and business environment | xxx% |
| - Number of relevant and improved skills and knowledge initiatives designed and delivered | xxx |
| - Number of private and public skills, knowledge, and information providers that adopt new/improved practices/models | xxx |
| - Number of relevant and new/improved business and financial services offered | xxx |
| - Percentage of business and financial service providers that report increased performance due to adoption of new/improved practices/models | xxx% |
| - Number of successful public-private dialogue initiatives stimulated by the program | xxx |
| - Percentage of private sector enterprises that report increased capacity/confidence and satisfaction in advocating on their interests | xxx% |

By considering these targets, as well as proposed interventions, the applicant is kindly asked to provide (as a separate document) the financial proposal for the implementation:

Structure of the financial proposal:

| | |
|---|------------|
| Part 1: Personnel | CHF |
| Total part 1 | xxx |
| Part 2: Operation costs | |
| Total part 2 | xxx |
| Part 3: Activities/Interventions | |
| Total part 3 | xxx |
| Grand total | xxx |

5. Timeline

- RFP submission date: **28-Jan-22**
- Application submission deadline: **28-Feb-22**
- Submission: Application should be submitted to Helvetas Eastern Europe easterneurope@helvetas.org
- Applications will be evaluated by the RECONOMY's procurement committee and the applicant can expect to receive a decision on their proposal by **25-Mar-22**. RECONOMY reserves the right to include an exchange or test of capabilities as part of the evaluation if needed to conclude this RFP.