

# REQUEST FOR APPLICATIONS (RFA)

## Business Service Organizations

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### **Increasing Market Employability (IME) Program background**

Increasing Market Employability (IME) is a programme of the Swiss Agency for Development and Cooperation, implemented by Palladium. The IME programme works on strengthening the business sector in North Macedonia, improving the quality of products and services offered, expanding markets and creating an enabling environment in three selected sectors: Sustainable Agriculture, Adventure Tourism, and Information and Communication Technology (ICT).

The goal of the programme is that more working age women and men, in particular youth, are engaged in sustainable, decent employment or self-employment and/or are earning higher incomes. IME will create 2,706 new and higher quality jobs through private sector development in select high-growth sectors, so more working-age Macedonians, in particular women and youth, are engaged in sustainable, decent employment. IME's updated design enables the project to deepen assistance to a smaller number of sectors and leverage complementary Swiss and other donor programmes to target resources to maximize impact and systemic change. To achieve this goal, IME Phase 2 will continue to use a market-systems approach to achieve the following outcomes:

- **Outcome 1:** Companies in select sectors grow by improving products and services, and expanding markets
- **Outcome 2:** Improved services, policy and regulatory frameworks are conducive to companies' growth in select sectors
- **Outcome 3:** Private sector is incentivized to engage youth and women, and equipped with tools for identifying, attracting, and retaining them

Additional information about the project can be found on the programme's website: <https://ime.org.mk/> or on the programme's Facebook page: <https://www.facebook.com/ime.org.mk>.

### **Background Information**

IME is a market systems development programme facilitating improvements in the quality and delivery of business support services, access to finance and investment, and the enabling environment so firms can provide inclusive employment opportunities at scale. IME will work with Business Service Organizations (BSOs) to address sector-wide constraints in the sustainable agribusiness, adventure tourism and ICT sectors. These constraints include:

- Limited market access and limited promotion. Companies in the three sectors are not capable of reaching new markets and grow their businesses
- Product Development: Companies do not have products that are demanded by the market limiting their ability to create new sales
- Business environment obstacles. Unfavorable policies or lack of policies can hinder or slow down growth in sectors
- Limited inclusive and gender-sensitive HR policies and/or practices.

IME will support business associations, chambers, cluster of companies (defined as a group of companies with similar traits and/or common goals, not merely a company alliance) under this RFA to undertake a

range of activities to address sector-wide challenges. Supported interventions will need to be designed to deliver a solution to support a cluster of companies rather than just one company. Illustrative areas of support may include but not be limited to:

**Promotion and Access to Markets:**

- Technical support for sectors in strengthening capacity for lead generation, establishing market linkages, facilitate market expansion and accessing new markets;
- Support to improve promotion at **online** international trade fairs, business-to-business (B2B) meetings, or FAM trips for local/regional/foreign tour operators to visit North Macedonia for the development of new tours, inbound tours for agricultural and food buyers, trade missions for ICT companies; B2B meetings at local specialized organic/traditional trade fairs ;
- Activities aiming towards digital promotion/sales; assisting companies to develop and increase utilization of digital tools; and improving online presence through digital marketing, local and international social media bloggers, and influencers;
- Support through promotion in specialized magazines to attract new tourists, buyers, and investors; use of sector experts to improve promotion of the sector, such as well-known rock-climbers, bikers, paragliders, skiers, and wine masters;
- Accessing market data and/or developing market assessments for new markets or products; and
- Promotion and branding for the sector or a group of products/companies.

**Product Development:**

- Assist companies to innovate and introduce new technology, as well as design and develop new/improved products and/or add value to products in line with market requirements;
- Strengthen supply chains by facilitating backward linkages for more planned production, improved postharvest handling and more integrated offer or service;
- Technical assistance in digitizing products and services to be delivered. This may also include cross-cutting activities in the selected three (3) sectors organized by business associations or chambers, such as ICT in tourism, ICT in agribusiness, etc.;
- Training and technical support in developing e-commerce skills and platforms for companies in supported sectors;
- Technical assistance, coaching or training, and introduction to new technologies; and
- Safety standard activities addressing sector-wide constraints in adventure tourism and sustainable agribusiness.

**Business Environment:**

- Identifying business environment bottlenecks for the targeted sectors;
- Articulate the voice of the private sector and propose policy reforms to address sector constraints; and
- Undertake and promote policy reform.

**Human Resources (HR):**

- Innovative job fairs or other specialized events in the IME selected sectors where companies will be partnered with universities with a focus on youth and women; improving accessibility to jobs through increasing students' capacity to become more competitive on the job market and working with employers to enhance conditions in the workplace;
- Support companies in the IME selected sectors to adopt and improve inclusive and gender-sensitive HR policies and/or practices; and
- Support relevant stakeholders in identifying ways additional students can enroll in current ICT programs, as well as how private and public faculties can expand capacity to accept a larger number of students.

IME's contribution will be in the range of CHF 2,000 - 10,000 per intervention. All applicants will be required to cover 25 percent of the total budget costs either with their own resources or with partners' (third party) contribution.

All interventions must clearly demonstrate commercial and other benefits for the applicant and positive impact for the sector. All applicants must agree to provide IME all financial details and other relevant indicators achieved due to the intervention for a period of at least two (2) years.

### Award and Financial Information

Subject to the availability of funds, the range for opportunity fund contracts will be from **CHF 2,000 to 10,000** (payable in Macedonian denars). All payments will be a fixed sum payable upon completion of deliverables, which will be defined in detail during contract negotiations and upon invoice submission. The content of the invoice will correspond to milestones specified in the budget file and contract. The applicant must provide verification of expenditures through a copy of all supporting financial documents for IMEs cost share and its own, or third-party, contribution. Any failure to verify agreed cost share will lead to the unverified amount's deduction from IME's payment.

Subject to strategic decision and/or availability of funds, IME reserves the right to fund any or none of the applications submitted. Issuing this RFA does not constitute an award commitment on the part of IME, nor does it commit IME to pay for costs incurred in the preparation and submission of an application. Further, IME reserves the right to reject any or all applications received if such actions are in the best interest of SDC and the Swiss Government. Applications are submitted at the risk of the Applicant; should circumstances prevent making an award, all preparation and submission costs are at the Applicant's expense.

### Selection Criteria

All applicants/BSOs must demonstrate how their intervention will support the IME-supported sectors. Below is a definition of the IME sectors.

Sector	Subsectors
Sustainable Agribusiness	<ul style="list-style-type: none"> <li>• Companies growing, collecting, and/or packing fresh fruit and vegetables for domestic and export market. This includes growers of fruits and vegetables (F&amp;V)</li> <li>• Companies processing F&amp;V and producing wine for both export and domestic markets</li> <li>• Companies organizing collection, packaging and sales of fresh F&amp;V</li> <li>• Companies organizing the collection, packaging and sales of organic F&amp;V</li> </ul>
Adventure Tourism	<ul style="list-style-type: none"> <li>• Tour operators providing tours for biking, hiking, paragliding, rock-climbing, winter sports, and soft adventure tourism</li> <li>• General tour offerors providing packages including adventure tourism elements</li> <li>• Other tourism-related stakeholders (small businesses, hospitality providers, etc.) providing a service in the adventure tourism sector</li> </ul>
ICT	<ul style="list-style-type: none"> <li>• Software developers that are outsource companies</li> <li>• Software developing companies for original product development</li> <li>• For-profit organizations that provide training support for ICT staff</li> </ul>

The eligible applicants under this RFA, must be:

- Registered business associations **or** chambers according to North Macedonian laws, in the three (3) IME selected sectors (ICT, sustainable agribusiness and adventure/active tourism) with national coverage and interest; **OR**
- Registered civil society organizations (CSOs) or registered private companies specializing in providing business services to the private sector via activities listed above.

The applicants should:

- Have experience in conducting similar interventions for their members or other beneficiaries in the sector;
- Present sound, logical, and clear methodology to implement the intervention with a robust link to the benefits for the applicant and/or the respective sector;
- Demonstrate impact in terms of increased sales for their members and wider impact in the sector in terms of jobs and sales;
- Demonstrate solid past experience in working with the private sector or addressing sector-wide challenges in the sector;
- Provide business services to the private sectors related to improve inclusive HR policies and/or practices; and
- Demonstrate good cooperation with universities in the three(3) IME selected sectors.

Applicants must comply with all applicable SDC and Palladium rules and regulations (including procurement regulations and, if applicable, branding and marking requirements). Prior to the award under this RFA, successful applicants shall pass Palladium's due diligence requirements and must sign documents confirming full compliance with SDC and Palladium internal procedures.

### **Application and Submission Information**

**All applicants must submit applications electronically via email to: [ContactIME@thepalladiumgroup.com](mailto:ContactIME@thepalladiumgroup.com) no later than March 8<sup>th</sup>, 2021.**

Any application received after the deadline will be rejected. Questions regarding the applications submission must be sent by e-mail no later than 5 days before the deadline for the submission on [ContactIME@thepalladiumgroup.com](mailto:ContactIME@thepalladiumgroup.com). IME has no obligation to provide clarifications to questions received after final date. Replies will be given no later than 2 days before the deadline for submission of concept notes.

All applications in response to this RFA shall consist of a technical proposal (Concept Note) and a cost proposal (Budget). Both files must be submitted in English. The required format for applications is included as Annex I - Concept Note Form and Annex II – Budget Form.

A full package of application documents to be submitted for this call should include:

- Technical proposal (Concept Note - Annex I)
- Budget proposal (Budget Form - Annex II)
- Document of registration

Applicants are advised to complete the budget form with as much detail as possible. Lump sums will not be accepted. The cost proposal is an overall ceiling for 'accepted costs for financing'. The amounts or rates for expenditures presented in the budget must be based on realistic estimates using objective data or previous experience and contracts. IME has the right to ask for all financial documents to serve as proof expenditure amounts presented in the budget file are in range of market prices. A narrative

description of the expenditures must be presented. Applicants can modify the budget lines according to the needs of the proposal's activities.

If a cluster or alliance of companies is applying, then one of the companies is the lead applicant and applies on behalf of the cluster or alliance of companies. The lead applicant must present a written consent for cooperation by all companies prior to applying.

IME will review all received applications no later than 30 days from the call submission date. Applicants should submit any questions concerning this RFA in writing, electronically, via email to [ContactIME@thepalladiumgroup.com](mailto:ContactIME@thepalladiumgroup.com)

### **Award and Administration Information**

Applications will be evaluated by IME's Evaluation Committee in accordance with the programme criteria stated in this document. To the extent necessary, during the evaluation process, IME may request clarification and supplemental materials from Applicants whose applications have a reasonable chance of being selected for Award. Consultations are to be viewed as part of the evaluation process and shall not be deemed as indicative of a decision or commitment upon the part of IME to make an award to the Applicants with whom discussions are being held. IME will organize meeting with each pre-selected applicant with a purpose to discuss implementation of project activities and to solve any ambiguities. Meetings shall cover technical, legal and financial aspects of the proposal. Awarded applicants will be offered to sign a contract confirming all rights and responsibilities within the project implementation.

### **Monitoring**

Awarded applications are subject to monitoring under the Monitoring and Results Measurement (MRM) system of IME. The applicants are obliged to submit a baseline questionnaire and final report, including periodic technical and financial progress reports in accordance with IME's monitoring and evaluation requirements. Each contract will include clear deliverables to be reported against instalments paid by IME.

### **Visibility/Publicity/Compliance with IME Branding Procedures**

The information provided to IME such as periodic technical information, final report, and other materials and channels for promotion and outreach may be published by IME on its website and/or in (publicly available) reports. Once the contract is signed, the applicant allows IME to publish data regarding the financed application and the applicant shall notify IME before publishing any information regarding the financed application for compliance with branding/marketing procedures.

### **Award and Administration Information**

Successful applicant(s) will receive written notice from the IME Operations Officer, with supporting information for further steps and contacts of technical persons in charge. Unsuccessful applicants will also be notified by e-mail by the Operations Officer.

### **Annexes**

Annex I: Concept Note for BSO

Annex II: Budget Form for BSO