****GOVERNMENT OF LIBERIA**

**Ministry of Commerce and Industry**

**Ministerial Complex**

**Congo Town, Monrovia**

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**REQUEST FOR EXPRESSION OF INTEREST (REOI)
(CONSULTING SERVICES – FIRM SELECTION METHOD)**

**Assignment Title: Request for Expression of Interest (REIO) Consultancy Services to Manage and Implement SME Technical Assistance Program**

Reference No.: **LR-MOCI-355173-CS-QCBS**

The Republic of Liberia through the Ministry of Commerce & Industry has received Financing from the International Development Association (IDA) towards the cost of implementing the Liberia Investment, Trade & Finance Project (LIFT-P) and it intends to apply part of the proceeds of the Financing towards payments under the contract for **Consultancy Services to Manage and Implement SME Technical Assistance Program** of the Liberia Investment, Finance and Trade Project (LIFT-P).

The overall objective of the LIFT-P is to improve the investment climate, expand sustainable access to finance, and increase the efficiency of trade in Liberia and help formal MSMEs recover from the impact of the COVID-19. The LIFT-P is an explicit contributor to the FY19-FY24 Country Partnership Framework (CPF)

**The duration of the assignment is expected to last for three (3) years with annual renewal based on satisfactory performance.**

**The detailed Terms of Reference (TOR) for the assignment is attached below.**

The Ministry of Commerce and Industry now invites eligible Consulting Firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The shortlisting criteria is listed as per the Terms of Reference provided below.

The Consulting Firm should have a minimum qualifications and experience as follows:

* At least eight (8) years’ experience in delivering business development/advisory services to growth-oriented SMEs in similar context in the region; knowledge and experience of working in Liberia will be an added advantage.
* Experience in developing supply chain linkages and and/or managing incubation/acceleration programs for growth-oriented SMEs for at least three different clients in the past.
* Proven ability to attract and build a very strong team of recognized experts covering different areas of expertise needed for SME development, supply chain linkages and supplier development programs.
* Adequacy of the delivery approach and the proposed work plan in responding to these Terms of Reference.
* Experience and demonstrated capacity to establish, manage and operate a complex, and financially sustainable entrepreneurial business organization. Evidence of at least ten SMEs with 30% growth post support.
* Experience and demonstrated capacity to mobilize investment and funding for supported businesses. At least fifteen (15) SMEs accessing investment or funding of some sort as a direct result of your BDS received, and a minimum cumulative $1 Million investment mobilized by SMEs as a result of your BDS or incubation.
* Experience and demonstrated capacity in supporting SMEs in making their operations environmentally sustainable and climate efficient and resilient.
* Demonstrated linkages with leading local and international partners, including large buyers, certification bodies, investors, technical and business experts (BDS), or leading research and development organizations.
* Demonstration of management (especially financial management systems), staffing capacity and logistics to execute large service contracts including sub-contractors, including a track record of working effectively with the private sector at both working and senior level, and with government agencies in delivering supplier or other business development programs.
* Demonstrated experience in working in Liberia or the sub-region is an added advantage.
* Demonstration of deeper understanding and experience in using market systems and supply chain development approach, as well as fostering ecosystem building.

**Key Experts will not be evaluated at the shortlisting stage.**

The attention of interested Consultants is drawn to Section III, paragraphs, 3.14, 3.16, and 3.17 of the World Bank’s “Procurement Regulations for IPF Borrowers” July 1, 2016, Revised November 2017, August 2018 and November 2020 (“Procurement Regulations”), setting forth the World Bank’s policy on conflict of interest.

Consultants may associate with other firms to enhance their qualifications, but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

The Consultant will be selected in accordance with the Quality and Cost Based Selection (QCBS) method set out in the Procurement Regulations for IPF Borrowers (July 2016 as Revised in November 2017, August 2018 and November 2020).

Further information can be obtained at the address below during office hours, i.e., 0900 to 1600 hours GMT, Monday to Friday.

Expressions of interest must be delivered in a written form to the address below (in person, or by
mail, or by fax, or by e-mail) on or before **Friday April 28, 2023** with subject:

**“Re: Consultancy Services to Manage and Implement SME Technical Assistance Program for the Ministry of Commerce and Industry, under the Liberia Investment, Finance and Trade Project (LIFT-P)”.**

Liberia Investment, Finance and Trade Project (LIFT-P)
Attn: Mr. James Gayflor Quiqui
Project Coordinator
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Congo Town
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E-mail: jamesquiqui@gmail.com
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****GOVERNMENT OF LIBERIA**

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**Congo Town, Monrovia**

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**Liberia Investment, Finance and Trade (LIFT) Project**

**Project No.: P171997**

**Ministry of Commerce and Industry (MOCI)**

**TERMS OF REFERENCE**

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| --- | --- |
| Assignment Title: | Consultancy Services to Manage and Implement SME Technical Assistance Program |
| Location of Post: | * Monrovia, Liberia with some travel to other regions in country. The Firm MUST have a physical office in Monrovia, Liberia.
 |
| Contract Duration: | 3 years with annual renewal based on satisfactory performance. |
| Reporting Line: | Project Coordinator-LIFT-P through the SME Specialist  |
| Type of Contract | Firm Selection  |

1. **Background and General Description**

The Government of Liberia, through the Ministry of Commerce and Industry (MoCI) is implementing the Liberia Investment, Finance and Trade (LIFT) Project (P171997) with financing from the International Development Association (IDA) of the World Bank Group ($40 million). This project was developed to support the government’s strategic objectives to promote private sector development. Accordingly, the project development objective is to improve the investment climate, expand sustainable access to finance, and increase the efficiency of trade in Liberia. Achieving this objective requires support for improving SME’s capabilities for accessing finance and new market opportunities, to contribute to economic growth, competitiveness and job creation. The project implementation will be coordinated by the Project Implementation Unit, under a Project Steering Committee chaired by the Minister of Commerce and Industry of the Republic of Liberia, and co-chaired by the Governor of the Central Bank of Liberia (CBL). The full implementation of the project commenced late October 20222 and will run for five years.

The project is comprised of the three components, below, and this consultancy is under component 2.

***Component 1: Investment Climate and Trade***; Improves Liberia’s investment climate by strengthening institutions providing government to business (G2B) services covering investment support, business entry and international trade.

***Component 2: SME Access to Markets and Finance***; Improves capabilities and competitiveness of SMEs through targeted TA linking them to markets; and access to finance, through TA and a Line of Credit.

**Component 3: Digital Financial Services Infrastructure;** Supports access to DFS, through a new National Electronic Payments Switch, and a Credit Reference System for individuals and firms.

Further details are available in the Project Appraisal Document for the LIFT Project (P171997), available online on the World Bank’s website.

1. **Description of the SME TA Program**

Component 2: The component aims to address key market failures that hinder SMEs access to markets by (a) launching a program delivering TA (soft and hard skills training, and tailored advice) to facilitate market access by SMEs and improving functional capacity of the Small Business Administration (SBA) and (b) improving access to finance through capacity building of financial institutions to better serve underserved SMEs and an LOC. Under this component, it is important that the TA (Sub-component 2.1) and finance (Sub-component 2.2) outlined below are mutually supportive and reinforcing, to ensure that the Project objectives with respect to supporting SMEs are met, given key constraints they currently face within the country. The subcomponents will refer SMEs to each other to maximize the qualified pool of firms and the benefits from both instruments. Sub-component 2.1 will also provide SMEs training to help them access financing under Sub-component 2.2, that is, to provide them with training to submit bankable proposals for financing, especially if the financing required is linked to accessing high-value markets that the TA seeks to provide. Particular attention will be paid to firms making their production process more sustainable, go ‘green’, and address the needs of women-led SMEs.

This component also seeks to support firm capabilities, access to finance and investments in Climate Change Adaptations (CCAs). While inadequate access to finance and firm capabilities (skills, the adoption of technology, business, and organizational practices) constrains the capacity of firms to produce and improve their means of production, there is a lack of dedicated support services to help firms address these deficiencies. There are also demand-side factors firms being unaware about the needs and availability of local suppliers (that is, information failures). In addition, SBA has limited institutional capacity to play its coordinating role (that is, coordination failures). This component aims to alleviate demand-side constraints through providing direct financial and non-financial support, improve the entrepreneurial ecosystem and strengthen the coordinating role of the SBA.

1. **Scope of the consultancy to undertake the provision of enhanced business development services to selected SMEs**

The GoL is seeking consulting services to provide management and implementation services for the SME TAP under Component 2 of the LIFT project.

To this end the consultancy firm will work under the guidance and supervision of the Project Implementation Unit (PIU), and in close collaboration with the Small Business Administration (SBA). The Firm, while providing training to Business Development Service Providers (BDPs) and Financial Institutions (FIs), will at the same time collaborate with BDSPs and FIs to offer information, training, matchmaking, and linkages to financing for supported SMEs – in a manner that leaves a self-sustaining SME support ecosystem at the end of the project.

The SME TAP Manager is therefore expected to undertake the following roles and responsibilities:

1. ***Inception, Management, Administration and Monitoring and Evaluation***
2. Provide overall day to day management of the SME TAP including executing all administrative, technical, due-diligence and monitoring and evaluation required for the successful delivery of the program.
3. Undertake overall administrative duties in the management and implementation of the program, including providing regular qualitative progress reports to the Project Implementation Unit and the SBA.
4. Track and report on key results indicators to monitor and evaluate the impact of the activity. This includes development of data collection tools, data collection and reporting.
5. Undertake required due diligence, work with the Social and Environmental Specialists from LIFT-P to ensure risks are understood and well managed. This includes risks associated with commercial viability of supported entities and social and environmental safeguards.
6. Proactive coordination among clients, counterparts, beneficiaries and stakeholders to the project as well as among relevant project components.
7. Capacity building need assessments and capacity building plans for the SMEs, SBA, BDSPs and FIs.
8. Capability improvement efforts will focus on a combination of key areas and based on the assessed needs of SMEs and market and buyer requirements.
9. Ensuring the critical link between Sub-component 2.1 TA and Sub-component 2.2 finance through mutual referrals and events that bring together supported SMEs and Financial Institutions;
10. ***Technical delivery of training and general capacity building support to SMEs***
11. Support the identification and selection of SMEs to be supported under the program including conducting all relevant due diligence to ensure selected SMEs are a right fit for the program and meet all eligibility and selection criteria.
12. Conduct firm diagnostics and in collaboration with the Climate Change Specialist, carry out climate screenings for each firm in the cohort to identify capacity gaps and develop firm improvement plans that assess all aspects of the business aiming to improve market access and green operations. The improvement plans should chart a recommended course of action for short- to mid-term (up to 24 months), including prioritization, and must be coordinated with and agreed on by firm management.
13. Provide technical assistance to selected SMEs based on individual firm improvement plans. The scope of TA may include but not limited to, a combination of strategy and business planning, operational management, supply chain management, climate adaptation and mitigation measures, people management, formalized business systems, new market entry and product development, getting finance, and obtaining relevant certification.
14. Provide tailored, on-site and practice-oriented business development services to cohort member SMEs.
15. Provide targeted technical assistance for women-led SMEs in each cohort. Such technical assistance must be designed in a way that takes into account the specific needs of women entrepreneurs and incorporates international best practices.
16. **Linkage to information, markets and finance**
17. Collect data to identify market opportunities, assess market trends, and buyer requirements.
18. Facilitate relationship with buyers in selected supply chains and supported SMEs with the objective of helping SMEs secure off-take deals.
19. Facilitate relationship with financiers (including debt and grant financing) with the objective of leveraging finance to support SMEs meet market and buyer demands. The SME TAP Manager is expected to actively seek linkages to various sources of finance and make regular referrals to financial institutions and grant facilities showcasing viable SMEs.
20. In collaboration with the Climate Change Specialist, screen and identify SMEs’ climate risks, and in particular, identify climate change adaptation or mitigation-potential supply chains, and develop relevant action plans to be implemented by large buyers and their suppliers.
21. **Capacity Building for Ecosystem Actors – SBA, BDSPs and FIs**
22. Supporting the SBA to build selected functional capacity through staff training, mentoring and on-the-job learning.
23. Identify and select eligible local BDSPs and FIs based on a set of pre-agreed criteria
24. Provide targeted training to selected BDSPs and FIs with the objective to improve quality of BDS offerings to SMEs especially those relating to supply chain management, linkages with buyers, climate, and access to finance.
25. Establish data base of trained BDS providers and provide opportunities for trained BDS providers as sub-contractors to support FIs and SMEs in the SME TAP.
26. Training of trainers for FIs to improve the capacity of existing and potential SME clients to borrow.
27. Training SMEs in the management of caring for the sustainable management of the environment; the sustainable use of resources in line with the principle of intergenerational equity

**Expected Outcomes**

A successful delivery of the assignment will produce the following outcomes:

1. **SMEs become ready for deals in supply chains:**
* SMEs have appropriate and efficient systems in place (technical, operational, legal, etc.)
* SMEs improve their business operations and management
* SMEs improve their financial management – systems, capacity and practices
* SMEs improve their product development and market penetration (health and safety, supply chain management, marketing and promotions)
* SMEs have clear growth plan and investment strategy
1. **SMEs have access to market information, trends, deals and financing opportunities**
* Active linkages built with local SMEs and international companies
* SMEs meet standards of large off takers – domestic and export
* Pitches to “to venture capitalists, angel investors and other investors are organized.
* SMEs have access to other funders and investors and qualify for grant or debt financing.
1. **SMEs have access to technical knowledge, business networks and Mentors**
* Transfer of technical knowledge from companies in the value chain to SMEs.
* Seminars with external speakers on topics of interest and relevance to SMEs.
* Provide exchange visits to role-model SMEs- Open workshop.
* Business mentors paired with SME owners.
1. **SBABDS providers and FIs have the capacity to sustain the provision of support to SMEs**
* BDS providers have access to high quality trainers and consultants.
* BDS providers upgrade SME offerings to include training on supply chain management and linkages.
* BDS providers are eligible to participate in BDS contracts for LIFT project.
* SBA is ready to play its coordination and monitoring roles with in the SMEs ecosystem.

**Indicators and Deliverables**

Below are the planned project indicators. Upon selection of the SME TAP Manager, a refined set of indicators/targets will be discussed and finalized for the contract. The SME TAP Manager will be responsible for collecting and reporting on Output and Outcome level indicators.

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| **Activities** | **Output** | **Outcome** | **Impact** |
| **SME Capacity building** | 150 SMEs (50% women entrepreneurs) | # of SMEs receiving in depth BDS, coaching and mentoring  | * Increased revenue of SMEs (USD)
* Direct jobs created by SMEs
* Indirect jobs created by SMEs.
* Increased volume of exported goods in selected value chains.
* # of women with increased incomes
* Increased investment in climate adaptive and mitigative activities by SMEs
 |
| **Development of SME firm improvement plan** | At least 90% of cohort SMEs | # of SMEs with firm improvement plan |
| **Implementation of SME Improvement Plan – deploying targeted BDS and consultancy services** | At least 80% of cohort SMEs | # of SMEs efficiently expanding their business and penetrating markets |
| **Market Linkages with large offtakes** | At least 50% of cohort SMEs | # of SMEs with contracts with domestic or international buyers |
| **Linkages to finance** | At least 50% of cohort SMEs | # of SMEs referred to debt or grant financing |
| **Capacity building for BDS providers and FIs** | 50 of BDS providers and FIs trained | # of BDS providers receiving training and contracted to support SMEs | * Increased use of BDS providers by SMES
* Improved quality of BDS providers offerings
* Improved quality of FI-provided BDS.
 |

**Specific deliverables for the project include the following:**

* Inception report outlining the strategy and operations of the SME TAP and capacity building plan for the SBA, BDS Providers and FIs detailing (i) the agreed work plan, timeline and associated milestones, (ii) the methodology used for the business reviews and the firm improvement plans, (iii) expertise linked to specific improvement areas which its organization could provide, how this could be delivered in terms of modules, time involved, etc. to meet differing requirements, and how this deliverable would be managed, including the response times to requests for support.
* Monthly progress update and a quarterly progress report.
* Individual firm Improvement plans for SMEs agreed with company management.
* Training approach for BDS providers and FIs and summary reports of training activities and outcomes.
* Final report on implementation of investment and growth plan, including recommendations for expansion depth and breadth, and on the consultancy, work carried out, its compositions and effectiveness. Include any lessons arising from working with firms, BDS providers, FIs in Liberia on strengthening private sector’s capabilities to gain new business along supply chains, and also highlight any recommendations for future action at the firm and/or program level.

 **Approach and Implementation Arrangements**

The assignment will be executed by the selected provider who will coordinate all sub-contracts and partnerships relating to the delivery. The Project Implementation Unit, as the implementing body for the Liberia Investment, Finance and Trade Project will play a key coordinating and leadership role in ensuring stakeholder entities are engaged in the delivery. The assignment will be delivered through an inclusive nationwide and stakeholder driven approach. The service provider will work closely with the Small Business Administration in the implementation of this contract.

**Qualification and Experience**

The Project is seeking to hire the services of an institution/organization/firm that possess the following attributes:

* At least eight (8) years’ experience in delivering business development/advisory services to growth-oriented SMEs in similar context in the region; knowledge and experience of working in Liberia will be an added advantage.
* Experience in developing supply chain linkages and and/or managing incubation/acceleration programs for growth-oriented SMEs for at least three different clients in the past.
* Proven ability to attract and build a very strong team of recognized experts covering different areas of expertise needed for SME development, supply chain linkages and supplier development programs.
* Adequacy of the delivery approach and the proposed work plan in responding to these Terms of Reference.
* Experience and demonstrated capacity to establish, manage and operate a complex, and financially sustainable entrepreneurial business organization. Evidence of at least ten SMEs with 30% growth post support.
* Experience and demonstrated capacity to mobilize investment and funding for supported businesses. At least fifteen (15) SMEs accessing investment or funding of some sort as a direct result of your BDS received, and a minimum cumulative $1 Million investment mobilized by SMEs as a result of your BDS or incubation.
* Experience and demonstrated capacity in supporting SMEs in making their operations environmentally sustainable and climate efficient and resilient.
* Demonstrated linkages with leading local and international partners, including large buyers, certification bodies, investors, technical and business experts (BDS), or leading research and development organizations.
* Demonstration of management (especially financial management systems), staffing capacity and logistics to execute large service contracts including sub-contractors, including a track record of working effectively with the private sector at both working and senior level, and with government agencies in delivering supplier or other business development programs.
* Demonstrated experience in working in Liberia or the sub-region is an added advantage.
* Demonstration of deeper understanding and experience in using market systems and supply chain development approach, as well as fostering ecosystem building.

**Duration of Consultancy**

The duration of the assignment is Three (3) years, but contract will be renewed annually based on satisfactory performance.

**Methodology**

* **SME Selection:** This stage will select SME based on pre-agreed eligibility criteria detailed in the SME TA Manual.
* **SME capacity diagnostic:** This will aim to understand the current capacity of selected SMES and the gaps they face in meeting targeted market standards. This is to be fully undertaken by the SME TAP Manager.
* **SME Improvement Plan:** This stage will involve mapping the areas of gap and develop clear action plan for necessary upgrading tailored to each SME based on supply chain needs.
* **The business acceleration:** Provide in depth coaching to the selected cohort of SMEs. Dedicated BDS providers, consultants and coaches will be assigned who will work with the SMEs to identify market opportunities, buyer requirements and implement improvements. The BDS and coaching will focus on:
* Business management and strategic leadership in business: human resources management, accounting (financial systems, capacity, records, bookkeeping and decision), legal, compliance, and networking.
* Operations and supply chain management.
* market development: market access and information, branding and labelling, promotion, distribution, certification and compliance (e.g., nutritional analysis), high-value niche markets
* Technology: suitable technology for processing, product design and testing, packaging technology, climate smart technologies
* Finance: assessing readiness, seed capital / matching grants, finance for growth
* Management support: product showcasing, and early processing
* **Business Linkages:** This stage will include showcasing SMEs to suppliers in domestic, regional and international markets. This could be done through ‘Meet the buyer’ events or other similar initiatives that brings together supported SMEs and interested buyers. This stage will also link supported SMEs to debt and grant financing including participating financial institutionsof the SME Line of Credit of the LIFT Project**.**

**Reporting Arrangements**

The successful firm will sign a contract with the Government of Liberia through the Ministry of Commerce and Industry. The SBA and PIU will provide technical oversight for the implementation of the assignment. The firm will provide updates and/or reports to the PIU through the SME Specialist and SBA.