

**Terms of reference (ToRs) for the procurement of services (ANNEX1)**

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<b>Development of a Value Proposition and Business Continuity Model for a Leather Association in Botswana</b>	<b>Project number/ cost centre:</b>
<b>Contract 83436782</b>	<b>2017.2034.1-010</b>

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## 1. List of abbreviations

ARV	Antiretroviral
AVB	General Terms and Conditions of Contract (AVB) for supplying services and work 2022
BMZ	Federal Ministry of economic cooperation and development
CMPP	Covid19 relevant Medical and Pharmaceutical Products
EDF	European Development Fund
ELIA	Ethiopian Leather Industries Association
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
LVC	Leather Value Chain
M&E	Monitoring and Evaluation
MS	Member States
RVC	Regional Value Chains
SADC	Southern African Development Community
SAFLEC	South African Footwear and Leather Export Council
SIPS	Support towards Industrialization and Productive Sectors in the SADC region
ToR	Terms of Reference
VC	Value Chain

## 1. Context

The Joint Action “Support towards Industrialisation and the Productive Sectors (SIPS)” in the SADC region is supported by the European Union (EU) under the European Development Fund (EDF) 11 as approved by the European Commission in October 2018. The overall objective of the SIPS Programme is to contribute to the Southern African Development Community (SADC) industrialisation and regional integration agenda. The project purpose (specific objective) is to improve the performance and growth of selected regional value chains and related services within the leather, pharmaceutical and medical products sectors.

The Joint Action SIPS addresses key concerns of the private sector that are currently impeding industrialisation in the SADC region, by addressing both market coordination and linkage failures between the national and regional level as well as between the public and private sector. To implement the overall SIPS Programme, the EU concluded a financing agreement with SADC, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement. SADC Secretariat coordinates the overall programme and is responsible for implementing Result 1 dealing with policy and regulatory related issues of strengthening regional value chains (RVC).

The EU and the SADC Secretariat have identified the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH as the lead implementing agency for the Results 2 and 3 of the SIPS Programme (in the framework of a co-financed Contribution Agreement). GIZ is implementing the Private Sector Component through a Multi-donor Action (the Joint Action SIPS hereafter) that is jointly co-financed by the European Union and the Federal Republic of Germany’s Federal Ministry for Economic Cooperation and Development (BMZ). GIZ implements the Private Sector Component of SIPS as part of the BMZ-commissioned programme “Cooperation for the Enhancement of Southern African Development Community (SADC) Regional Economic Integration” (CESARE II).

The objective of the Joint Action SIPS is to contribute to the SADC industrialisation and regional integration agenda by improving the performance and growth of the value chains (VC) and related services within the agro-processing, pharmaceutical, and medical products sectors. The Joint Action enhances private sector participation in the (1) Anti-retroviral (ARV) value chain, (2) COVID-19-relevant medical and pharmaceutical products value chain (CMPP), and (3) the regional leather value chain.

This tender and the terms “the Action” or “this Action” in this Annex refer to the Multi-donor Action for the implementation of the Private Sector Component (Component 2, Result 3) of SIPS that is being implemented by GIZ which refers to enhancing the Leather Value Chain in the SADC region.

### **Background on Leather Association in Botswana**

The SIPS Leather Value Chain (SIPS-LVC) team has been working closely with an association aspiring to represent the actors of the leather value chain in Botswana.

The portfolio of the association members encompasses:

1. Hide and Skin Collectors/ Exporters
2. Leather Product Manufacturers
3. Artisanal Tanners

One of the activities implemented by the SIPS-LVC to strengthen knowledge on the association and its members was conducting an Association Competency Survey to analyse its capacities and capabilities.

The specific objectives of the competency survey were:

1. Gather the demographic profiles of the association's members (e.g. employment ratio in terms of gender, location, company size).
2. Assess the current operational activities including capacity and product portfolio.
3. Review the operational needs and challenges of the individual members as leather industry players and as members of an association.

### **Member's Knowledge About the Association**

From the results of the Association Competency Survey, it was highlighted that with improved administrative and financial capacities the organization would be better able to assist its members more effectively. The support requested by members included mentorship, training, accessing quality material to produce/manufacture products and information disbursement on business opportunities. As a key association in the leather value chain, especially with the future construction of the leather park in Botswana, the association needs support in strengthening itself as an active organization to capacitate its members for future market opportunities. An increased visible role towards its members and the public can contribute to the success of the association. Strengthened framework conditions will allow for the organization to operate more efficiently.

### **2. Tasks to be performed by the contractor**

The objective of this project is to support the leather association in intensifying its mandate through working with a contractor specializing in private sector and association development. The contractor should impart knowledge on how to increase the association's visibility to its members and the market (with and without external assistance). The contractor is expected to benchmark with other associations in the region e.g., Ethiopian Leather Industries Association (ELIA) or South African Footwear and Leather Export Council (SAFLEC). In parallel with the benchmarking exercise, the contractor should work closely with the leather association on administrative, financial and technical processes and execute relevant workshops with the committee and members. In addition, the contractor is expected to design a business continuity model in cooperation with the association to ensure that the visibility and activities will continue by the leather association after the end of the project.

The contractor is responsible for providing the following services:

- (i) Review and assist in the administrative, technical and financial (banking) requirements for the effective and efficient operation of the leather association.
- (ii) Benchmark with other established leather associations in SADC or the African region. Explore and report on advanced African leather markets, assess strategies (e.g. branding, leather technology institutions) and establish business linkages for example ELIA/ SAFLEC.
- (iii) Support the association in identifying alternative sources of income, such as user fees etc., that could be utilized by the association for its operations.
- (iv) Propose a funding model and carry out a donor/ grant assessment.
- (v) Propose and implement a marketing strategy for the leather association to enhance visibility to its members, the market and the public at large.

- (vi) Facilitate an active member search and increase number of members in the association where possible.
- (vii) Based on the results from points (i) to (iv) above, provide a technical and financial Business Continuity Model for the leather association and formulate concrete recommendations for the association to ensure its future operational sustainability.

***It is important to note that during the implementation period of this project the contractor is expected to reside in Botswana for its successful execution.***

Key:

**TL** – Team Lead

**STE**- Short Term Expert

<b>Tasks</b>	<b>Deliverables</b>	<b>Deadline</b>	<b>Working Days</b>
<p><b>1. Task</b> Review and conduct an assessment on the administrative, legal and bank account requirements for the establishment and operation of an association (non-profit organization) in Botswana.</p> <p><u>The contractor is expected to:</u></p> <ul style="list-style-type: none"> <li>- Carry out an assessment on the current operational status of the leather association.</li> <li>- Present a working plan that leads towards fulfilling the administrative, legal and financial requirements on the operations of the leather association.</li> <li>- Undertake a benchmarking exercise on how other similar associations can technically and financially sustain themselves.</li> <li>- Ensure the leather association is successfully registered as an association according to the laws of Botswana with all operational documents in order, including a bank account.</li> </ul>	<ol style="list-style-type: none"> <li>1. Assessment Report on the current status of the leather association.</li> <li>2. Timeline on fulfillment of administrative, legal and financial requirements for the leather association.</li> <li>3. Registration of the leather association according to the laws of Botswana.</li> <li>4. Ensuring the leather association has a bank account.</li> </ol>	<b>30.06.2023</b>	<p><b>Up to 30 days</b></p> <p><b>TL- 25 days</b> <b>STE- 5 days</b></p>
<p><b>2. Task</b></p> <ul style="list-style-type: none"> <li>- Undertake a benchmarking exercise on how other similar associations can technically and financially sustain themselves.</li> </ul> <p><u>The contractor is expected to:</u></p> <ul style="list-style-type: none"> <li>- Benchmark with other established leather associations in SADC or the African region. Assess one (1) advanced African leather market by assessing strategies (eg branding, leather technology institutions) and apply it to the operations of the leather association in Botswana</li> <li>- Where possible, establish business linkages</li> </ul>	<ol style="list-style-type: none"> <li>5. Benchmarking Report including a chapter on business linkage assessment</li> </ol>	<b>30.05.2023</b>	<p><b>Up to 10 days</b></p> <p><b>TL- 5 DAYS</b> <b>STE- 5 DAYS</b></p> <p><b>2 international trips max.</b></p>

<p><b>3. Task</b></p> <p>Advise and support the association in potential alternative sources of income.</p> <p><u>The contractor is expected to:</u></p> <ul style="list-style-type: none"> <li>- Undertake an assessment on a member-subscription model that the association can tap into, as well as explore other innovative financing mechanisms that could be utilized to sustain its activities.</li> </ul> <p>2. Facilitate a workshop with the committee members of the leather association on the feasibility of this model.</p>	<p>6. Report on the feasibility of implementing a member subscription</p> <p>7. Introduction and Feasibility Workshop</p>	<p><b>30.06.2023</b></p>	<p><b>Up to 30 days</b></p> <p><b>TL- 10 DAYS</b> <b>STE- 20 DAYS</b></p>
<p><b>4. Task</b></p> <p>Propose a funding model and carry out a donor assessment.</p> <p><u>The contractor is expected to:</u></p> <ul style="list-style-type: none"> <li>- Compile a report on available financial mechanisms (e.g. grants) both at the local, regional and global level that the association can tap into and highlight the feasibility of applying these tools for the association.</li> <li>- Review and propose mechanisms that can be tapped into, such as industrialization funds and the feasibility of applying these tools for the leather association.</li> </ul>	<p>8. An assessment report on available financing mechanisms at both regional and international level.</p> <p>9. A workshop presenting financial mechanisms for the association.</p>	<p><b>30.05.2023</b></p>	<p><b>Up to 10 days</b></p> <p><b>TL- 5 DAYS</b> <b>STE- 5 DAYS</b></p>
<p><b>5. Task</b></p> <p>Propose and implement a marketing strategy for the leather association to enhance visibility to its members, the market and the public.</p> <p><u>The contractor is expected to:</u></p> <ul style="list-style-type: none"> <li>- Work alongside the leather association committee on a marketing strategy. Propose activities (whether online or physical) to intensify the visibility of the association to its members, market and the public.</li> <li>- Facilitate an active member search and increase number of members in the association where possible by at least 50%.</li> </ul>	<p>10. Marketing Strategy Report</p> <p>11. Marketing Strategy Workshop</p> <p>12. Revised member database</p>	<p><b>30.05.2023</b></p>	<p><b>Up to 20 days</b></p> <p><b>TL- 15 DAYS</b> <b>STE- 5 DAYS</b></p> <p><b>Upto 10 local trips (within Botswana)</b></p>
<p><b>6. Task</b></p> <ul style="list-style-type: none"> <li>- Based on the results from points (i) to (iv) above, provide a technical and financial Business Continuity Model for the leather association.</li> </ul>	<p>13. Business Continuity Model</p> <p>14. Validation Workshop for Business</p>	<p><b>30.10.2023</b></p>	<p><b>Up to 20 days</b></p> <p><b>TL- 15 DAYS</b> <b>STE- 5 DAYS</b></p>

- Formulate concrete recommendations for the association to ensure its operational sustainability			
<b>7. Task</b> - Report on achievements, challenges and lessons learnt	15. End of Project Report	<b>15.11.2023</b>	<b>Up to 7 days TL- 7 DAYS</b>

**Period of assignment:** From 29th May 2023 until 30<sup>th</sup> November 2023.

The number of workdays to implement the assignment is up to **127 days** which will be spread between the Team Leader and Expert 1.

**Note: If the company offers days exceeding the aforesaid, the offer will be disqualified!!!**

**The following are the requested workshops:**

Workshop 1: Introduction and Feasibility Workshop (Encompasses Deliverable 7)

Workshop 2: Financial Mechanism and Marketing Strategy Workshop (Encompasses Deliverable 9 and 11)

Workshop 3: Business Continuity Model Validation Workshop (Encompasses Deliverable 14)

All written deliverables are to be sent as drafts for feedback and comments before final submission unless otherwise specified. All tasks, deliverables and all related documents shall be in English language. Regular project oversight meetings will be convened to oversee implementation and provide support on the service delivery.

### 3. Data protection

The performance of the contract may be associated with the processing of personal data by the contractor, who would alone define the nature of such data and how such processing would be carried out. In such cases, the contractor shall act as an independent data controller and must alone comply with all applicable data protection obligations, including regional and local laws. The data protection principles such as lawfulness, purpose limitation, storage limitation, transparency, integrity and confidentiality, and accountability, as well as the numerous rights of the data subject must be paid due attention. The General Data Protection Regulation's (GDPR's) data transfer rules must be considered whenever personal data leaves the EU for a third country. The GIZ is not in any way responsible for such processing and, apart from non-personal data (company data or statistics), the GIZ does not expect to receive any personal data from the contractor.

### 4. Concept

In the bid, the bidder is required to show how the objectives defined in Chapter 2 are to be achieved, if applicable under consideration of further specific method-related requirements (technical-methodological concept). In addition, the bidder must describe the project management system for service provision.

#### Technical-methodological concept

**Strategy (1.1):** The bidder is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1). Following this, the bidder

presents and justifies the strategy with which it intends to provide the services for which it is responsible (see Chapter 2).

The bidder is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The bidder is required to present and explain its approach to **steering (1.3)** the measures with the project partners and its contribution to the results-based monitoring system.

The bidder is required to describe the key **processes (1.4)** for the services for which it is responsible and create a schedule that describes how the services according to Chapter 2 are to be provided. In particular, the bidder is required to describe the necessary work steps and, if applicable, take account of the milestones and contributions of other actors in accordance with Chapter 2.

The bidder is required to describe its contribution to knowledge management for the partner and GIZ and promote scaling-up effects (**learning and innovation (1.5)**).

## **Project management of the contractor**

The bidder is required to explain its approach for coordination with the GIZ project.

- The contractor is responsible for selecting, preparing, training and steering the experts (national, short and long term) assigned to perform the advisory tasks.
- The contractor makes available equipment and supplies (consumables) and assumes the associated operating and administrative costs.
- The contractor manages costs and expenditures, accounting processes and invoicing in line with the requirements of GIZ.
- The contractor reports regularly to GIZ in accordance with the AVB of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH from 2022.

The bidder is required to draw up a personnel assignment plan with explanatory notes that lists all the experts proposed in the bid; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

## **5. Personnel concept**

The bidder is required to provide **2 experts** comprising of **1 (one) team leader** and **1 (one) team member/expert** who are suited to filling the positions described, based on their CVs (see Chapter 8), the range of tasks involved and the required qualifications.

**Note: Bids that exceed the maximum number of experts required for the assignment (2), will be disqualified!!!**

The below specified qualifications represent the requirements to reach the maximum number of points.

The team leader and expert 1 are to work concurrently with each other on all tasks and deliverables.



## **Team leader**

### Tasks of the team leader

- Overall responsibility for the tasks of the contractor (quality and deadlines).
- Coordinating and ensuring communication with GIZ, partners and others involved in the project.
- Planning and steering assignment and supporting expert 1.
- Regular reporting in accordance with deadlines.

### Qualifications of the team leader

- Education/training (2.1.1): University degree in project management or business-related certifications. Leadership related courses will be considered an advantage.
- Language (2.1.2): Good business language skills in English.
- General professional experience (2.1.3): At least 3 years of professional experience in working with or operating a non-profit organization or company.
- Specific professional experience (2.1.4): At least 2 years in the running of the establishment of a non-profit organization and with track record of association.
- Leadership/management experience (2.1.5): At least 5 years of management/leadership experience as project team leader or manager in a company/association
- Regional experience (2.1.6): At least 2 years of experience in association projects in the Botswana
- Other (2.1.8): Demonstrated leadership and experience in setting up private sector associations, organizational assessment and management, strategic planning. Multinational financing mechanisms in shaping change management will be a strong advantage.

## **Expert 1**

### Tasks of short-term expert 1

- Supporting the Team Leader in execution of the assignment
- Ensuring communication with GIZ, partners and others involved in the project.

### Qualifications of expert 1

- Education/training (2.2.1): University degree in management development studies or Strategic Business Management, business modelling or similar.
- A professional qualification in project management an added advantage.
- Language (2.2.2): business language skills in English with French and/or Portuguese proficiency an added advantage.
- General professional experience (2.2.3): At least 3 years' undertaking strategic planning, and or public finance, development and planning or related field.
- Specific professional experience (2.2.4): At least 3 years in project/programme office work.
- Regional experience (2.2.6): 3 years in Botswana and knowledge of local laws and processes.
- Development Cooperation (DC) experience (2.2.7): 1 year.

### Other skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills.
- Initiative.
- Communication skills
- Socio-cultural competence.
- Efficient, partner- and client-focused working methods.
- Interdisciplinary thinking.
- Excellent analytical, interpersonal, communication and reporting skills.
- Computer literate with good working knowledge of the standard Microsoft Office suite of programmes, teleworking and virtual consultations.
- Diplomacy skills.

## **6. Costing requirements**

### **Travel**

As the locations of the business trips is not yet clear, the above-mentioned fixed, unalterable travel-expenses budget for all trips for all experts is specified in the price schedule. The fixed budget contains will amount to **13 000 Euros** the following travel expenses:

- Economy flights (economy class), overland travel and other transport costs, ancillary travel costs (vaccination, visa etc.).
- Accommodation and daily subsistence (per diems).

The costs are reimbursed in accordance with the regulations of each responsible GIZ country office on submission of documentary proof (accommodation costs which exceed this up to an appropriate amount, the cost of flights and other forms of transport). All business travel must be agreed in advance by the officer responsible for the project. Travel expenses must be kept as low as possible and will be invoiced against provision of evidence.

## **7. Inputs of GIZ or other actors**

SIPS LVC Team and the leather association will provide the following:

- Necessary introduction letters, and any other necessary documentation to facilitate the contractor's work.
- The SIPS LVC Team will facilitate and share contacts where necessary.
- Other official contact details of focal persons where applicable.

## **8. Requirements on the format of the bid**

The structure of the bid must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) is to be organised in accordance with the positively

weighted criteria in the assessment grid (not with zero). It must be legible (font size 11 or larger) and clearly formulated. The bid is drawn up in English.

**The technical offer should not exceed thirty (30) pages, including interpretation of the assignment, work plan and proposed methodology/strategy.**

The CVs of the personnel proposed in accordance with Chapter 5 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages. The CVs must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English.

If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment.

Please calculate your price bid based exactly on the aforementioned costing requirements. In the contract the contractor has no claim to fully exhaust the days/travel/workshops/ budgets. The number of days/travel/workshops and the budget amount shall be agreed in the contract as 'up to' amounts. The specifications for pricing are defined in the price schedule.

## **9. Annexes**

N/A