

Enabling Income Generation for the Poor (EnInGeP)

Financed by Austrian Development Agency

Implemented by CARE International in the Balkans and ECIKS

Annex 1: Terms of References: Innovation Fund Consultancy

As of May 2023¹

1. Project Background

The private sector in Kosovo suffers from inability to create new jobs, lack of access to finance and BDS, low FDI inflows and gender norms which can prevent women and girls from reaching their full potential. Given the unequal distribution of economic opportunities, through facilitation and upscaling of market support functions, the project “Enabling Income Generation for the Poor” will address critical market constraints, igniting growth, narrowing disparities, and increasing the economic assets of the most vulnerable. This project distills lessons from ACCESS², to achieve an overall objective: contribute to a sustainable, resilient, and inclusive private sector development enabling inclusive job creation and income generation for the poor and vulnerable.

The interventions proposed will achieve the following outcomes:

- Development and modernization of the support system for MSME and future entrepreneurs in a gender-sensitive and socially inclusive manner by cooperating with and incentivizing relevant stakeholders (public, private and civil society) facilitated.
- Access to finance for innovative and entrepreneurial ideas in a gender-sensitive and socially inclusive manner (focus on inclusion and economic empowerment of vulnerable women and men) improved.
- Access to acceleration and digitalization services with a special focus on MSME led by vulnerable women and men facilitated.

The expected outputs are:

- Support service of KIESA for market development improved.
- Consultancy services of BCC standardized and regulated.
- Women’s participation in the ICT sector increased through supporting Digi Women Cluster.
- Kosovo’s Fund for Innovation and Technological Development (KFITD) established.
- MSMEs enabled to digitalize through targeted and upscaled Business Digitalization Services.
- Financial literacy of vulnerable population improved through the “Biznesi Im” Platform.

¹ These ToRs are subject to changes as adaptations during the inception phase.

² „Market Access and Business Digitalization Services for Kosovo Companies – ACCESS“ is a private sector development project, predecessor to EnInGeP, funded by ADA, co-funded by GoK, and implemented by ECIKS (2019-2022).

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- MSMEs enabled to access digital services through the “Biznesi Im” Platform.
- Business Digitalization Services improved through certification of consultants from marginalized populations.

The target groups of the proposed project are vulnerable young and marginalized women and men interested in entrepreneurial activities. The main beneficiaries consist of MIET, KIESA, BCC, DECK and vulnerable MSMEs. By introducing systemic change through the application of IMSD, we aim at creating/maintaining 300 jobs, and generating benefits that would accrue to more than 10,000 enterprises.

About ECIKS

ECIKS is a cutting-edge consultancy firm with exceptional local and international expertise in helping private and public organisations unlock their potentials to achieve objectives and increase performance. ECIKS delivers value to institutions and firms in Vienna, Berlin, Zurich, Bern, Tirana, Prishtina for over 20 years through an agile and dedicated team of professionals specializing in management consulting, business strategy, digitalization, foreign direct investment, private sector development, investment promotion, research and analysis, and human resources.

ABOUT CARE International

CARE’s work in the Balkans started in 1993, when it provided humanitarian support to people affected by war. In the late 90-ties, CARE shifted its focus in the region from humanitarian post-war assistance and rehabilitation to socio-economic development, engaging in interventions directed at conflict prevention and peace-building, sustainable livelihoods, gender equality and the prevention of gender-based violence. CARE International in the Balkans places the quality of its program at the center of its mission and has developed a regional strategy that encompasses two main program directions: Gender Equality and Social and Economic Inclusion.

2. Purpose of Assignment

ECIKS is looking to receive consultancy services from an organization³ with experience in establishing *Public Innovation and Technology Funds* in Europe. The Contractor is to provide leading expertise in designing and implementing activity 4: “Establishing Kosovo’s Fund for Innovation and Technological Development (KFITD)” and as such facilitate access to finance and promote innovation activities in Kosovo.

3. Main Activities and Deliverables

Main Activities:

1. Provide *leading expertise* in developing a study with a roadmap on establishment of KFITD, by closely coordinating with intervention manager, local and international experts, ensuring that the study:

³ Eligible organizations to offer consultancy services for the purpose of this assignment include private companies, public institutions, and NGOs.

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- Provides a comparison with good practices from Austria, the region and beyond;
 - Includes an analysis of existing laws and regulations in Kosovo related to public innovation funds;
 - Conducts a market analysis to analyze the market in the target industries, identifying potential beneficiaries of the fund;
 - Identifies the needs of Kosovo's MSMEs for access to finance, access to innovation funding, and other professional support services;
 - Investigates methods on how KFIDT can facilitate businesses owned by women, youth, and marginalized groups;
 - Identifies key stakeholder groups and legal measures to be undertaken for the establishment and operation of KFIDT;
 - Includes a roadmap and action plan for establishment and operation of KFIDT;
 - Is built upon comprehensive analysis of legal, economic, technical, financial, educational, business development and technological aspects in Kosovo;
 - Provides recommendations on activities of KFIDT during the first three years of operation, sectors to be supported, and other relevant mechanisms for supporting innovation.
2. Provide *leading expertise* in establishing KFIDT and making it fully operational, by closely coordinating with intervention manager, local and international experts in:
- Helping define any legal and/or organizational infrastructure for the establishment and functioning of KFIDT;
 - Defining HR and management, and establishing annual work programs, including MRM mechanisms;
 - Helping develop support programs for MSMEs, including first three calls for proposals, integrating measures to ensure the support to businesses owned by women, youth and vulnerable population.
3. Upon request, contribute to the Market System and Context Analysis.

Main Deliverables:

1. A comprehensive in developing a study with a roadmap on establishment of KFIDT report on KFIDT, which among others, includes the following sections:
 - Comparative Analysis: Kosovo, Austria, and the Region
 - Assessment: Legal, economic, financial, educational, business development and technological aspects in Kosovo
 - Laws and regulations related to public innovation funds
 - Market Analysis
 - Needs Assessment
 - Inclusion Strategies
 - Stakeholder Analysis
 - Roadmap and Action Plan
 - Recommendations
2. Legal and Organizational Infrastructure Proposal: A proposal defining the required legal and organizational infrastructure for the establishment and functioning of KFIDT

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3. HR and Management Plan: A plan defining the human resources and management structure for KFITD, including roles, responsibilities, and organizational hierarchy
4. Annual Work Programs: Development of annual work programs for KFITD, including the definition of objectives, activities, timelines, and milestones
5. MRM Plan: Establishment of Monitoring, Reporting, and Management (MRM) mechanism to ensure effective monitoring and evaluation of KFITD's operations
6. Support Program and Integrating Measures Report: help develop support programs for MSMEs and integrating measures to ensure the support to businesses owned by vulnerable population

4. Qualification Requirements

- Proven experience in Europe in establishing and/or running Public Innovation and Technology Funds.
- Proposed experts should have at least a Master's Degree in Finance/Management or other Business related fields.
- 10 years of working experience in similar projects with private sector background. 7 years of experience in working with international institutions, or related projects in the consulting industry.

5. Methodology

The Contractor is expected to provide support in conducting the feasibility study on establishment of KFITD and helping make KFITD fully operational by leading the process of desk research and field research.

6. Timetable

The duration of the assignment is from 10 July 2023 till 31 December 2024.

7. Working days allocated to the specific assignment

A total of up to 56 working days is foreseen for this assignment.

8. Payment

The Contractor will be paid the amount agreed within the Services Agreement, through no more than two payment instalments released directly to the contractor's account upon the completion and acceptance assignment deliverables. The contractor shall render invoices and timesheets to ECiKS.

Deliverables will be reviewed and confirmed as satisfactory by the EnInGeP Project staff.

Selection Criteria:

The proposals will be evaluated based on the following criteria:

1. Technical and Financial Capability (weighting 70%)
 - a. Company profile, experience, annual turnover, and relevant references including references of similar studies;⁴

⁴ Organization that will be selected to provide consultancy services should provide financial statements.

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- b. Methodology
 - c. CV(s) of staff proposed for the assignment.
2. Financial Offer (weighting 30%)

9. Management

The Contractor will perform her/his duties under the supervision of the Intervention Manager and Team Leader.

10. Commencement of Services

The date for commencement of services is: 10 July 2023

11. Application Process

Interested organizations are invited to apply and submit:

- Technical Proposal (weighting 70%)
- Financial Offer- without VAT (weighting 30%)

Applications should be submitted via e-mail to office@eciks.com not later than 3 July with the subject:
Application: Innovation Fund Consultancy