

TERMS OF REFERENCE (TOR)

FOR THE RECRUITMENT OF INTERNATIONAL HIGHER LEARNING INSTITUTION ON INDUSTRIAL GROWTH AND TRANSFORMATIONAL LEADERSHIP

I. GENERAL INFORMATION

Services/Work Description:	Regional Industrial Development and Structural Transformation: Transformational Leadership and Skill Development
Project/Program Title:	Industrial Development Program
Duty Station:	Addis Ababa and regions
Type of the Contract:	International firm
Supervisor:	Team Leader, Inclusive Growth and Sustainable Development
Duration:	35 days including pre and post training materials preparation and submission
Hiring Unit:	Ministry of Industry
Expected Start Date:	Immediately after signing of the contract.

II. BACKGROUND

Ethiopia visions to becoming lower middle-income country by 2025. As a vehicle to achieve the vision, the Second Growth and Transformation Plan (GTPII) has been designed and being implemented. GTP II aims to achieve an annual average real GDP growth rate of 11 percent within stable macroeconomic environment while at the same time pursuing aggressive measures towards rapid industrialization and structural transformation.

In GTP II, a new vision has been set to render the country as a leader in light manufacturing in Africa and one of the leaders in overall manufacturing globally. The vision on manufacturing sector is set to sustain the rapid economic growth registered over the past 13 years. Similarly, during GTP II, special emphasis is also given to the development of export-oriented manufacturing industry, with the objective of transforming the structure of the economy to enable the country to achieve the vision. In GTP II, industrial value addition is projected to increase at an annual average growth rate of 20% and the share of the industrial sector in overall GDP will accordingly increase from 15.1% in 2014/15 to 22.3% by 2019/20.

In order to achieve the above goals and accelerate growth and expansion of the industrial sector a number of implementation strategies are devised. These strategies mainly focus on the

implementation of project and programs which gear towards attracting quality investment, enhancing production and productivity, boosting export shares, accelerating technological learning and strengthen the linkage among industries, and to provide effective support to the private sector. In addition, the various subsector institutions will be brought to the level where they can assess appropriate technologies and organize information, adopt and transfer technologies to the private sector through improving their research and extension capacity and equipping them with the necessary infrastructure. Furthermore, existing industrial forums will continue and policies and legal frameworks which enable to lead the sector to the required direction will be put in place. The implementation of the Kaizen philosophy, establishing industrial parks and clusters will also be undertaken to realize the plan.

These complex industry transformational plan envisage to be realized essentially require leaders who shall be equipped with various leadership and decision making skills, apply personal traits that are desired to achieve the results, and analyze and implement strategies for motivating organization members. The leaders are expected to play a very significant role to realize the plan put forward. They require to working to change the system, solving challenges by finding experiences that show that old patterns do not fit or work, wanting to know what has to change and maximizing their teams' capability and capacity. The realization of the GTP requires a highly qualified leadership equipped with up to date knowledge and strategic leadership competencies in a fast changing and globalized system

Given the limited experience existing in the country on industrial leadership and transformation on one hand, and the colossal industry transformation leadership demand requirements for achieving the planned targets on the other hand, calls to give emphasis on the continues capacity development of the industry leaders lined up at the Federal and regional levels. Leadership capacity building can be partly achieved through appropriate training by training institutions which have undertaken similar venture and supported other countries in the process of industrial transformation.

UNDP Ethiopia support's the Government's efforts to accelerate pro-poor economic growth, with industrial development and transformation as the key driver of economic resilience as highlighted above. The focus is on supporting industrial policy and institutional capacity development, enhance access to critical productive services, support efficiency of marketing systems, and leverage appropriate technology and practices to boost productivity and value chain development in the manufacturing sector. UNDP also supports policy and diagnostic work, codification of knowledge, and testing of innovative practices that can facilitate solutions to practical bottlenecks in building capacities of producer and private sector institutions to enhance access of the poor, especially women and youth, to industrial technologies, inputs, finance, and markets.

Hence, with the focus of successive five-year GTPs on economic structural transformation and with the anticipated expansion of industrial support programmes to the Ministry of Industry, there is a critical need to ensure result and effectiveness as well as coordination and harmonization of these efforts. UNDP also plans to expand its industrial development support to the Government of Ethiopia (GoE) aimed at accelerating the growth and deepening of the manufacturing industry that is inclusive and sustainable. Hence, it has become essential to enhance the capacity of industry leaders at different levels and equip them with the necessary skills and knowledge through continuous training thereby enable them better influence towards the implementation and realization of the transformational plan.

While Ethiopia has had success in increasing the variety of products it exports and the number of destinations, its penetration of global merchandise markets— including in key sectors such as textiles, leather, agro-processed remains low in absolute terms. Ethiopia's manufacturing industry contribution to the GDP still requires to increase, having progressed incrementally. This share is low relative to what the plan envisages to trail. Consequently, Ethiopia's plan foresees a structural transformation of its economy through increasing the share of the manufacturing sector in GDP with a related huge number of job creations potential.

Such a trajectory is believed to be achieved through tremendous impact of leaders. In order to influence and carry the impact towards achieving the set target, transformational industry leaders need to acquire the necessary leadership ingredient and personal traits to apply and lead the implementation of the plan. Particularly it is valuable to acquire experience through training from institutions that have supported countries to achieve industry growth and transformation. Thus, to augment the leader's capacity and traits, it becomes a necessity to enhance industry leaders' ability to lead teams and realize collectively the set targets through empowering teams to grow and work together, envision the future trend, embrace change, and maximize performance.

III. OBJECTIVE OF THE SERVICE

The objective of the capacity building training is to better equip with the necessary leadership and decision-making skills of leaders. Specifically, the objectives will be the following:

- Using the input in this TOR and its own way, assess the Ethiopian Industrial Development objectives, targets and the status as well as leadership gap and prepare relevant contextualized training package for the two groups described
- Provide the full training package before the commencement of the training
- Provide the training for the two groups as per the training packages
- Prepare and submit feedback report on the results of the training and recommendations
- Provide post training materials

The training is expected to have the ultimate goal of capacitating the industry GTP implementing leaders at different levels, both at Federal and regional level, aims at boosting the performance of the overall industry GTP II implementation. The training should provide government officials, management and staff at different levels better performing capability and to increase their effectiveness and efficiency by upgrading their leadership ability through gaining valuable experiences and to acquire best practices. It endeavours leaders participating in the training to bring about valuable and positive change in those they lead, increase engagement, motivation and morale in their team, enhance performance of individuals and the team, provide an authentic role model that inspires followership and develop others into leaders.

IV. SCOPE OF THE SERVICE

The general scope of the service will be providing industry (manufacturing) transformation leadership capacity building training. The leadership capacity building training will centre on enhancing the leadership skill to bring about better implementation performance of the GTP II industrial targets. Thus, the service provider is expected to understand the industrial transformation plans and the leadership demand to achieve the plans thereby tunes the training (content and deliberation) towards practical skill development gains.

The following are indicative areas for the training areas, while anticipating comprehensive proposals from the training institutions interested to participate including which areas are to entail to enhance the intended leadership capacity and how to render etc to enable leaders to enhance their leadership capacity in the stated areas.

- About modern leadership theory¹ in general and leadership skills and traits required to bring about the intended Ethiopian industrial growth and transformation.
- Going through the GTP II industry growth and transformation plan and how to lead, effectively, evaluate, monitor and decision making to achieve the results
- Policy generation, evaluation and implementation, project life cycle and project management skills
- Enhance participants knowledge on industrial psychology, policy generation and review and as well as on related subjective area
- Provide understanding of world best performed and fruitful ways of implementing, Monitoring and evaluation methodology (basic concept, principle, method, purpose and etc) towards industry growth and transformation
- Equip participants with the tools and skills needed to become effective and be able to manage industrial park (with comparative of world best practice). Here models of

¹ The concept of leadership; leadership and management, power, authority, and leadership; motivation; emotional intelligence; performance, and job satisfaction; leaders

industrial park management available will be expected to be addressed and the pros and cons of the Ethiopian Industrial Park Management model against the models available as well as the organization aspect and necessary leadership skills capacity enhancement to lead and manage the Industrial Park are to be included.

- Ideas and practical support for the learning and development of new strategic leadership capabilities to bring about high-growth industrial development including mentoring initiatives as well as initiatives designed to support the development of visioning activities and momentum-building activities
- Leadership development initiatives that can also be designed to transfer instrumental and task execution capabilities
- Leadership development that can support the transfer of strategic planning and monitoring capabilities
- Global industrial transformation trends and the required leadership quality contextualize to the Ethiopian situation
- Leadership development to manage change and achieve transformation

V. EXPECTED OUT PUT OF THE TRAINING

- A final training package appropriate for the industry transformational leaders will be developed and delivered with the basic elements of leadership skill at Federal and Regional level.
- At least 100 industry leaders both from federal and regional at different levels of leadership will be trained from the programme so that
 - all participants will be expected to enhance their ability to perform efficiently and effectively on their daily work by using modern leadership materials.
 - all participants will have awareness on world best performing tactics, techniques and methodology experience to enhance regional industrialization.
 - have better understanding on monitoring and evaluation of program with world performing methodology
 - acquire overall world good practice on industrial park development practice and methods
 - new trends and cutting-edge knowledge and experiences
- Participants will be able to enhance their leadership skill including managing change, result oriented leadership, empowering team, and decision making

VI. METHODOLOGY/APPROACH OF THE SERVICE

The training is required to be provided by universities with east Asian experience international training firms which have adequate knowledge and experience on the desired training areas through practical capacity building support rendered in countries that have successfully achieved industrial growth and transformation. This capacity development of transformational leadership training is expected to utilize a variety of proven adult learning techniques to ensure maximum understanding, comprehension, and retention of the information presented. This includes stimulating presentations supporting each of the topics together with interactive trainer lead sessions of discussion and creative lecture using training material, power-point presentation and flipcharts, group work, facilitated discussion, case presentations, experience sharing, pair talk, individual reflection, skit/energizer and table talk. It aims also through the learning and exposure to best practices around the world of industrial transformation which proved successful in transforming in modern days, need for a systematic, deliberate and tailor made program aiming at enhancing the capacity of the leadership both at the federal and Regional level to accelerate the implementation of the GTP II and bring about significant social and economic transformation

There should be significant hands-on sessions where participants can practice and experience course related activities. Realistic and fun exercises, short DVD presentations, small group work, and feedback, will be anticipated to facilitate learning. Practical, experiential activities should be used throughout the seminar

- Participatory and interactive
- Supported by Audio-visuals
- Taking the Ethiopian case (problems) as point of discussion and developing solutions jointly as part of learning exercise

Each of the Leadership development courses is expected to include a suite of post-training reinforcement materials that are unique to each title. Content such as e-books, quick videos, personal and team assessments, tools and templates, and other materials, to be provided to ensure that leaders continue their journey to ongoing success beyond the training period.

The training will have two separate groups (Management levels and technical level) and each training terms will have different training material as per the duties of the participant and component with different time schedule. Participant of the training will be from high level officials, top management levels and middle level management and senior expertise.

A. First training session: Government officials and Top Management levels

The first training section participant member will be selected and included from **high level official including State Ministers, Regional Industry Bureau heads and University Presidents**. There will also be **top management including sector institute General Directors, Deputy Directors, Directors at Federal and Regional levels, Industrial Park Development Corporation Managers/Directors, University Research and Technology Transfer Directorate Directors**, and others at the same level Total numbers of the participant ranges from 50 to 70 and will be held in Addis Ababa

Among others, the indicative areas to be covered here encompasses

- policies and practices applied by countries in the successful Industrial Transformation,
- policy review (frequency, methods, measurement of outcome etc...) ,
- policy and incentives practiced and implemented, return evaluation from incentives applied,
- industrial growth institutional set up and organization utilized in the industrial growth (how industrial leadership has been organized, how industry has been linked and led with other sectors),
- how the progress of industrial growth measured, how institutional memories are organized and continuously upgraded and utilized,
- how industry park is managed and organized, how industrial park return is measured, and future trends of industrial growth.
- leadership skills and traits required to bring about the intended Ethiopian industrial growth and transformation.
- Going through the GTP II industry growth and transformation plan and how to lead, effectively, evaluate, monitor and decision making to achieve the results
- Provide understanding of world best performed and fruitful ways of implementing, Monitoring and evaluation methodology (basic concept, principle, method, purpose and etc) towards industry growth and transformation
- Equip participants with the tools and skills needed to become effective and be able to manage industrial park (with comparative of world best practice). Here models of industrial park management available will be expected to be addressed and the pros and cons of the Ethiopian Industrial Park Management model against the models available as well as the organization aspect and necessary leadership skills capacity enhancement to lead and manage the Industrial Park are to be included.
- Ideas and practical support for the learning and development of new strategic leadership capabilities to bring about high-growth industrial development including mentoring initiatives as well as initiatives designed to support the implementation of visions into activities and momentum-building activities

- Leadership development initiatives that can also be designed to transfer instrumental and task execution capabilities
- Leadership development that can support the transfer of strategic planning and monitoring capabilities
- How to cooperate each other towards common goals and evaluate effectiveness of joint institutional work

B. Second Training session: Technical

The second training section participant member will be selected and included **from senior experts and team leaders. Total numbers of the participant ranges from 50 to 70** and will be held in Adama or Hawassa town.

Indicative training areas to be addressed include: effective implementation of plans, effective management of industrial parks, tenant needs and how best and effectively fulfill their needs, communal infrastructure management in the industrial park, effective industrial park and clusters feeding the parks implementation, effective communication, result oriented task management, time management, measurement of achievements linked to the grand target.

It is anticipated that the firm submitting its offer to design appropriate industrial leadership capacity building training using its knowledge and experience, the category of participants and indicative topics highlighted in here. At the start of each training session, it is expected also the training institute (s) to highlight the Ethiopian Industrial development road map² direction, the GTP II targets, and the strategies put in place to achieve the industrial transformation thereby after the end of the training to link and concretize the training input towards accelerating the implementation.

VII. LOCATION AND DURATION

The training will be given for the two groups separately.

- **Session 1: High level official and top management levels including State Ministers, Regional Industry Bureau heads and University Presidents, sector institute General Directors, Deputy Directors, Directors at Federal and Regional levels, Industrial Park Development Corporation Managers/Directors, University Research and Technology Transfer Directorate Directors: 5 working days**
- **Session 2: Senior experts and team leaders: 10 working days.**

² The Industrial development road map and the GTP II targets will be provided for the selected training institute

Training place will be at Addis Ababa for session one and Adama town or Hawaasa town for session 2.

VIII. IMPLEMENTATION ARRANGEMENTS

The training firm will be recruited under the UNDP terms and conditions and undertake the assigned tasks and responsibilities under the direct supervision of the Ministry of Industry and UNDP. All travel costs related to the assignment (i.e. travel costs to the training venues – transportation and DSA) will be covered by UNDP. Training materials such as flip charts, markers etc... will also be covered by UNDP.

IX. PAYMENT MILESTONES AND AUTHORITY

The prospective firm will indicate the cost of services for each deliverable in US dollars all-inclusive³ lump-sum contract amount when applying for this consultancy. The consultant will be paid only after approving authority confirms the successful completion of each deliverable as stipulated hereunder. The qualified firm shall receive his/her lump sum service fees upon certification of the completed tasks satisfactorily, as per the following payment schedule:

Installment of payment/period	Deliverables	Approval Should be Obtained	Percentage of Payment
1 st Installment	Up on submission of inception report (pre-training assessment report and draft course curriculum)	UNDP Team Leader	15%
2 nd installment	Up on submission of final course curriculum and training module materials (in hard and soft copies)	UNDP Team Leader	25%
3 rd Insatlment	Up on delivery of the training for each module and all two rounds	UNDP Team Leader	40%
4th Installment	Up submission of training feedbacks and reports as well as post training materials	UNDP Team Leader	20%

³ The term “All inclusive” implies that all costs (professional fees, international travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal

X. MINIMUM FIRM AND CONSULTANCY REQUIREMENT

The prospective Service providing firm is expected to meet the following minimum requirements:

- Globally recognized and reputed institution/firm known for leading and supporting developing or emerging countries in industrial transformation with demonstrable competency and capacity to take the assignment is highly preferred for the assignment;
- It must have at least 10 years of practical experience in economic transformation leadership capacity building training in general and industrial structural transformation in particular, preferably with demonstrable engagements with emerging economies,
- Knowledge of relevant industrial sectors selected as priorities in the Ethiopian Industrial Development Strategy and access to stakeholders and relevant information sources, especially of the benchmarked region.
- Experience working with UN or other international organizations beneficial.
- Capability to deploy strong analytical aptitude, communication and presentation expertise.
- Capability to deploy good communication expertise in English language(s)
- Certification from appropriate organization / institution
- It must have experience in _benchmarking Region (if any)
- It shall demonstrate its capabilities, understanding of the TOR, and methodology of audit approach.

The multi-disciplinary team should comprise members with the following educational qualifications; experience and competencies:

- **Team Leader (Principal) Consultant:** PhD in the area of Industrialization and structural transformation, industrial clusters development and diversification, commercially oriented development studies, industrial and public policy or related disciplines; preferred if the principal is an author of a book on the related subject matters;
- **Associate Consultant:** University Master's degree in the area of Industrialization and structural transformation, industrial clusters development and diversification, commercially oriented development studies, public policy or related disciplines
- Demonstration of understanding of formulation of national plans, sector strategies and regional industrial economic models is compulsory

- Experience in coordination of major industrial development programmes or development corridors preferably in a developing country with demonstrated success is an added advantage.
- Familiarity with bureaucratic requirements in a national and/or regional government ministry as well as exposures to coordination of development programmes will be an advantage.
- Knowledge of UNDP programming approaches is desirable
- Experience of working in Ethiopia/ Africa is desirable

A. Functional Competencies

- All experts deployed to this assignment requires to have outstanding communication skills in English
- Positive and constructive approaches to work with energy
- Demonstrate openness to change and ability to receive and integrate feedback
- Excellent written and verbal communication skills
- Strong time management and meet established time lines.
- Training and hands-on experience in a leadership and institutional development;
- Ability to work under pressure, and to deliver in a timely manner without compromising quality standards;

B. Language and Other Skills

- Excellent knowledge of English, including the ability to write reports clearly and concisely and to set out a coherent argument in presentation and group interactions
- Capacity to facilitate and communicate with different qualification and experience of leaders participating in the training
- Computer skills: full command of Microsoft applications (word, excel, PowerPoint) and common internet applications

XI. CRITERIA FOR SELECTING THE BEST OFFER

Upon the advertisement of the Procurement Notice, qualified international training institutions is expected to submit both the Technical and Financial Proposals. Accordingly; firms will be evaluated based on Cumulative Analysis as per the following scenario:

- Responsive/compliant/acceptable, and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. In this regard, the respective weight of the proposals are:
 - a. Technical Criteria weight is 70%
 - b. Financial Criteria weight is 30%

Summary of Technical Proposal Evaluation		Score Weight	Points Obtainable
1	Expertise of Firm / Organization	30%	300
2	Proposed Methodology, Approach and Implementation Plan	40%	400
3	Management Structure and Key Personnel	30%	300
	TOTAL	100%	1000

Technical Proposal Evaluation		
Expertise of the Firm / Organization		Points Obtainable
1.1	Reputation of Organization and Staff / Credibility / Reliability / Industry Standing	50
1.2	General Organizational Capability which is likely to affect implementation - Financial Stability - Loose consortium, Holding company or One firm - Age/size of the firm - Strength of the Project Management Support - Project Financing Capacity - Project Management Control	90
1.3	Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.)	15
1.4	Quality assurance procedure, warranty	25
1.5	Relevance of: - Specialized Knowledge - Experience on Similar Programme / Projects - Experience on Projects in the Region - Work for UNDP/ major multilateral/ or bilateral programmes	120
	SUB TOTAL	300
Proposed Methodology, Approach and Implementation Plan		
2.1	To what degree does the Proposer understand the task?	30
2.2	Have the important aspects of the task been addressed in sufficient detail?	25

2.3	Are the different components of the project adequately weighted relative to one another?	20
2.4	Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal?	55
2.5	Is the conceptual framework adopted appropriate for the task?	65
2.6	Is the scope of task well defined and does it correspond to the TOR?	120
2.7	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	85
SUB TOTAL		400
Management Structure and Key Personnel		
3.1	Task/Project Manager / Team Leader /	
	General Qualification	
	Suitability for the Project	
	- International experience	25
	- Training experience	20
	- Professional experience in the area of specialization	45
	- Knowledge of region	30
	- Language qualification	20
SUB TOTAL		140
3.2	Senior Expert(s) / Lead Consultant(s)	
	General Qualification	
	Suitability for the project	
	- International experience	15
	- Training experience	15
	- Professional experience in the area of specialization	45
	- Knowledge of the region	25
	- Language qualification	20
SUB TOTAL		120
3.3	Project Staff/ Associate Consultants	
	General Qualification	
	Suitability for the project	
	- International experience	5
	- Training experience	5
	- Professional experience in the area of specialization	10

	- Knowledge of the region	10
	- Language qualification	10
	SUB TOTAL	40
	Aggregate	1000

XII. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL

For purposes of generating quotations whose contents are uniformly presented and to facilitate their comparative review, a prospect firm is given a proposed Table of Contents. Therefore, prospective firm Proposal Submission must have at least the preferred contents which are outlined in the Proposal Submission Form incorporated hereto.

XIII. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The firm shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the service without prior written consent. Proprietary interests on all materials and documents prepared by the firm under the assignment shall become and remain properties of UNDP.