



TERMS OF REFERENCE

Support to operationalize the “Go Digital! Challenge”

Assignment Title	Technical and organizational support to UNDP Myanmar (Go Digital! Challenge)
Project	Strategic Management Unit, <i>Go Digital! Challenge</i>
Type of Contract	Professional Contract for Services
Contract Period	1 October 2020 – 30 March 2021
Supervisor	Head of Strategic Management Unit, UNDP Myanmar
Location	Yangon, Naypyitaw
Country	Myanmar

A. BACKGROUND

The COVID-19 pandemic is a global crisis that continues to challenge established health systems and economies. To slow down infections, the Government of Myanmar (GoM) imposed ‘lock-down’ measures to limit the movement of people, goods and services, ultimately containing the spread of the virus. The collapse of supply chains, production and aggregate demand have evidenced the need for a more resilient economy with businesses that are able to adapt to the new reality by leveraging digital technologies. Allowing business continuity, digital technologies have also proven to help mitigating the risk of spreading COVID-19 (e.g. mobile payments reducing transmissions via paper money).

The COVID-19 crisis has accelerated Myanmar’s digital transformation incentivizing businesswomen and -men to make outstanding investments and customers to update their consumer behaviors. The rise of digital payment systems, online sales and collaboration platforms (e.g. Zoom) have demonstrated that digital transformation creates opportunities to develop new business models through innovative financing, new ways of reaching consumers and connecting value chains. With the ‘lock-down’ measures fading out, Myanmar is entering a ‘new normal’ in which consuming, working and producing digitally will become an integral part of the economy and society. This digitally transformed, ‘new normal’ yields gains for efficiency, innovation, use of data, and business resilience. The GoM’s COVID-19 Economic Relief Plan (CERP) explicitly recognizes the needs, and opportunities, for digital transformation in Action Plan 5.1.

The anticipated acceleration of digital transformation in Myanmar will require additional investments by companies and broad efforts to strengthen digital literacy, infrastructure and human rights. The economic crisis in Myanmar, triggered by the pandemic and respective quarantines, hit hardest the people that were employed in less resilient businesses. Micro-, small-and medium-sized enterprises (MSMEs) tend to be more vulnerable to economic shocks because they have few savings, low credit ratings and limited resources to adapt their business model. At the same time, non-formal micro, small and medium-sized enterprises employ 83 percent of the population in Myanmar. Providing these businesses with the platform, seed funding and expertise to adapt their business model to the digitally transformed, ‘new normal’ in Myanmar will ensure vital support for the MSME sector to return to growth patterns. Aligned to the CERP and the UN Framework for immediate socio-economic response to COVID-19 in Myanmar, UNDP in partnership with Government of Myanmar, is working on developing a package of customized E-training services for MSEM s across Myanmar as well as promoting innovative ideas to accelerate the development of e-commerce. Also, UNDP in partnership with Ooredoo, Myanmar has launched an Innovation Hub for Sustainable Development Goals to promote digital entrepreneurs with a focus on women and youth.

Complementing the ongoing initiatives and building on the partnership with the GoM further to strengthen COVID-19 related recovery response, UNDP is now proposing to launch a “Go Digital! Challenge” to support the digital transformation of MSMEs in Myanmar. It is a call for MSMEs to submit innovative ideas to transform their business models into tech-enabled platforms that leverage digital technologies. The ideal implementation timeframe will be a period of 4 months. **A UNDP and Government -led panel will review proposals and select five winners that will be granted seed funding and advisory support for the transformation. We scout for proposals from:**

- From micro-, small-and medium-sized enterprises (<300 employees) legally registered in Myanmar.
- That intend to fully or partially incorporate digitization into the business model (such as, move to web-based platform for merchandizing, marketing etc., or developing an app to help stabilize and grow business) in **financially sustainable, potentially scalable and innovative** ways; The ideas should realistically be implementable over a period of 4 months
- Includes at least 15-20% own investment. The grant (currently envisaged around USD 10,000 per grantee) will cover the remaining 80-85% investment needed for the digital transformation
- That fall into one of four sectors/ categories defined by UNDP and The Directorate of Industrial Supervision and Inspection (DISI)

Candidates will be requested to submit a narrative, budget and business implementation plan using the application guidelines. Eligible entrepreneurs will go through shortlisting and then will be given the opportunity to present their proposal to a panel which will recommend five grantees to UNDP. UNDP will approve financial resources and deliver technical advice through an implementation partner, depending on need and impact. The winners will be linked with ongoing initiatives with DISI and the Department of Trade as well as with the Innovation Hub for SDGs including on capacity building to enhance investibility and access to financial resources to scale up the businesses.

DISI is a key authority facilitating the growth of Small-and Medium-sized Enterprises (SMEs) in Myanmar and is part of the Ministry of Planning, Finance and Industry. It provides crucial services for Myanmar SMEs to get technologies, markets and financial support, and registration for private industrial enterprises. DISI has been investing in spurring local entrepreneurship in Myanmar and is increasingly engaged in stimulating SME innovation. With its 15 State/Regional offices, DISI is well connected with regional business ecosystems and ideally placed to help facilitating digital transformation, innovation and MSME growth in Myanmar.

To take forward the grant support to MSMEs for their digital transformation, UNDP in partnership with DISI will support the design and operationalize the “Go Digital! Challenge”. As such, UNDP seeks the services of a service provider to serve as the Implementing Partner (IP) of the challenge. Amongst others this will include

1. Set-up, launch and outreach of the challenge;
2. Manage application and selection process. UNDP will make the final selection from a shortlist derived from all applications
3. Provide technical support to MSME to implement digital transformation plans over a period of 4 months;
4. Grant management of selected grantees including M&E;

B. SCOPE OF WORK, OUTPUTS AND DELIVERABLES

Under the direct supervision of the Head of Unit, UNDP Strategic Management Unit (SMU), and guidance of the Director General, Directorate for Industrial Supervision and Inspection (DISI), the Implementing Partner (IP) will set up and implement the challenge including technical support to accompany grants.

The IP will be responsible for the overall accountability and management, including financial management, of the entire “Go Digital! Challenge” and delivery of all the initiative’s results. The selected IP will coordinate closely with UNDP personnel to ensure the provision of the following tasks:

- **Development and launch of the Go Digital! Challenge**
 - Update, where necessary, the existing background documents (e.g. application guidelines) needed to launch the challenge and develop work plan allowing the monitoring of milestones
 - Create and implement an outreach strategy prompting at a minimum of 50 applications
- **Manage launch and application process**

- Receive incoming applications, respond to queries and support applicants in providing all necessary documents for short-listing
- Screen for eligibility and exclusion criteria, and rate all candidates allowing subsequent long-listing, and then develop a shortlist of at least 15 enterprises
- **Coordinate final selection**
 - Coordinate schedule with all stakeholders (UNDP and DISI as panel members) and shortlisted 15 MSMEs to pitch to the panel
 - Based on panel's decision, compile rating and ensure full liaison with successful candidates
- **Provide administrative and technical support to facilitate at minimum 5 agreements with grantees**
 - Conduct due diligence on grantee
 - Provide technical advice to create complete digital transformation plan for each grantee defining needs and how those will be met.
 - In line with the digital transformation plan, meet with each grantee at least 4 times for the duration of the challenge to provide technical advisory and assistance as needed to complete the transformation
- **Grant management and technical advice**
 - Disburse funds as agreed in disbursement schedule and upon completion of milestones
 - Ensure monitoring and reporting in full compliance with UNDP policies, rules and regulations including short monthly progress reports. Along with overall grant management, the reports should include dedicated sections summarizing the progress of each digital transformation plan
 - Convene 2 Community of Digital transformation Entrepreneurs meetings (for the 5 grantees) and facilitate knowledge exchange
 - Final report to UNDP (includes both technical and financial sections)
- **Any other support** of relevance to the operationalisation of the *Go Digital! Challenge* as per the guidance of UNDP and lessons learnt from the first round

No.	Description of deliverables	Timeline	Payment
1	Workplan and communication strategy shared with UNDP and Challenge launched <ul style="list-style-type: none"> ○ Workplan, communication strategy and all communication materials produced; ○ Application materials (including guidelines and templates) updated; ○ Challenge and communication campaign launched (campaign needs to be on for 21 days) 	5 October 2020	10%
2	Application process managed and longlist shared with UNDP <ul style="list-style-type: none"> ○ All queries by applicants answered, one online Q&A session conducted, daily update on application process shared with UNDP; ○ At minimum 50 applications screened for eligibility and exclusionary criteria, and rated using longlisting criteria. ○ Longlist of 15 application finalized 	31 October 2020	10%
3	Work of selection panel coordinated and grantees finalized <ul style="list-style-type: none"> ○ Coordinate convening of selection panel and coordinate assessments of 15 panel interviews completed, and ratings compiled ○ Rapid Due diligence on 5 shortlisted MSME's conducted 	14 November 2020	15%
4	Digital transformation for all 5 grantees completed Provide technical advice to create complete digital transformation plan for each grantee defining needs and how those will be met. <ul style="list-style-type: none"> ○ In line with the digital transformation plan, meet with each grantee at least 4 times for the duration of the challenge to provide technical advisory and assistance as needed to complete the transformation ○ Disburse funds as agreed in disbursement schedule and upon completion of milestones ○ Ensure monitoring and reporting in full compliance with UNDP policies, rules and regulations including short monthly progress reports 	15 March 2020	50%

	o Convene 2 Community of Digital transformation Entrepreneurs meetings (for the 5 grantees) and facilitate knowledge exchange		
5	Final report for the assignment that updates all section from the progress reports and with lessons learned, gaps and recommendations for future Challenges for UNDP and DISI.	30 March 2021	15%

C. INSTITUTIONAL ARRANGEMENTS

- The IP will directly report to the Head of Strategic Management Unit (SMU) at UNDP and obtain certificate of acceptance of outputs from the Chief of Unit
- The IP will be given access to relevant information necessary for execution of the tasks under this assignment, including the existing project document, guidelines, risk management and M&E draft plans for the overall implementation of the initiative;
- The IP will work in close coordination with UNDP consultants and under the overall guidance of the Head of SMU
- The IP will work in coordination with DISI and UNDP will respectively facilitate meetings
- The IP is expected to arrange and cover the costs of transportation and accommodation, and other administration and logistics associated with the assignment.
- The IP is required to provide progress summary on the work including any risk foreseen based on agreed timeline, unless specified otherwise.
- The IP is also required to comply with the UN security directives set forth under <http://dss.un.org>, anti-corruption policies and policies against harassment and sexual exploitation

D. QUALIFICATIONS REQUIRED

See selection criteria below:

Criteria for Selecting the Best Offer

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable
1.	Expertise of Firm / Organization and Key Personnel	35%	350
2.	Management, Approach and Implementation Plan	35%	350
3.	Financial proposal	30%	300
Total			1000

Technical Proposal Evaluation Form 1	Points obtainable
Expertise of the Firm/Organization and Key Personnel	


1.1	Brief description of General Organizational Capability which is likely to affect implementation		50
	<ul style="list-style-type: none"> - Financial stability of organization (A statement of the turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading for this organisation); - Loose consortium, holding company or one firm implementing the project (subcontracting carries additional risks but properly done it offers a chance to access specialised skills; - A statement of the cash flow forecast for the current year and a bank letter outlining the current cash and credit position to demonstrate sufficient cash flow to implement the initiative. Alternatively, bank guarantee or similar to cover; - Project management controls and support; - Ability to operate in Myanmar; 		
1.2	Mapping of in-house staff capacities to complete the assignment		160
	<ul style="list-style-type: none"> - Qualifications of Team Leader (1 person only) in: leading a programme of similar size and complexity; effectively engaging senior stakeholders; directing and managing a grant challenge and/or portfolio; expertise in digital transformation, preferably in Myanmar; 	40	
	<ul style="list-style-type: none"> - Qualifications and Experience of the core team in areas such as: experience relevant to the assignment; programme and grant management; financial management; communications; digital transformation; provision of technical assistance to MSMEs; risk management and reporting; 	80	
	<ul style="list-style-type: none"> - Language qualifications of the proposed team, including English and Myanmar language abilities 	40	
1.3	Quality assurance procedures		40
1.4	Relevance of organization experience		100
	<ul style="list-style-type: none"> - on Similar Programme / Projects with the Government and/or Private Sector in the region, preferably in Myanmar 	80	
	<ul style="list-style-type: none"> - in delivering contracts with UN agencies 	20	
Total Part 1			350

Technical Proposal Evaluation Form 2		Points Obtainable
Management, Approach and Implementation Plan		
2.1	Management: Does the management and governance structure support effective and efficient delivery?	40
2.2	Is the overall strategy to delivery tailored to the Myanmar context and the current innovation/challenge grant/COVID19 response environment?	80
	<ul style="list-style-type: none"> - To what degree does the IP understand the task and objectives? 	40
	<ul style="list-style-type: none"> - Does the proposal demonstrate an understanding of the Myanmar context and has this been properly used in the preparation of the proposal? 	40

2.3	Approach: To what degree is the Proposer's approach effective to deliver best results to meet the project requirement and produce lasting impact?		160
	- Set-up, launch and outreach of the challenge	40	
	- Manage application and selection process including all tasks related to the selection panel	40	
	- Provide technical advice to MSME to prepare digital transformation plans	40	
	- Grant management of selected grantees including M&E	40	
2.4	Implementation Plan		70
	- Is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project in line with timeline proposed in the ToR?	50	
	- Is a comprehensive risk matrix proposed and are risk mitigation measures appropriate?	20	
Total Part 2			350

Technical Proposal Evaluation Form 3		Points Obtainable
Financial Proposal		
3.1	Overall cost as a ratio of funding given to grantees <i>Funding budget given to grantees is currently estimated at 75'000 USD</i>	100
3.2	Working days allocated to each deliverable by seniority (senior, mid-level, junior) of staff [highest wins]	
	- Is the allocation of working days per deliverable realistic and with appropriate levels of seniority?	40
	- What is the ratio senior and mid-level working days of total working days?	40
	- What is the ratio working days per deliverable as part of total budget?	40
3.2	Logistics and implementation costs [lowest wins]	80
	- Logistics for all activities including longlisting with panel and meetings of community of solution entrepreneurs	40
	- Any other cost not relating directly to staff salaries e.g. communication, staff travel, management fee, fringe, etc.	40
Total Part 3		300

Cleared by:

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