# TERMS OF REFERENCE

Activity 3.3.3: Support to Start-ups

## SUPPORT TO TWENTY (20) YOUTH START-UPs IN THE SOUTH WEST REGION, CAMEROON.


**SUMMARRY**
**RECOVERY PROGRAMME SOUTHWEST REGION**
**Pillar 3:** Economy and Livelihood
**Annual Work Plan** - 2021
**Output 3.3:** Support economic recovery, through short-term work opportunities, livelihoods development and market improvement
**Activity :3.3.3** Support forty-seven (20) start-ups for youths (Business Training, mentoring, financial grant)
**Concerned Council areas:** Mamfe, Kumba 1, Bangem, and Wabane
**Closing date : 23/08/2021**


### 1. Background/Context

Cameroon has been experiencing an armed conflict in the North-West and South-West Regions since 2017. This conflict has caused a huge death toll in both civilian and combatant populations, significant economic decline, growing underdevelopment, pain and suffering in affected communities, and a breakdown in social cohesion.

The government of Cameroon and UNDP collaborated in the formulation of the Presidential Plan for Reconstruction and Development (PPRD) of the North West (NW) and South West (SW) Regions. The PPRD feeds into the government's efforts to resolve the current crisis. It is against this backdrop that UNDP has engaged in recovery activities in both regions. The objective of this plan is to strengthen institutions and processes that facilitate peacebuilding and resilience through the following three pillars:

(i) Strengthening social cohesion
(ii) Rehabilitation of damaged infrastructure
(iii) Revitalization of the local economy

The PPRD plan will be implemented in phases, and the first phase which is expected to cover two to three years will focus mainly on Recovery. This will complement and reinforce current humanitarian efforts by supporting the transition towards civilian led recovery and social cohesion, economy, and livelihood revitalization, and ultimately the return to normalcy for the Anglophone regions. The Recovery programme RP, which concerns the first three years will therefore focus on the human, social, economy and livelihood aspects.

In the area of revitalizing the local economy, one of the main activities is to support youths' start-ups.

The socio-political conflict in the Northwest and Southwest has caused large-scale damage, spurred a humanitarian crisis, and exacerbated existing social tensions. The vulnerable populations urgently need to receive assistance and to recover from both the conflict and neglect.

In the economic sphere, the crisis has discouraged investments in this region. A fall in investments implies a rise in unemployment and a general decline in the standards of living. Also, most of the councils in this region find it difficult to settle their debts and pay their workers.

**JUSTIFICATION**

According to the standard UN definition, youth comprise the age group between fifteen and twenty-four inclusive. Concerning the definition of unemployment, the ILO definition which is now the most widely used considers unemployment rate as the proportion of the labour force that has not worked more than one hour during the short reference period and is actively looking for and is available for work. Thus, unemployed youth are those people aged between 15 and 24 who have not worked but who are available and actively seeking work like in the case in Cameroon.

Youths in Cameroon face high unemployment and under-employment. Before the advent of the sociopolitical crises in 2017 national survey of employment in Cameroon and the informal sector found that the expanded unemployment rate among young people aged 15-35 stood at close to 13%, while the level of under-employment was 71.9%. Youths in Cameroon rely heavily on employment in the public sector or civil service, but the government debt has skyrocketed and there isn't enough hiring to absorb all youths seeking civil service employment. Outside of the civil service, government gives youth's start-up loans, but these are often highly politicized. Government became aware of the dangers posed by the growing rate of youth unemployment and migration and created specific ministries and programs to cater for the challenges faced by Cameroonian youths. This included Rural and Urban Youth Support Program (PAJER-U), Youth Socio-economic Integrated Project for the Manufacturing of Sporting Materials (PIFMAS), and Integrated Support. Project for Actors of the Informal Sector (PIAASI). In spite all the above, the issue of youth unemployment is still severe in Cameroon.

In 2020, the estimated youth unemployment rate in Cameroon was at 5.84 percent (MINEPAT 2020). The situation of the North West and South West region hit by the crisis is around 15% according to World bank projections.

Youth Entrepreneurship creates employment opportunities for youth as well as the other young people they employ. This helps to bring ostracized youth back into the economic mainstream and address some of the socio-psychological problems and delinquency that arise from joblessness. Ignoring the youth employment challenge imposes not only widespread unhappiness and social discontent among youth, but also carries tremendous economic and social costs.

Entrepreneurship can lead to development of more industries, especially in rural areas or Regions disadvantaged by economic changes due to the crises by encouraging the processing of local materials into finished goods for domestic consumption and export.

Decent jobs for youths focus on interventions that are locally owned, aligned with national development priorities, and based on rigorous evidence of what works.

The Recovery program being executed by UNDP has therefore opted to promoting Youth Entrepreneurship which will help youths to develop new skills and experiences and promote innovation and resilience. As young entrepreneurs are particularly responsive to new economic opportunities and trends, they would be able to better adapt to the changing market. Youth Entrepreneurship is therefore an important tool in revitalizing the Region's economy. This is because each entrepreneur will bring about benefits not only for himself but for the municipality, Region, or

country. As they are Self-employed, they often have better work satisfaction. These businesses will also create jobs for others as well.

Emphasis will be placed on empowering youth through innovative use of technology, from promoting skills development and employment creation through IT, to jobs in service provision and recovery, enterprise and cooperative development.

It is of paramount importance on the part of poor and low-income youth to have increased sustainable access to appropriate demand-driven financial products (and non-financial services)

## 2. Objectives of the intervention

Globally, this intervention aims to support youths in target municipalities by imparting Knowledge and skills intended to create business leading to jobs, increase innovations, raised competition, respond to changing economic opportunities and trends and to fight social and financial exclusion. This will promote full, productive, freely chosen employment and decent work which are vital to promoting peace, preventing crises, enabling recovery, and building resilience.

***Specific objectives***

I. Identify and prioritise the most pecuniary feasible entrepreneurial opportunities in the Region.
II. Identify and select 20 motivated youths who exhibit nascent entrepreneurial attitudes (at least 30% girls and 5% people living with disability)
III. Train beneficiaries to acquire key business capabilities.
IV. Assist beneficiaries in developing their business ideas (business plans).
V. Provide resources (financial and material) needed to start business (start-up kits)
VI. Establish a mentorship strategy for early busines development stage for the beneficiaries (characterized by market entry and efforts to address the operational problems that may arise faced).

## 3. Expected Results

Economic recovery is supported through value chain development, work opportunities, and improvement initiative.

1. Twenty (20) top-notch youth start-ups are supported.
2. 60 decent jobs are expected to be created by the mid-term (3 jobs per start-up)
3. Beneficiaries acquire key business capabilities to establish and manage their business.
4. Early market entry, profitability and sustainability are enhanced by the mentorship program.
5. Lessons learnt are documented

## 4. INDICATORS

Indicator: Number of entrepreneurs (Youths) benefiting from the value chain development and improvement initiative

Baseline: 0
Target: 20

5. **Selection of beneficiaries**

The direct beneficiaries will be 20 youths (at least 30% female and 5% people living with disabilities) from within 5 sub-divisions in the SW. They must:

- Have a business licence (if applicable).
- Present an innovative and sustainable business model or economic development model.
- Have a workforce of not more than 5 employees or present a recruitment plan.
- Be over 18 years of age and under 40 years of age on the day of submission.

Indirect beneficiaries include the various households and communities where the start-ups will be installed.

6. **Distribution of beneficiaries**

| | **MUNICIPALITY** | **No OF BENEIFICIARIES** |
|---|---|---|
| **01.** | MAMFE | 05 |
| **02.** | KUMBA 1 | 05 |
| **03.** | BANGEM | 05 |
| **04.** | WABENE | 05 |
| **TOTAL** | | **20** |

**N.B.** Priority will be given to applicants who names already figure in MINEPAT-PPRD database.

7. **Modalities to support start-ups.**

The Recovery program will support start-ups in three (3) ways: i) mobilization of technical assistance for capacity-building and mentorship; (ii) direct financial contribution to investment in materials and light equipment; (iii) facilitating access to financing adapted to Microfinance Institutions (EMF)

The grants on inputs, materials and light equipment can be made in the form of purchase vouchers to the beneficiaries where these items cannot be purchased directly by UNDP for distribution. Needs such as land, building construction, large rolling stock are not eligible.

8. **Area of intervention**

Mamfe, Kumba 1, Bangem and Wabane

9. **Risk management**

**RISKS IDENTIFIED AND MITIGATION STRATEGIES**

| | **RISK** | **MITIGATION STRATEGIES** | **Action to be taken** |
|---|---|---|---|
| 1 | Arbitrary restrictions on movement, including, punitive curfews or roadblocks which prevent access to fields, markets, and training sites | • Negotiation with authorities and opposition groups and remain neutral | • Select train and use IMs<br>• Provide initial and routine refresher training on protection principles for CSOs engaged in livelihoods program<br>• Assess training sites and vocational training spaces to ensure they meet protection standards<br>• Train livelihoods CSOs staff on safe identification |

| | | | |
|---|---|---|---|
| | | | and selection of beneficiaries, |
| 2 | Destructions of Assets | • Ensure that assets and are protected.<br>• Ensure CSOs and beneficiary cooperative have a formalised complaints and feedback mechanism that incorporates known protection risks in the community. | • Conduct a context or conflict sensitivity analysis (at a minimum a Do No Harm assessment).<br>Who are the actors and groups present in the area and how they relate to one another? How do individuals residing in the project intervention area define their identity (host, displaced, religion, ethnicity, politics)?<br>• Establish a formalised complaints and feedback mechanism that incorporates known protection risks in the community.<br>• Encourage beneficiary communities to establish Self-defense or vigilante groups. |

**ELIGIBLITY AND SELECTION CRITERIA**

a) Administrative criteria

1. Justifying a legal existence as a national organization, cabinet, Etc… in Cameroon
2. Have an office or training room with minimum basic facilities
3. Copy of bank Attestation
4. Location plan of office
5. Other administratives documents

b) Technical criteria

1. Have at least 3 years of existence in the South west Region
2. Members should be located in selected areas of intervention (Membership-Male, female).
3. Justify with elements, how support to youth stat-up as evidence.
4. Have an operational Board of Directors and annual Reports for the last three years
5. Have staff with the requisite qualifications (expertise required) in relation to youth support,… (Add the list of staff, CVs, and diplomas)

6. Experience in managing partnerships with national, international and donor organizations, including reporting is an added advantage. Inclusive gender-diverse staffing (workplace) especially Board members

Application Procedure:
Interested company or cabinet covering more than one subdivision must submit the following documents /information to demonstrate their qualification, experience, and suitability to undertake the assignment. All supporting documents must be part of the detailed CV and uploaded as one document.

1. Copy of Registration Certificate
2. Justification elements for similar jobs, - Extension / input support ceremony photos as evidence
3. Draft activity budget (brief)
4. Proposed work plan (including duration needed to complete project)
5. Brief description of activity methodology
6. Financial Proposal that indicates the all-inclusive fixed total contract price supported by a breakdown of costs.

Incomplete proposals may not be considered. All applications must be made on-line.
Note: Please note you can submit two files (technical and financial offers) to this application.
The Company, Cabinet or Expert and members should be situated in the subdivision of intervention.

Evaluation Method and Criteria:
Technical Criteria for Evaluation (Maximum 70 points):

| Evaluation Criteria | Points |
|---|---|
| Have at least 3 years of existence in the South west Region | 15 points |
| Members should be located in selected areas of intervention (Membership-Male, female). | 15 points |
| Justify with elements, how support to youth stat-up as evidence. | 15 points |
| Have an operational Board of Directors and annual Reports for the last three years | 15 points |
| Have staff with the requisite qualifications (expertise required) in relation to youth support,… (Add the list of staff, CVs, and diplomas) | 25 points |
| Experience in managing partnerships with national, international and donor organizations, including reporting is an added advantage. | 15 points |
| Total | 100 points |

The company or cabinet will be evaluated based on this methodology.

Cumulative analysis:
The selected beneficiaries shall be cabinet/company whose offer has been evaluated and determined as a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (qualification) (70%) and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced qualified proposal received by UNDP for the assignment.

- Only applications which are responsive and compliant will be evaluated.
- Only tenders who pass 70% of technical evaluation will be evaluated further.
- Only tenders obtaining a minimum of 70 points (70% of the total technical points) would be considered for the Financial Evaluation.

Offers will be evaluated per the Combined Scoring method:

1. Technical evaluation (70%);
2. Financial evaluation (30%).

**10. Budget**

| Activity | Responsible party | Timeframe (Duration) | Quantity | Unit Cost FCFA | Total cost FCFA |
|---|---|---|---|---|---|
| Provide start-up kits | UNDP - Procurement | 01 month | 20 | | |
| Initial training, mentorship and incubation | IP | 03 month | 10 | | |
| Produce Progress / Final report of activity for validation | IP | Monthly<br><br>End of activities | 03 | - | - |
| **TOTAL** | | | | | **CFA** |
| | | | | | **$** |