

United Nations Development Programme

**TERMS OF REFERENCE**

Assignment Title	Private sector development – Conducting Baseline, Rapid Needs Assessment and Mapping for Post-Pandemic Recovery for Green MSMEs
Project	Accelerating Green and Resilient Recovery While Leveraging Digital Technology in Myanmar
Type of Contract	Professional Contract for Services
Contract Period	3 months starting in September 2021
Supervisor	Project Manager/CTA, Governance for Resilience and Sustainability Project
Location	Scope of mapping will be undertaken across Myanmar. Surveys will be undertaken in Yangon, Mandalay and Bago regions.
Country	Myanmar

A. BACKGROUND

Myanmar's MSMEs are leading generators of jobs, income and wealth, having accounted for 92%–89.9% of total registered enterprises from 2006 to 2019 according to a recent study by the Asian Development Bank.¹ There were more than 75,000 registered MSMEs (as of end-2019). The same study reports that on average, women in MSMEs held 40% of total enterprises jobs. Therefore, they are vital in tackling sustainability and resilience provided they have capacity and resources to address pre-existing fundamental bottlenecks. Principal among these is lack of access to markets and finance, management capacity, and skills for accessing finance and digital infrastructure and other resources. Many MSMEs are unable to meet international standards for their products despite aiming to join global markets. Being dominated by large competitors, they face difficulty in participating in e-commerce; notwithstanding limited uptake of digital platforms, digital products and services despite a more than 90% penetration of internet, broadband mobile connections and smartphone ownership. Most MSMEs are low technology businesses catering to domestic markets, and a fraction comprises young entrepreneurs, start-ups and technology-based firms that are more growth inclined and open to innovate. These challenges are common across MSMEs, but there are also unique challenges to green MSME development such as lack of market-based incentives and limited understanding of green business practice to leverage the opportunities that come from it.

Further complicating these are the socio-economic disruptions caused by the COVID-19 pandemic since 2020 and the ensuing internal political and security context. 1 in 3 MSMEs in Myanmar have been impacted during the pandemic alone. To date, these crises have had wide-ranging impacts, from business closures to layoffs and furloughs; some impacts are gendered differentiated, resulting in a widening of gender gaps. It is estimated that nearly half of Myanmar's population could fall below

¹ ADB. 2020. Asia Small and Medium-Sized Enterprise Monitor 2020. Volume I- Country and Regional Reviews.

poverty line by early 2022 with continued job losses and business closures, and inadequate government support, according to a recent UNDP study.

Although some businesses are able to adapt to the new ways of doing business, including having to speed up shifting to e-commerce and digital and/or pick up new skills that will help them use resources more efficiently to reduce costs and save time, and others, unfortunately, are not. If MSMEs are able to address pre-existing challenges, respond to impacts and take advantage of opportunities, they are well placed to support economic recovery, renewal, and diversification in line with green investments. Therefore, it is essential to promote MSMEs to build green and resilient growth in Myanmar as they adapt post-crises.

UNDP Myanmar aims to respond to the challenges through “Accelerating Green and Resilient Recovery While Leveraging Digital Technology” (Programme) as part of its COVID-19 response and broader private sector support. The Programme aims to promote and support MSMEs, as well as women led MSMEs, to build back better post COVID-19. It builds on the UNDP Myanmar’s long-standing efforts to support private sector development by focusing on promoting the greening of MSMEs, ensuring that businesses of all sizes can go green and gender-inclusive, and assisting functioning early-stage green MSMEs including women-owned enterprises thrive/grow. It is aligned with UNDP’s efforts to develop solutions at the national and subnational levels for sustainable management of natural resources and ecosystem services as a platform for inclusive economic development.

The Programme is designed to provide support to green MSMEs, and the enterprise ecosystem, comprising capacity development providers, financing and non-financing institutions, and networks, and build their capacities to address fundamental and emerging challenges that most functioning early-stage green MSMEs have difficulty overcoming as they cope with the shocks of pandemic. It provides support directly to early stage green MSMEs so they can continue to scale their market and/or introduce environmentally preferable products and services; go green and gender-inclusive while leveraging digital technology amidst the ongoing cash shortage, supply chain disruption, loss of markets, and third wave of the pandemic in Myanmar.

The project requires the engagement of a service provider to deliver Green MSMEs Post-Pandemic Mapping and Rapid Needs Assessment Report, providing specific attention to links to broader women’s economic empowerment, and communicate key results to appropriate audiences.

B. SCOPE OF WORK, OUTPUTS AND DELIVERABLES

Working under the overall guidance of the Project Manager/Chief Technical Advisor, Governance for Resilience and Sustainability Project (GRSP), and closely, with Environmental Goods and Services/Green Business, GRSP, the service provider will be responsible for the following activities:

1. Produce the Green MSMEs Post-Pandemic Mapping and Rapid Needs Assessment Report (main deliverable)

The Report comprises two parts. Part 1 will involve a stock take of Myanmar-based green MSMEs, defined broadly as “MSMEs that undertake for-profit activities with low environmental impact and/or high resource efficiency outcomes including enterprises involved in environmental goods and services, environmentally preferable products/services acquisition, manufacturing, distribution, reuse, operation, maintenance and disposal, and certification/ audits/labeling; also, businesses that are going green by shifting to operations with low environmental impact, using green technology

solutions, and promoting regeneration of conservation assets”; and rapid capacity evaluation of green MSMEs and the enterprise ecosystem.

Based on capacity evaluation results, Part 2 will identify baselines and targets for project output indicators. Part 2 will also recommend a list of top 3 industry categories with high potential for green MSMEs development and innovation via digital infrastructure technology along with profile of each industry category and how and why those categories are selected, and 10 early-stage green MSMEs for each category.

Expected key deliverables are:

1.1 An assessment of trends and status of green MSMEs across Myanmar focusing on early-stage enterprises before the COVID-19 Pandemic (2014–2019) and current context (Post-Pandemic and Coup) and these include scale (i.e., data on number and growth by industry sector and enterprise size, employment disaggregated by gender, age, and enterprise size), business productivity, market access (domestic and international), and penetration of digital technology and e-commerce in supply and value chains.

1.2 An assessment of urgent and critical capacity needs of two local key actors in, covering green MSMEs and enterprise ecosystems in at least three regions (Yangon, Mandalay and Bago): (a) For early stage green MSMEs, the capacity needs assessments will focus on requisite basic and advanced skills for accessing finance, markets, digital infrastructure and e-commerce; in developing and implementing strategic business action plans such as greening, which can encompass a variety of areas ranging from using resources more efficiently to improving digital participation (i.e., B2B and B2C linkages); and management; and (b) For enterprise ecosystem including ecosystems, comprising non-government capacity development providers such as private, non-profit, academic, technical and vocational training centers, and networks and business associations, the capacity needs assessment will focus on knowledge building (training of trainers) in green business development and skills improvement; these are to develop their own internal capacity to scale up support necessary for green MSMEs and train/mentor them in a variety of areas.

1.3 Recommendations on available/existing capacity development activities, and networking and support programmes for MSMEs in general, how the advisory services were structured and implemented and indications of uptake, including how the work has assisted women. These are to determine how these can be leveraged for green MSME development; some examples of which may include leveraging the advocacy role of the Union of Myanmar Federation of Chambers of Commerce and Industry and other business associations/ chambers of commerce in bridging green MSMEs and government, SMEDA’s technology and advisory support/ incubation program, and the ASEAN Business Incubator Network to develop and offer incubation programs for green MSMEs.

1.4 A rapid capacity gap mapping analysis of the results of needs assessment for green MSMEs and enterprise ecosystem (1.2) with available/ existing capacity development support and network for green MSMEs and other MSMEs in general (1.3).

1.5 Recommendations on available/existing green financial products servicing MSMEs. These include rapid assessment of the needs of private financial institutions (FIs) servicing SME financing and microfinance institutions to develop green financial products and make them available digitally and accessible via mobile banking with data analytics, and digital financial infrastructure (e.g., national payments system, standardized QR code payments infrastructure). This also includes assessing the operating conditions of a few private equity and venture capital firms and what is needed to boost finance for innovative start-ups and early-stage green small enterprises.

Methodology and Approach: Post-Pandemic Mapping and Rapid Needs Assessment Report will make use of combined (a) in-house (service provider) generated datasets and analytics, which are built through years of strategic partnerships with key institutions that hold MSME data including SME agencies, central bank, financial authorities, SME banks, chambers of commerce and others; and (b) a rapid survey with a statistically sound sample size of green MSMEs by enterprise size and industry sector; and a reasonable number of capacity development providers servicing MSMEs and private sector FIs servicing SME financing and non-FI servicing micro enterprises, private equity and venture capital funds servicing start-ups. Survey will be undertaken to further inform capacity needs and gap assessment in the current context. In addition, latest publicly-available needs assessment reports for SMEs and similar studies by UN agencies, MDBs or chambers of commerce will also be used.

Surveys will be conducted in at least three regions (Yangon, Mandalay and Bago) with questions that are disaggregated by gender, where applicable. In addition, surveys will have specific questions that can inform the baselines and targets for project output indicators; for example, sample determinant-questions for green MSMEs are “Do you have a clear business action plan for greening your supply chain, or “If so, are you able to implement it given the current political situation?”. Project output indicators include number of green MSMEs having clear action plans coming of capacity building programme, number of ecosystem actors with improved capacity to support green MSMEs, and number of MSME owners and staff with increase in knowledge on business management disciplines (disaggregated by gender), to cite a few.

2. Present key results at GRSP Knowledge Sharing Seminar

Key deliverables include:

1. An inception report to illustrate the approach to the consultancy requirements, including risk mitigation and management.
2. A Post-Pandemic Rapid Needs Assessment and Mapping Report that includes a stock take of green MSMEs and capacity evaluation for green MSMEs and enterprise ecosystem.
3. A list of top 3 industry categories with high potential for green MSMEs development and innovation via digital infrastructure technology along with profile of each industry category and how and why those industries are selected, and 10 functioning early-stage green MSMEs for each industry category.
4. A Baseline and target for each project output indicators.
5. A report on survey.
6. A summary of stocktake and capacity evaluation in presentation format.

C. INSTITUTIONAL ARRANGEMENTS

- The service provider will report to the Project Manager/CTA, GRSP, of UNDP Myanmar.
- The service provider will work closely with the GRSP project team and the Sustainable and Inclusive Growth Unit of UNDP Myanmar.
- The GRSP team will provide technical advice and approve the methodological approach throughout the study.
- All data collected, results and outputs of the study will be transferred to UNDP by the service provider.
- The service provider is required to provide progress summary on the work including any risk foreseen based on agreed timeline, unless specified otherwise.

- The consultant is also required to comply with the UN security directives set forth under <http://dss.un.org>.
- The service provider will be given access to relevant information necessary for execution of tasks under the assignment
- The service provider is responsible for providing own laptop computers and mobile phones for use during this assignment; the service provider must have access to reliable internet connection.
- Payments will be made upon submission of deliverables and upon acceptance and confirmation by the supervisor.

D. DURATION OF ASSIGNMENT

The work will be undertaken over a period of up to 3 months, starting in September 2021. In accordance with expected outputs and deliverables, the service provider submits reports to Project Manager/CTA, GRSP for reviewing outputs, comments, and certifying approval/acceptance of works afterwards. In case of any delays to achieve the expected outputs, the service provider should notify the Project Manager and CTA, GRSP in advance to take necessary steps.

E. LOCATION OF WORK

Scope of mapping will be undertaken across Myanmar. Surveys will be undertaken in Yangon, Mandalay and Bago regions.

F. QUALIFICATIONS REQUIRED

The contracted service provider shall meet the following criteria:

- At least 10 years of experience in support of sustainable development
- Demonstrated experience with private sector, private capacity development providers, microfinance institutions and private financing institutions, private equity and venture capital fund entities, CSOs, CBOs and other non-government entities
- Preferably with relevant in-house data set built through years of strategic partnerships with key institutions that hold SME data including SME agencies, financial authorities, SME banks and chambers of commerce, and others
- Demonstrated understanding of the potential for green MSME development and investments to contribute to environmental and human development outcomes and of the structure and operation of MSMEs in Myanmar
- Experience working in, and knowledge of digital infrastructure and e-commerce in Myanmar
- Excellent communication and presentations skills particularly report and documentation writing in English and Myanmar Language
- Demonstrated ability to conduct adaptive research and surveys in Myanmar
- Demonstrated capacity to work in a consultative manner, good networking and capacity to deal well with people
- Proficiency in Use of MS Office and IT tools
- Demonstrated ability to produce high-quality capacity evaluation reports
- Strong communication ability in English and Myanmar Language

Team Composition:

The service provider's team should include a minimum of the following key professionals: Team Leader/ Lead Author; Stakeholder Engagement and Research Analysis Expert; Project Coordination, Monitoring and Evaluation Specialist.

Team Leader

The Team Leader will be responsible for the day-to-day technical delivery of the tasks, overseeing the design and implementation and execution of all analysis:

- Masters' degree in social science, sustainability development, or related field
- At least 7 years' work experience in designing, managing and executing surveys and capacity evaluations in Myanmar and other countries; experience in conducting capacity evaluation assessments in post-crisis settings is an advantage
- Very good multi-stakeholder understanding with strong focus on MSMEs and private sector. Experience of working with UN agencies is an advantage
- Excellent understanding of impact investing, gender equality, entrepreneurship, and economic dynamics and actors in Myanmar
- Very good understanding of MSME sectors in Myanmar and existing challenges, start up and investors landscape
- Excellent English language skills.

Stakeholder Engagement and Research Analysis Expert

- Bachelors' degree and/or comparable experience in the fields of social science, gender studies, public policy, or other related fields
- Minimum 5 years of relevant work experience in post-crises stakeholder engagement with private sector and community on topics of environment sustainability and digital technology in Myanmar
- Experience in supporting women and business development in Myanmar, in particular MSME sectors, start up and investors landscape Specific experience working on research or projects related to women's economic empowerment is an asset
- Excellent understanding of impact investing, gender equality, entrepreneurship, and economic dynamics and actors in Myanmar

Project Coordination, Monitoring and Evaluation Specialist

- Bachelors' degree and/or comparable experience in the fields of social science, management or related field
- Experience in organizing events and managing consultations remotely
- Demonstrated knowledge of community management (especially for women-led enterprises) is an asset
- Experience in M&E practice in crisis settings is an asset
- Experience in supporting women and business development in Myanmar, in particular MSME sectors, start up and investors landscape; specific experience working on research or projects related to women's economic empowerment is an asset At least 3 years of experience in conducting interviews, translations and research analysis

G. PAYMENT SCHEDULE

Payment for contracted service provider will be made upon certification of work accomplished and delivered by the contracted service provider. The payment instalments will be as follows:

Deliverable No.	Description of deliverables	Timeline	Payment
1	Upon satisfactory submission of a methodology, strategy and work plan for the assignment	15 September 2021	20%
2	Upon satisfactory submission of an initial Part 1 of Mapping Report Upon satisfactory submission of initial Part 2 of Mapping Report	15 October 2021	30%
3	Upon satisfactory submission of final Post Pandemic Mapping Report Upon satisfactory submission of a report on survey and summary of key results in presentation format	30 October 2021	50%

H. RECOMMENDED PRESENTATION OF OFFER

Interested firms are requested to submit technical and financial proposals as part of their application. The technical proposal should contain the following information:

- 1) Short description of the proposed methodology and approach to accomplish the outputs of the project;
- 2) Scope of work including specific activities and outputs to be undertaken completing the sets of deliverables;
- 3) Expertise that will constitute the proposed team that will undertake the assignment, together with the team management structure, with clear specification of the roles of individual personnel;
- 4) Work plan including time allocations for major activities.

The financial proposal shall contain the information on budget management and detail budget allocation for those tasks that are needed for the assignment. Possible budget heading may include costs for the personnel, materials, travel, per diem, communications, logistics, administration, stationeries, equipment rental, administrative overheads, etc.

I. CRITERIA FOR SELECTION OF THE BEST OFFER

The following criteria shall serve as basis for evaluating offers:

Cumulative Analysis

The award of the contract shall be made to firms whose offer has been evaluated and determined as;

- 1) Responsive/compliant/acceptable, and
- 2) Having received the highest score
 - Technical Criteria weight: 70 %
 - Financial Criteria weight: 30%

The technical proposals will be evaluated as per the following criteria.

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

Technical Proposal Evaluation Forms		Score Weight	Points Obtainable
1.	Expertise of Firm / Organization	40%	400
	<p><i>-Previous experience designing and implementing evidence-based research and survey, capacity evaluation, mapping and landscape analysis on MSMEs in at least three industry sectors including those businesses led by women in Myanmar</i></p> <p><i>Minimum 3 designed and implemented in Myanmar- 100 points for such projects; 10 points for each additional project; maximum up to 100</i></p>		200
	<p><i>-Ongoing partnerships with private sector and/or MSMEs ecosystem players, including bankers, investors and impact investors within and outside of Myanmar</i></p> <p><i>Minimum 2 projects executed in partnership with at least one or more ecosystem players, bankers, investors and/or impact investors; 25 points for 2; 5 points for each additional project; maximum up to 50</i></p>		100
	<p><i>-In house data sets which are built through years of strategic partnerships with key institutions that hold MSME data including SME agencies, central bank, financial authorities, SME banks, chambers of commerce and others</i></p> <p><i>30 points for at least 5-years, time-series (regularly updated) dataset on MSMEs and relevant statistics in Myanmar; 10 points if disaggregated by se/ industry or region and another 10 if linked with environment-related indicators</i></p>		50
	<p><i>-At least 2 previous projects on designing and implementing capacity building programmes on environmental sustainability and digital technology</i></p>		50

	<i>for social enterprises, women entrepreneurs or MSMEs led by women</i>		
	<i>30 points for 2 previous projects; 10 marks for each extra (maximum up to 20)</i>		
2.	Proposed Methodology, Approach and Implementation Plan	30%	300
	<i>Context</i>		
	<i>-To what degree does the Proposer understand the task and objectives?</i>		<i>100</i>
	<i>-Does the proposal demonstrate an understanding of the project context and the current challenges (security, pandemic) and has this been properly used in the preparation of the proposal?</i>		<i>100</i>
	<i>Methodology</i>		
	<i>-To what degree does the Proposer's approach to delivery of the project meet requirements? Is the sequence of activities and the planning logical, realistic and promise timely delivery of outputs?</i>		<i>100</i>
	<i>Planning and Delivery</i>		
	<i>-Is the scope of task well defined and does it correspond to the TOR?</i>		<i>100</i>
3.	Management Structure and Key Personnel	30%	300
	<i>Project Manager</i>		
	<i>-At least 10 years of experience in implementing projects on environmental sustainability and conservation in Myanmar and other countries</i>		<i>100</i>
	<i>-First-hand entrepreneurial work experience with a demonstrable ability to manage startup & entrepreneurial programmes and providing technical expertise in the areas of green business development, sustainability reporting, impact investment, gender, and economic empowerment in Myanmar and other countries</i>		<i>50</i>
	<i>Stakeholder engagement expert</i>		
	<i>Experience with multi-stakeholder engagement, including with private sector. Experience of working with UN agencies is an advantage</i>		<i>100</i>
	<i>Monitoring and evaluation</i>		
	<i>-Experience in setting up monitoring, evaluation and learning systems for development projects</i>		<i>50</i>
	Total		1000

Only those firms obtaining a minimum of 70% in the technical evaluation will be considered for the financial evaluation.

Financial Evaluation of Proposals:

The financial proposals of all the applicants who pass the technical evaluation will be scored.

The maximum 30 points will be allotted to the lowest financial bid, and all other bids shall receive points in inverse proportion to the lowest fee e.g. $[30 \text{ Points}] \times [\text{USD lowest}] / [\text{USD other}] = \text{points for other proposer's fees}$.

The contract shall be awarded to the applicant who receives the highest cumulative score.