**Annex 2**

**FORM FOR SUBMITTING SERVICE PROVIDER’S PROPOSAL**

***(This Form must be submitted only using the Service Provider’s Official Letterhead/Stationery)***

[insert: *Location]*.

[insert: *Date]*

To: [*insert: Name and Address of UNDP focal point]*

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated *[specify date]* , and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions :

1. **Qualifications of the Service Provider**

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following:

1. Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations;
2. Business Licenses – Registration Papers, Tax Payment Certification, etc.
3. Latest Audited Financial Statement – income statement and balance sheet to indicate Its financial stability, liquidity, credit standing, and market reputation, etc. ;
4. Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;
5. Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.
6. Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.
7. Include all the documents mentioned in the **Minimum Eligibility Criteria** mentioned in Annex 1.
8. **Proposed Methodology for the Completion of Services**

|  |
| --- |
| The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work. |

1. **Qualifications of Key Personnel**

*If* required by the RFP, the Service Provider must provide:

1. Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
2. CVs demonstrating qualifications must be submitted if required by the RFP; and
3. Written confirmation from each personnel that they are available for the entire duration of the contract.

*[Name and Signature of the Service Provider’s Authorized Person]*

*[Designation]*

*[Date]*

**Annex 3**

**FORM FOR SUBMITTING SERVICE PROVIDER’S FINANCIAL PROPOSAL**

(This Form must be submitted only using the Service Provider’s Official Letterhead/Stationery)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Research Firm for Diagnostic Study of the Youth Entrepreneurship Ecosystem in Pakistan** | | | | | | | |
| **S.No** | **Description** | **Quantity** | **Working Days** | **No. of months/cities** | **Unit Price** | **Total Price PKR** | **Comments** |
|  | **Human Resources** |  |  |  |  |  |  |
| 1 | Lead Researcher | 1 | 66 | 3 |  |  | Engaged for 3 months |
| 2 | Assistant Researchers | 2 | 66 | 3 |  |  | Engaged for 3 months |
| 3 | Communications Officer | 1 | 66 | 3 |  |  | Engaged for 3 months |
| 4 | Interviewers/Facilitators | 5 | 22 | 1 |  |  | Engaged for 1 month |
| 5 | Data Collection Coordinators | 5 | 22 | 1 |  |  | Engaged for 1 month |
|  | **Data Collection** |  |  |  |  |  |  |
| 6 | Travel for interviews | 4 | Personnel\*Days | 5 |  |  | Travel for 2 interviewers per city - 5 cities |
| 7 | Accommodation for interviews | 4 | Personnel\*Days | 5 |  |  | Accommodation for 2 interviewers per city - 5 cities |
| 8 | Food for interviews | 4 | Personnel\*Days | 5 |  |  | Food for 2 interviewers per city - 5 cities |
| 9 | Travel for FGDs | 4 | Personnel\*Days | 5 |  |  | Travel for 2 facilitators per city - 5 cities |
| 10 | Accommodation for FGDs | 4 | Personnel\*Days | 5 |  |  | Accommodation for 2 facilitators per city - 5 cities |
| 11 | Food for FGDs | 4 | Personnel\*Days | 5 |  |  | Food for 2 facilitators per city - 5 cities |
| 12 | Survey (online) | 1 |  |  |  |  |  |
| 13 | Workshops | 5 | Workshops | 1 |  |  | Arrangements for 5 workshops - 30 people in each workshop in a 3 star hotel in each of the 5 cities |
| 14 | Travel for workshops | 3 | Personnel\*Days | 5 |  |  | Travel for 3 facilitators per city - 5 cities |
| 15 | Accommodation for workshops | 3 | Personnel\*Days | 5 |  |  | Accommodation for 3 facilitators per city in a 3 star hotel in each of the 5 cities |
| 16 | Food for workshops | 3 | Personnel\*Days | 5 |  |  | Food for 3 facilitators per city in each of the 5 cities (breakfast/dinner assuming lunch covered in workshop cost) |
|  | **Sub-total** |  |  |  |  |  |  |
|  | **Firm operational costs** | 1 |  | Lumpsum |  |  |  |
|  | **Total Price PKR** |  |  |  |  |  |  |
|  | **Applicable TAX % (If Applicable)** |  |  |  |  |  |  |
|  | **Total Amount inclusive of TAX** |  |  |  |  |  |  |

*[Name and Signature of the Service Provider’s Authorized Person]*

*[Designation]*

*[Date]*

***Note:***

1. ***Please mention the currency of your proposal. Local vendors are paid in PKR hence their proposal should be in PKR.***
2. **Note: The Price of proposal should be inclusive of all applicable tax, UNDP will not provide any exemption to the bidder.**
3. **Please mention Tax separately.**

***Annex 4***

## General Terms and Conditions for Services

**Separately attached**

**Annex V**

**Terms of Reference**

**Research Firm for Diagnostic Study of the Youth Entrepreneurship Ecosystem in Pakistan**

### Project Description

With a large portion (32%) of youth in Pakistan being poverty-stricken and uneducated with no vocational and life skills, a big segment of the society remains vulnerable to violence and extremism. Investment in skills development, employment and entrepreneurship opportunities for youth is needed to reduce conflict but also to help establish a foundation for long-term economic growth and prosperity in Pakistan. UNDP’s Youth Empowerment Programme (YEP) caters to the comprehensive global strategy that places youth at the forefront of its development work. It is a multi-pronged strategy aimed at creating pathways for the economic empowerment and constructive engagement of youth in Sindh and Khyber Pakhtunkhwa.

Central to YEP is the economic empowerment of youth through productive employment and entrepreneurship. Due to limited employment opportunities and saturation of the job market, the programme recognises that self-employment can have a positive impact in terms of creating employment opportunities and economic independence. Self-employment and entrepreneurship present promising alternatives that not only help young people generate income but also create jobs. Given the immense motivation pulling youth towards entrepreneurship, YEP has been promoting youth entrepreneurship through targeted interventions aiming to equip young people with the necessary skills required to start their own businesses and grow enterprises that will create more employment while providing opportunities to otherwise disadvantaged young people, directly contributing to SDG 8 – Decent Work and Economic Growth.

Pakistan’s entrepreneurship ecosystem has been growing since 2012 with an increasing number of events, activities, support players, funders, and of course, startups. The growing number of young, technology-savvy Pakistanis matches well with this growth in the startup landscape. While Pakistan’s digital startup landscape has grown significantly in the past ten years, the ecosystem has its share of challenges, particularly when it comes to regulations, access to early-stage capital, and the gender gap in the entrepreneurship space. The National Human Development Report 2017 also highlights several social, cultural, and economic barriers preventing youth from setting up sustainable businesses, pointing to an urgent need to invest in facilitating young potential entrepreneurs. The onslaught of the COVID-19 pandemic has exacerbated the situation, impacting the socio-economic status of young workers across the country. There is a greater need now need to help with the economic recovery of young people affected by the crisis. While small and medium businesses and individual businesses have been affected adversely by the crisis, this has also created an opportunity for people to transform their businesses and make use of technology to reach its customers through online platforms.

Based on YEP’s experience in youth entrepreneurship, it has been realised that a comprehensive understanding of the youth entrepreneurship ecosystem is required to create a conducive environment for young entrepreneurs and to support youth in establishing micro-enterprises, businesses, social enterprises, e-commerce businesses, etc. that caters to different entrepreneurship skill requirements pertinent to the challenges of starting a business and business development. There are key evidence gaps related to the state of the ecosystem for entrepreneurship in Pakistan, including: the profile of existing enterprises and entrepreneurs across the country, the roles that different stakeholders play, the key sectors where entrepreneurship could be leveraged to propel the country’s development objectives, and high-impact strategies and interventions that should be prioritised to strengthen conditions within the entrepreneurship ecosystem.

An existing report by Invest2Innovate on [Pakistan’s Startup Ecosystem](https://invest2innovate.com/i2is-new-study-pakistan-startup-ecosystem-report-2019/) provides an overview of Pakistan’s Startup Ecosystem including the gaps and challenges as well as recommendations across several domains including the policy and regulatory environment, finance and support organizations with a gender lens. Since this report is reflective of the state of the startup ecosystem as of October 2019, the key statistics and findings need to be updated and additional research needs to be done on other areas including human capital and entrepreneurship culture, access to finance and incentives, business development support and infrastructure, innovation and technology, and access to market.

Given this context and the opportunity, UNDP in partnership with the Islamic Development Bank (IsDB) and the Ministry of Information Technology and Telecommunication (MOITT) is planning to conduct a comprehensive diagnostic study into the state of the youth entrepreneurship ecosystem in Pakistan. This study delves into the current entrepreneurial environment for young entrepreneurs including digital start-ups, highlighting the trends, gaps and challenges facing entrepreneurs and investors, as well as recommendations on how to progress in the future.

UNDP and IsDB building on their existing partnership will be supporting additional IsDB countries this year to strengthen the local entrepreneurship ecosystem. The first two studies were conducted in Bangladesh and Indonesia in 2021. Youth Co:Lab, co-created in 2017 by UNDP and the Citi Foundation, establishes a common agenda for countries in Asia-Pacific to empower and invest in youth, so that they can accelerate the implementation of the Sustainable Development Goals (SDGs) through leadership, social innovation and entrepreneurship.

Guided by Youth 2030: the United Nations Strategy on Youth, UNDP strives to realize a world in which the human rights of every young person across the globe is realized; that ensures every young person is empowered to achieve their full potential; and that recognizes young peoples’ agency, resilience and their positive contributions as agents of change.

To date, Youth Co:Lab has been implemented in 26 countries and territories across the Asia-Pacific region, including in IsDB member countries Bangladesh, Indonesia, Pakistan, Malaysia and Maldives. By enabling young people to develop their skills, generate economic opportunities for themselves and their peers, and lead in developing solutions to the challenges facing their communities, Youth Co:Lab directly supports the three strategic pillars of IsDB’s Youth Development Strategy (YDS). In particular, YDS Pillar 2; to create enabling environments that are conducive to youth entrepreneurship and to promote job creation among youth through SME development.

In this regard, IsDB in partnership with UNDP through Youth Co:Lab will conduct a research on the state of the youth entrepreneurship ecosystem in Pakistan with an overall aim to strengthen the evidence base regarding the multi-stakeholder actions needed to make the entrepreneurship ecosystem more inclusive of youth-led enterprises. The objectives of this research are to:

* Assess the state of the ecosystem for youth entrepreneurship
* Identify evidence-based entry points for strengthening the ecosystem
* Identify opportunities and challenges, gaps, and good practices
* Provide data-driven recommendations to develop the ecosystem to be more inclusive of youth and marginalised groups

The study will assess the strengths and weaknesses of the youth entrepreneurship ecosystem in Pakistan across six domains: policy and regulatory framework, human capital and entrepreneurship culture, access to finance and incentives, business development support and infrastructure, innovation and technology, and access to market. Each of these domains will be assessed with a youth-responsive, gender-responsive and socially inclusive lens.

The evidence generated will be used to guide UNDP interventions in Pakistan under its Country Programme Document 2022-2026 as well as interventions by the Youth Empowerment Programme and Youth Co:Lab in Pakistan. The evidence generated will also inform IsDB programmatic support in Pakistan. The findings of this research study will also contribute to key government initiatives on youth empowerment including the Prime Minister’s Kamyab Jawan Programme, which is the Federal Government’s apex youth centric intervention being implemented across the country, and its various projects. It will also feed into programmes and policies developed by MOITT. If the government and key stakeholders work to address the gaps and challenges identified in the study and act upon the recommendations given, it will not only allow for young entrepreneurs to truly succeed in the country but it will also result in job creation for the youth and future economic growth.

Therefore, UNDP is seeking the services of a firm that has the relevant experience and valid expertise in carrying out desk reviews, quantitative data analysis, stakeholder mapping, human centric research methods and policy review/analysis for the Diagnostic Study of the Youth Entrepreneurship Ecosystem in Pakistan.

**Scope of Work**

The scope of the research is the youth entrepreneurship ecosystem in Pakistan. The ‘entrepreneurship ecosystem’ comprises not only the different stakeholders that are interacting with one another and the relationships between them; but also, the conditions that shape how these stakeholders operate and interact. These conditions include everything from policies and regulations to culture and social norms.

In particular, the contracting organization will be responsible for carrying out the following activities:

1. Define key terms and/or suggest definitions suitable for the country context.
2. Synthesis and analysis of data quantifying and segmenting the national population of enterprises and entrepreneurs, including by size, (in)formality, sector, type (e.g. opportunity-driven vs. necessity driven), age, gender, location, and more.
3. Synthesis of key national and sub-national strategies, policies and plans related to entrepreneurship and analysis of their effectiveness.
4. Diagnostic of the strengths and weaknesses of six key domains of the entrepreneurship ecosystem: policy and regulatory framework, human capital and entrepreneurship culture, access to finance and incentives, business development support and infrastructure, innovation and technology, and access to market. Assessing each of the domains with a youth-responsive, gender-responsive and socially inclusive lens.
5. Identification of recommendations and opportunities for specific ecosystem actors across each of these domains for strengthening the entrepreneurship ecosystem.
6. Assessment of particular barriers or challenges that young entrepreneurs / youth-led enterprises face across each of these domains through gender responsive and socially inclusive lens
7. Recommendations of strategic entry points for promoting the growth and resilience of youth-led enterprises with identification of key ecosystem actors for these entry points.
8. Assessment and identification of key priority sectors or value chains that present opportunities for youth entrepreneurship and advancing national development priorities such as economic diversification.
9. Best practices and case studies of youth-led enterprises.
10. Validated network mapping of key actors in the ecosystem supporting entrepreneurship including actor description, type and form of support provided and the connections between these actors within the ecosystem.

In terms of geographic scope, the research should be representative of the provinces/regions across Pakistan. The research team to travel to five geographical locations selected in consultation with UNDP for data collection:

1. Islamabad
2. Lahore
3. Karachi
4. Peshawar
5. Quetta

In terms of demographic scope, as outlined above, the study should apply a gender-responsive and socially inclusive lens with a focus on youth led entrepreneurship and be inclusive of different profiles of entrepreneurs and enterprises, including by gender, (dis)ability, location, age, etc. with a particular focus on grassroots startups/enterprises from rural areas.

The entrepreneurship ecosystem should encompass all forms of entrepreneurship and should not be limited to e.g., only MSMEs, startups, and social enterprises. However, the study should also focus on the different stages of startups/enterprises including pre-seed, seed and beyond but particularly on pre-seed grassroot startups/enterprises who have fewer opportunities and where there is less clarity.

The study should ensure that the analysis is sensitive to the different characteristics and needs of different types of enterprises.

Approach and Methodology

The research will apply a combination of quantitative and qualitative research methods as well as a range of different research tools to ensure validity of the findings. The ecosystem diagnostic is conducted through analysis of the six domains of Youth Co:Lab’s youth entrepreneurship ecosystem framework with a youth-responsive lens.

|  |  |
| --- | --- |
| **Domain** | **Definition / sub-domains / what kind of topics should be covered?** |
| **1. Policy and Regulatory Framework** | - Policies, regulations, legal frameworks relevant to youth entrepreneurship and extent to which these are supportive of youth led enterprises in practice: strengths and challenges  - Gaps in the regulatory framework  - Key results, opportunities and challenges related to implementation of policies and regulations |
| **2. Human Capital and Entrepreneurship Culture** | - State of entrepreneurship education / entrepreneurial skills development in educational institutes/systems (including all levels of education)  - Entrepreneurial activity among student or youth organisations  - Post-education capacity building opportunities / alternative learning opportunities  - Links between education institutes and job market / business community  - Skills supply vs demand  - Knowledge exchange between different sectors/fields of expertise  - Entrepreneurship culture (entrepreneurship as a career option; gendered barriers; public discourse; role of families; encouraging and inspiring success stories)  - Sectoral / segmented analysis/considerations (i.e., differences between sectors or enterprise types, rural and urban areas etc.); diversity of the talent pool, inclusiveness of opportunities; specific cultural barriers or enablers  - Entrepreneurship events, networks, culture |
| **3. Access to Finance and Incentives** | - Financial instruments and services available and accessible for young entrepreneurs (segmented analysis)  - Challenges and gaps in access to finance among youth-led enterprises; examples of good financing solutions  - Financial literacy  - Financial and capital markets from the perspective of youth entrepreneurship ecosystem  - Incentives for investors and funders; enablers and barriers to invest in youth-led businesses |
| **4. Business Development Support and Infrastructure** | - Entrepreneurship support programmes and services provided by public and private sector; accessibility and availability of these services and programmes (segmented analysis)  - Availability and accessibility of infrastructure that is supportive of business development (i.e. working spaces, communication and internet networks, physical infrastructure…)  - Networking opportunities/platforms (physical and virtual) |
| **5. Access to Market** | **-** Barriers and enablers in youth entrepreneurs’ access to local, national, and international markets  **-** Regulations, infrastructure  - Particular schemes and opportunities |
| **6. Innovation and Technology** | - Research and development  - intellectual property rights  - availability and access to technological solution; level of adoption of technological solutions  -Barriers and enablers in access to technology  - Technology transfer between firms |

The detailed research methodology will be agreed in collaboration with the research partner during the Inception Phase. The following data collection tools should be utilized during the research:

Methods:

* Desktop research, literature review
* Quantitative data analysis
* Human centric research methods
* Policy review/analysis

Data Collection Tools:

* Primary data
  + Interviews (focus group discussions, in-depth interviews, expert interviews etc.)
  + Surveys
  + Workshops
* National statistics
  + Youth statistics
  + Entrepreneurship statistics (age-disaggregated data)
  + Enterprise surveys
  + Relevant global statistics
  + Sector / industry data
* Secondary literature
  + National literature
  + Global literature relevant to the national context
  + Media content
  + Policy and regulatory documents
* Limitations of the methodology and data collection as well as means to address the limitations to be discussed
* Identify key data gaps

Network mapping process:

* Stakeholder categories / organisation categories
  + Entrepreneurial support organisations including non-profit organisations, incubators, accelerators, co-working spaces, and innovation hubs
  + Community development organisations
  + Government and public officials
  + Universities and academic institutes
  + Chamber of commerce
  + Investors and financial institutions
  + Philanthropies and foundations
  + Private sector organisations
  + Development partners
  + Media / news organisations
  + Research institutes and think tanks
* All enterprise types to be included (MSMEs, startups, social enterprises)
* Information to be provided about each stakeholder: Name, organisation type, role in the ecosystem, organisation description
* Roles in the ecosystem
* Map connections between stakeholders
* Methods and tools that can be used in the mapping

Report Structure/Contents

|  |  |
| --- | --- |
| **Executive Summary** | Brief overview of:  - the background and objectives of the study  - key findings  - recommendations  (max 3-4 pages; a stand alone section) |
| **Introduction** | - Rationale and added value of the study and youth responsive approach  - Objectives of the study  - Partners and their role in the research initiative  - Overview of the report content |
| **Definitions** | - Definitions of the key terms adopted in the study  - Propose new terms suitable for the country context if official definitions don’t exist |
| **Methodology and data collection** | - Data sources  - Data collection tools  - Sample sizes and representatives  - Limitations and mitigation strategies  - Details can be provided in the annex (e.g. survey forms, list of people interviewed) |
| **Policy review** | - Analysis of strengths, challenges and gaps in the policy and regulatory framework, including the implementation of the policies and regulations Important that the analysis goes beyond describing existence of policies etc. |
| **Analysis of six domains** | - Deep dive into each domain  - Strengths, opportunities, challenges, enablers, disablers, good practices/case studies |
| **Network mapping** | - Overview of the mapping and key results  - Case studies of young entrepreneurs that have benefitted from strong networks  - Strengths, gaps, opportunities |
| **Sectoral analysis** | - Assessment of sectors that present opportunities for youth-led businesses  - Sectors youth are most and least engaged in; where along the value chain are youth most engaged; which activities youth can engage in  - Key enablers and disablers  - Case studies of examples of youth entrepreneurship in priority sectors |
| **Recommendations** | - Clear, targeted and action-oriented recommendations developed based on the findings with key actors identified for each of the recommendations  - Can be presented in table format (recommendation, sub-recommendations, expected outcomes etc.) |
| **Annexes** | - Detailed information on data collection tools and samples |

**Monitoring, Database and Reporting:**

Monitoring and Evaluation Framework should be developed in collaboration with UNDP to ensure compliance with UNDP’s monitoring and evaluation (M&E) standards, including activities, SMART (Specific, Measurable, Achievable, Relevant, Time-bound) indicators, tools and means of data collection and verification, frequency of data collection, and other relevant details.

Proposer in consultation with UNDP will provide the following:

* Result based M&E plan (Indicators, data collection methods, sources of data, data collection frequency and responsibilities, etc.).
* Risks and mitigations.
* Reporting mechanism and frequency (progress and results reports) – It would be preferable to identify what content would form the specific report.
* Provision of detailed workplan.
* Data quality assurance mechanisms related to interventions.

**Role and Responsibilities:**

***UNDP will:***

* Give regular inputs over the course of different stages of the assignment
* Formulate and convene Technical Working Group for selection/oversight of all interventions.
* Participate, as needed, in consultation workshops with relevant stakeholders
* Supervise and monitor the activities at field level against the progress provided by the partner, directly or through third parties
* Evaluate the proposer’s performance based on a set of indicators.

***Organisation/Firm/Proposer will:***

* Provide regular reports to UNDP focal persons and respond swiftly to ad-hoc requests
* Document the project results and impact through activity profiles, case studies, photos, and videos
* Ensure regular collection of all means of verification of project activities (as agreed with UNDP as part of the monitoring plan) and that copies of said means of verifications will be made available for UNDP’s access.

### Time Frame and Payment

The duration of this assignment is approximately 3 months (12 weeks).

|  |  |  |  |
| --- | --- | --- | --- |
| **Research Firm for Diagnostic Study of the Youth Entrepreneurship Ecosystem in Pakistan** | | | |
| **Sr.#** | **Deliverables** | **% Payment** | **Timeline** |
| 1 | Submission and approval of inception report including research methodology and timeframe:   * Kick off meetings with key stakeholders * Production of inception report to include: research methodology and plan, research timeline, research tools, sampling strategy, outline of final report. | 30% | July 2022 |
| 2 | Submission and approval of desk review and stakeholder mapping   * Desk review of national and global literature * National statistics * List of stakeholders, roles and map connections | 20% | July-August 2022 |
| 3 | Submission and approval of progress report and findings of primary and secondary research   * Conduct primary research according to agreed research methodology and plan – including surveys, key informant interviews, focus group discussions, workshops, etc. * Data analysis * Synthesis of insights from primary and secondary research * Preliminary results shared for validation and feedback | 20% | August-September 2022 |
| 4 | Submission and approval of full-length national roadmap:   * Draft report production * Draft 1 & 2 shared for feedback and subsequent edits * Validation of findings with key stakeholders * Draft 3 shared for final review and subsequent edits * Finalize report for publishing based on feedback * Support to report dissemination and communication | 30% | September 2022 |

**Institutional Arrangement**

The specific authority who will directly supervise the work of the Service Provider, and to whom the Service Provider will be directly responsible to, reporting to, seeking approval from, and obtaining certificate of acceptance of output is following:

The Programme Manager or his/her assignee will supervise the Contractor.

**Duration of the Work**

The duration of project will be from July 2022 to September 2022.

**Location of Work**

Remote but travel required to Islamabad, Lahore, Karachi, Peshawar and Quetta for data collection.

**Underlying Mandatory Requirements**

The selected organisation and its staff are expected to follow the following mandatory requirements:

1. Act in strict conformity to the laws of the country.
2. Not be affiliated or linked to any political party.
3. Utilize existing local resources where possible to build local capacity.
4. Keep all the process transparent and open to accountability at any level.