

Terms of Reference

Strengthening the Capacities of National Business Associations in the Eastern Partnership countries of RECONOMY Program

1. Background

RECONOMY is a program of the Swedish International Development Cooperation Agency (Sida). It is implemented by Helvetas in partnership with other organizations. The program facilitates **regional inclusive and green economic opportunities** – in terms of improved income and decent/green jobs – for women and youth in 11 countries¹ in the Western Balkan and Eastern Partnership regions. Sida has a long-standing commitment to the two regions: the agency's strategic objective is to facilitate the creation of accessible and relevant economic opportunities as a fundamental requirement for long-term inclusive economic development. The program inception phase was launched in 2020, while the main phase started in 2023 in both EaP and WB. The duration of the main phase is until December 31, 2026.

The objective of the RECONOMY program is to **support inclusive and sustainable economic opportunities that focus on people and the planet**. RECONOMY understands economic profit is key for the sustainability of the changes proposed.

- **Improved competencies of the workforce**, either to join private sector enterprises (employment) or start their economic initiatives (self-employment);
- **Relevant and quality business and technology services** for increased investment and growth of private sector enterprises; and
- **Enhanced industry or a firm-specific enabling environment for private sector enterprises**, to do business in a better green and inclusive way and increase their efficiency by utilizing the opportunities of green and digital transformation.

In the Eastern Partnership RECONOMY is implementing 5 different projects 2 through implementing partners and 3 are implemented in-house (Program Facilitation Unit - PFU-led projects) as presented below:

- **Inclusive Jobs in ICT**, implemented by HELP in Armenia, Georgia, Moldova and Ukraine.
- **Digitizing Sectors for Competitiveness**, implemented by Strategic Development Agency NGO in Armenia, Georgia, Moldova, Azerbaijan (through Georgian partners) and Ukraine.
- **Circular Business Models and Resource Efficiency for Competitiveness and Growth in the Textile Industry**, PFU-led project implemented in Armenia, Georgia, Moldova and Ukraine.
- **Better Income and Employability in Energy-Efficient Construction and Renovation**, PFU-led project in Armenia, Georgia, Moldova, Azerbaijan and Ukraine.
- **Fostering Entrepreneurship Ecosystems in Armenia**, PFU led in Armenia.

RECONOMY focuses on three workstreams, competencies, services and influences. The latter looks at the supporting functions and addresses the root cause of underperformance of the sector from the point of view of enabling environment. One of the key observations of the program is that Business Support Organizations (BSOs) which are vital for fostering democratic governance and economic resilience, particularly by representing the needs of small businesses in reform processes and providing essential

¹ RECONOMY started its operation focusing on 11 countries (Georgia, Armenia, Azerbaijan, Ukraine, Moldova, Serbia, Albania, Kosovo, Montenegro, Bosnia and Herzegovina, and North Macedonia). Belarus was later removed from the focus countries.

services that the government may not be able to deliver. In the Eastern Partnership (EaP) countries, BSOs have grown due to increased trade with the European Union, prompting a need for standardized intra-industry cooperation. However, significant gaps remain in the capacity of these associations, particularly in advocating for small and medium-sized enterprises (SMEs), businesses outside capital cities, and those run by disadvantaged groups.

Through the current support RECONOMY program aims to address these gaps by implementing a two-year capacity-building program designed to strengthen national business associations across Armenia, Azerbaijan, Georgia, Moldova, and Ukraine, through a local and inclusive approach to empower these associations, enabling them to better serve their members and actively participate in economic and democratic reform processes. Therefore, **RECONOMY is seeking a consultancy company or non-profit organization with experience and capacity to design and implement a two-year capacity-building program for national business associations in EaP countries: Georgia, Armenia, Ukraine, Moldova, and Azerbaijan.**

2. Objectives

The objectives of the capacity-building program focus on the following areas:

- Strengthen the organizational capacity of national business associations in the EaP countries.
- Enhance the ability of these national associations to advocate effectively for the needs of SMEs, particularly those in disadvantaged or rural areas.
- Promote regional cooperation and peer learning among national business associations in the EaP countries.
- Support the development of sustainable, member-driven services and advocacy efforts within these organizations.

3. Scope of Work

The capacity-building program should encompass the following areas of services:

3.1 Diagnostic Assessment

- Conduct an in-depth diagnostic assessment of selected national business associations.
- Evaluate associations on key areas, including policy advocacy, governance, finances, and membership.
- Establish baseline metrics for each association and track progress over the course of the project.
- Utilize SWOT analysis and other tools to identify priority areas for capacity building and organizational improvement.
- Develop detailed reports and action plans for each association, prioritizing 2-3 areas for targeted capacity building.
- Provide personalized capacity-building support to associations based on the results of the diagnostic assessment.
- Deliver training workshops on core topics such as governance, membership recruitment and retention, financial sustainability, and policy advocacy.
- Organize one-on-one mentorship sessions involving experienced mentors.
- Facilitate cross-regional networking and peer learning opportunities, drawing on international best practices and case studies.

3.3 Final Evaluation

- Conduct a final evaluation of each association using the diagnostic tool to measure improvement in targeted areas.
- Document any new services developed by the associations as a result of the capacity-building efforts.
- Evaluate the association's advocacy efforts and their impact on public-private engagement and policy changes, demonstrating the program's contribution to sustainable economic resilience.

Capacity-building services are expected to be provided for up to **5-6 national business associations**, with one in each of the EaP countries.

4. Deliverables

The implementation of the capacity-building program is expected to result in the following deliverables:

- Comprehensive diagnostic assessment reports for each participating association, approximately 5-6 organizations/national business associations.
- Action plans for organizational improvement, tailored to the specific needs of each association.
- Capacity-building workshops, mentorship sessions, and cross-regional networking events.
- Evaluation reports, including measurable improvements in association capacity and the development of sustainable services, including indicators related to:
 - Cost saved/investments done by the associations
 - Private sector investment generated as result from the intervention
 - Number of private sector companies reached and impacted by the changes
 - Number of private sector companies supported in terms of greening their activities and number of green jobs developed
 - Number of services improved as a result of the support
 - Number of women and youth with improved economic opportunities (reached directly and indirectly) by the association (disaggregated by gender)
 - Measurement of the satisfaction of the associations/businesses with the intervention.

5. Duration

The capacity-building program will be implemented over a maximum period of two years, running from November 2024 to October 2026.

6. Expertise Required

The consultancy company/nonprofit organization should have experience in designing and delivering capacity-building programs/projects. This includes, but is not limited to:

- Experience in capacity building for business support organizations, particularly in the EaP region.
- Expertise in organizational diagnostics and development, including policy advocacy, governance, and financial sustainability.
- Experience in delivering training and mentorship programs for BSOs.
- Strong understanding of the economic and democratic reform processes in EaP countries.

7. Technical Proposal

In the Technical Proposal, the consultancy company/nonprofit organization should:

- *Profile:* Provide a brief overview of the consultancy company, including name, location, size, and any key information that showcases the presence and history of the company/organization in the field of designing and implementing capacity-building programs/projects.
- *Proposed Methodology, Approach, and Implementation Plan:* Describe the methodology and approach to prepare, arrange, coordinate, and implement each component of this capacity-building program, including training, events, resources, materials, expected deliverables, considering the timeline of the assignment.
- *Experience:* Present the consultancy company's experience in designing and implementing capacity-building programs/projects. Mention any notable clients or programs/projects that demonstrate it.
- *Team Expertise:* Describe the qualifications and experience of the consultant team assigned to the engagement. The CVs should highlight the relevant expertise, skills, and experience that make the team suitable for assignment.
- *References:* Present references demonstrating successful performance in similar capacity-building programs/projects.

8. Financial Proposal

The applicant shall submit a detailed budget with provisions for diagnostic assessments, capacity-building activities, and final evaluations.

Considering the above information the Financial Proposal should consist of the structure provided below.

The total budget should not exceed CHF 300,000.

No.	Descriptions	Unit	Number of units	Unit Fee *	Total Fee
				(CHF)	(CHF)
1.	Consultancy fee				
	Program Coordinator				
	Consultant 1 ...				
	Consultant 2...				
	Total 1				
2.	Diagnostic assessments activities				
	Activity ...				
	Activity ...				
	Total 2				
3.	Capacity-building activities				
	Activity ...				
	Activity ...				
	Total 3				
4.	Final evaluation activities				
	Activity...				
	Activity ...				
	Total 4				
	TOTAL				

* The fee must include taxes.