Re- Advertised

Call for Proposal - Consultancy Services

**Consultancy Services for the Enterprise Africa Network (EAN)-Preliminary Phase - Mobilization of Resources**

 Reference No.: **AUC/DSA/C/029**

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| **AFRICAN UNION** | Description: logo |  **UNION AFRICAINE** |
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1. **Background**

The Africa Union Commission (AUC) commissioned a feasibility study on ''Enterprise Africa Network'' (EAN) within the framework of the European Union (EU)-funded programme, Joint Africa-EU Strategy (JAES) Support Mechanism II which started with the mobilisation of an Expert Working Group (EWG) Meeting in Abidjan (Ivory Coast), in December 2017. This meeting was aimed at discussing the EAN project’s goals and define its scope. A second Expert Working Group Meeting took place in November, 2018 in Addis Ababa (Ethiopia) within the framework of Africa Industrialisation Week with the objective to present the outcomes of the feasibility study to African private sector.

Following meetings, debates and deliberations with African continental and regional organisations, as well as business, trade and financing institutions, it was recommended to establish an EAN to facilitate connectivity with regional and international markets, and to increase trade between African and international businesses through marketplaces and e-commerce. To achieve its mandated goals; the proposed EAN platform should be able to provide and promote access to accurate, comprehensive and timely data and information on import/export rules, procedures, market opportunities and competition. Furthermore, it should facilitate linkages with the investment financing networks for Small and Medium Enterprises (SMEs) and start-ups from selected sectors.

EAN will encourage networking, collaboration, alliances and partnerships between the African and international business communities. To this end, it will enrol regional and continental intermediary organisations with a proven record in coaching and mentoring, and who also possess the ability to upgrade the capacity of start-ups and SMEs. EAN will focus on women and youth entrepreneurs who have developed competitive and innovative products, who can demonstrate growth potential for their market, with strong employment creation prospects. EAN will execute a thorough due diligence exercise to identify SMEs and start-up champions with regards to their strengths, experience and their capacity to become market leaders at regional or continental levels.

Following the extensive consultations with the key continental and regional organisations mandated to support the private sector in Africa, EAN’s objective is to create a **“Continental Business Chain”** formed by a *“Pool of competitive SMEs”* that are well positioned within the regional, continental and international market, and a *“Pool of Continental Business Development Services Capacity”*. This can be achieved through the implementation of the following three pillars:

* An **“African Trade Observatory”** aimed at facilitating and boosting intra-continental trade;
* The establishment of **“Trade Routes”** for SMEs’ products and setting-up of a “Market Intelligence Information System” at regional and continental levels. The Business Development Services (BDS) coaching and mentoring activities, will upgrade the capacity of SMEs, allowing them to penetrate and impact new markets; and
* An **“Investment Financing Network’’,** in the form of a new alliance between Development Banks, Venture Capital Funds, Business Angels, and Foundations, with the goal of meeting the financing needs of start-ups and SMEs.

The core of EAN will be made up of the AUC and the Regional Economic Communities (RECs). The privileged partners of EAN will consist of regional and continental Business Associations and BDS Organizations. Sustainable collaborations will be established with international organisations with recognised experience on Entrepreneurship Development[[1]](#footnote-1), on Trade Information Portal[[2]](#footnote-2) and on Market Intelligence Information. Other partners will include a variety of European Organizations[[3]](#footnote-3) that will be able to add value.

An EAN is an answer to accelerating Africa’s development prospects, considering its projected economic growth, a large population of innovative women and youth entrepreneurs. It is a continental call to bilateral and international financial institutions mandated to support SMEs and start-up investments, particularly those owned by women and youth entrepreneurs. EAN can be considered as an **apex body**, as well as a first step in the creation of an African Executing Agency mandated to support the growth of the private sector at continental level.

The success of EAN is linked to the achievement of buy-in from various actors, including the primary stakeholders (AUC, the RECs, the New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency and the African Development Bank (AfDB)), Business Organisations, and African governments which collectively value and seek to achieve positive economic and social impact of the platform. Given this state of affairs, it is essential to ensure that EAN is designed and capacitated in a manner to become self-sufficient and sustainable over the medium to long-term.

Enterprise Africa Network (EAN) main endeavour will be to facilitate and grow a **‘’Pool of competitive SMEs’’** in Africa. SMEs at different stages (incubation and start-up, expansion and growth stage, maturity stage) will receive support from a ‘’Pool of accredited BDS organisations’’ to build their capacity in order to position them to access markets. The AUC has elaborated, in the AU SME Strategy that it aimsto “develop competitive, diversified and sustainable economies underpinned by dynamic, entrepreneurial and industrial sectors that generate employment, reduce poverty and foster social inclusion”.

 EAN business model is articulated in three phases:

* Preliminary phase – a team of experts will be hired to conduct activities that are key to establishment of an EAN. They will develop a logical framework and a work plan for EAN, elaborate a strategy for fund mobilisation, identify and secure sources of funding from the development partners, development banks/DFIs, and the private sector, among other. The experts will also prepare collaboration agreements with the key selected partners for the execution of the three pillars. Finally, they will prepare the tender dossier for hiring a consulting firm to undertake the preparatory phase. This phase is expected to be for a period of six months.
* Preparatory Phase – An initial team will be hired to conduct activities that will include: TORs for EAN governance, manuals for administrative and financing procedures, setting up the administrative systems (accounting, finance, and procurement), preparing TORs and tender dossier for recruiting the PMU. This phase will be for duration of one year.
* Implementation Phase – The PMU will start to operate. It will support AUC in implementation of the activities and on day to day running of the EAN. The PMU will also explore ways of ensuring sustainability of EAN beyond year 5 mainly through private sector support.

The present assignment is focused on the Preliminary phase. The feasibility study elaborated on the ‘’Establishment of EAN’’ constitute the basis and the reference of the work to be implemented during the assignment.

This assignment is first step of the ‘’Establishment of Enterprise Africa Network’’ before moving to the other ones (Preparatory and Implementation phases). The expert will work under the responsibility and the supervision of AUC Department of Trade and Industry.

1. **Objectives**

The general objective of the assignment is to assist AUC Department of Trade and Industry to prepare the conditions for starting EAN in partnership with the donor organizations and financial organizations which expressed an interest to participate to this initiative.

The specific objectives are:

* Mobilize finance resources for EAN implementation;
* Conclude partnership agreement with donors’ organizations which expressed an interest to contribute to EAN; and
* Conclude partnership agreement with a finance organization for the execution of EAN pillar 3.
1. **Scope of Work**
	1. For ownership purpose, the experts will engage AUC at each steps of the assignment. The consultants are expected to undertake the following tasks:
	2. Assistance to the mobilization of finance resources
	3. Review the Investment Financing Network’’ chapter of EAN feasibility study and design a **Resource Mobilization Strategy (RMS),** including an action plan. In addition to the finance institutions to be approached, private organizations (Corporates, Foundations active in Africa) will be also considered.
	4. Conduct a **mapping of business and finance organizations**, including the following intelligence information:
* their profiles, strategies and key priorities;
* the budget forecast cycle and the size of the budget attributed to Trade and Private Sector in Africa and specifically to start-up and SMEs owned by women and young entrepreneurs;
* their pipeline of budget and the upcoming funding opportunities for Start-ups and SMEs in Africa;
* the in-kind contribution (human resources/services, equipment) they provide to development projects;
* the possibility for providing multi-year funding;
* their interests and expectations on EAN;
* the preconditions requested by the donors and financial institutions before financing EAN;
* the responsibilities they could have on EAN;
* the type of reporting, monitoring requested for implementing their fund.
	1. Elaboration of a matrix of potential business and donors’ organizations, including information on how they will be engaged in the implementation of EAN; and
* Select business and donors’ organizations for further consultations. The outcomes of the donors’ intelligence information will be presented and discussed with AUC Department of Trade and Industry and the Division of International Cooperation and Resources Mobilization.
* Identification of a continental financial organization for the implementation of pillar 3 (investment financing network) and preparation of partnership agreement with AUC.

1. **Expected outputs**
* An inception report, to be produced maximum two weeks after the signature of the contract and presenting the understanding of the assignment, the detailed methodology and the work plan for the assignment.
* An interim report describing the progress and eventual challenges of the mission;
* A final report summarizing the background, the activities and the results of the mission.
* EAN logical framework and work plan;
* Resource Mobilization Strategy for the EAN;
* Communication materials for approaching business and donors’ organizations;
* Mapping report of business and donors’ organizations;
* Round table report with business and donors’ organizations which expressed an interest on EAN implementation;
* Contribution agreements between AUC and selected business and donors’ organizations;

The outputs for the Finance Expert expert are defined as follows:

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| **S/no** | **Activity** | **Anticipated Duration(Days)** | **Deliverable/Output** |
| **1** | Fund mobilization strategy, including an action planPromotional materials to be presented to donors’ organizations | 12 days | Draft mobilization strategy ready  |
| **2** | Mapping and matrix finance organizations Consultations with finance organizationsRound table with AUC finance organizations which expressed an interest on EAN | 39 days | Full draft study report ready |
| **3** | Draft of contribution agreements between AUC and financial organizations which expressed an interest to finance EANCompletion and validation of the contribution agreements by the legal services of AUC and the concerned donor’s organizations | 30 days | Presentation of draft study report  |
| **4** | Selection of a finance organization for the execution of EAN pillar 3 and conclusion of a partnership agreement with AUC | 14 days |  |
| **5** | Final Report  | 5 days | Final report incorporating comments |
|  | **Total** | **100 days**  |  |

1. **Methodology**

The assignment will involve deskwork for literature review, consultaions and report drafting. The expert will be home based for desk work which include literature review and report drafting but will be required to make at most 6 international travels for consultations and other meetings. The international travels are: Addis Ababa (meeting with AUC, Delegation of European Union to Africa Union, European Investment Bank, potential donor’s based in Ethiopia): 3 trips; Ivory Coast (AfDB) : 2 trips; and Kenya (Africa Enterprise Challenge Funds) : 1 trip.

1. **Reporting Arrangements**

The assignment will be under the responsibility, supervision and coordination of AUC Department of Trade and Industry. The expert will draft a short weekly report to AUC (one page maximum) summarizing the progress and challenges of the project. All activity outputs, including research data, reports, presentations and documentation will remain the property of the of AUC Department of Trade and Industry

The AUC Department of Trade and Industry will manage the project on a day to day basis. The Department will facilitate the contacts with the organizations to be met by the experts.

Reports should meet AUC quality standards and should be kept as brief and concise as possible. The reports will present the required outputs. All reports should be provided in electronic version (in word and excel) in English. Reports will be sent by email to the attention of the Department of Trade and Industry for comments. AUC is expected to react 2 weeks after the submission of the inception and interim report and 4 weeks for the final report.

1. **Expert Profile**

The level of expertise required for this assignment necessitates the services of a finance expert. He/she will, therefore, be recruited for a total number of **100 working days within 4 calendar months**.

Qualifications

* An advanced degree in Economics, Business, Finance, International Relations or similar diplomas. Those with PhD will have an added advantage.

General professional experience

* At least 10 years of experience in the area of finance of development projects;
* Work experience with Development Banks, bilateral donors’ agencies mandated to support the private sector in Africa;
* Strong network of Development Banks, bilateral donors’ agencies mandated to support the private sector in Africa;
* Fundraising and resources mobilization experience would be an advantage;
* Demonstrate budgetary skills, including preparing fundraising budgets;
* Proven track record of writing concepts, proposals and templates that meet donors’ requirements;
* Knowledge of grant procedures applied by international organizations is an advantage.

Computers Proficiency:

Strong Microsoft Excel, Power point, Word

1. **Duration**

The tentative start-up of the contract is end of August 2019. The period of the execution of the mission is 100 days within 4 calendar months. The draft of the final report must be completed within the indicative timeframe mentioned above. If necessary, a contract extension including additional missions might be suggested by AUC.

The experts must be fluent in English (written and spoken). Knowledge of the other AU languages is an asset.

1. **Submission of Application**

Interested experts must submit the following when applying for this assignment:

* A technical proposal not exceeding 5 pages outlining how the team understands the TORs; the methodology; and profile of the organization of the mission proposed. It should also have Curriculum Vitae of the experts as Annexes
* A Financial proposal - daily fees and reimbursable costs (missions and perdiems)
1. **Payment Schedule**

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| **Deliverables** | **Total payment[[4]](#footnote-4)** |
| On finalization and submission of the Fund mobilization strategy, including an action plan, Promotional materials to be presented to donors’ organizations | 20% |
| On submission of Draft of contribution agreements between AUC and financial organizations which expressed an interest to finance EANCompletion and validation of the contribution agreements by the legal services of AUC and the concerned donor’s organizations | 45% |
| On submission of final report  | 35% |

**Consultancy Fees**

A fixed sum of USD 50,000, is envisaged as the total consultancy fees for this assignment. The payment will be phased in accordance with the various stages of the assignment and is inclusive of all assignment costs and profits as well as tax obligations that may be imposed on the Consultant. It also includes all travel Costs envisaged herein.

**4.0 Invitation**

The African Union Commission now invites eligible **Individual Consultants** to indicate their interest in providing the Services. Interested candidate must provide information demonstrating that he/she has the required qualifications and relevant experience to perform the Services. **Consulting firms** may propose individual consultant, but only the experience and qualifications of individual shall be used in the selection process, and that his or her corporate experience shall not be taken into account, and the contract would be signed with the proposed individual.

**4.1 Evaluation and qualification criteria**

For evaluation of the CV and proposal the following criteria will be applied:

1. General Education Qualification and Relevant Training of the Consultant (20

Points);

1. Experience in undertaking similar assignments (30 points);
2. Technical approach and methodology (40 points)
3. Work plan (10 points)

Further information can be obtained at the address below during office hours 8:00-13:00hrs and 14:00-17:00 hours Local Time.

Proposal must be delivered in a written form to the address below not later than 15:00 hours local time, on **September 3, 2019.**

**African Union Commission,**

**Attn: Carine Toure Yemitia (Mrs.)**

**Head of Procurement Travel and Store Division**

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1. The New Partnership for Africa's Development (NEPAD) planning and Coordinating Unit; and the United Nations Development Programme (UNDP) [↑](#footnote-ref-1)
2. The World Bank Group, the United Nations Conference on Trade and Development (UNCTAD), and the World Customs Organization (WCO). [↑](#footnote-ref-2)
3. Examples include the European Enterprise Network, EUROCHAMBRES, the Confederation of European Senior Expert Services (CESES), the Centre for the Promotion of Imports from developing countries (CBI) and Sustainable Trade Initiative (IDH). [↑](#footnote-ref-3)
4. [↑](#footnote-ref-4)