
Request for Proposals

**For the pilot project in Eastern Partnership Countries (Moldova and Ukraine) within
RECONOMY**

**a Program of Swedish International Development Cooperation Agency (Sida) and
implemented by HELVETAS Swiss Intercooperation.**



The Request for Proposal (RFP) at hand is developed to identify and select an Implementing Partner for one of the pilot projects of the RECONOMY program, a regional inclusive and green economic development programme in Eastern Partnership Countries and the Western Balkans.

PILOT PROJECT:

Vibrant BPO sector for increased economic opportunities in Eastern Partnership Countries (EaP) countries: Moldova and Ukraine

1. Introduction to the RECONOMY program

The Swedish International Development Cooperation Agency (Sida) has a long-standing commitment to Eastern Partnership Countries and Western Balkans: 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**.

While some of the countries in the region are making inroads to economic growth – for example, improvement in their gross domestic product (GDP) growth – this is not translating into inclusive economic development to all. Worsening economic performance, including the COVID-19 pandemic and climate change and vulnerabilities, exacerbate the inequalities, leaving a large chunk of the population under the poverty line.

The overarching objective of the RECONOMY programme in Eastern Partnership Countries and Western Balkans is to **enable women and the youth, as well as other excluded and disadvantaged groups to benefit from economic opportunities and contribute to local economic development** by increasing their income and taking up decent employment/self-employment. The programme has a 30-month inception phase which started in **July 2020 and will end in December 2022**, which will prepare the ground for a 5-year main phase with a total timeline up until end -2027.

The RECONOMY programme focuses on three broad workstreams (type of interventions):

- **Workstream 1:** The RECONOMY programme aims to address widespread skills mismatches - the gap between an individual's job skills and the demands of the job market - in the region. The focus will be on improving formal and non-training offers as well as strengthening labour market information and intermediation services.
- **Workstream 2:** The RECONOMY programme aims to support private sector development through promoting new and improved business and financial services and public-private coordination, stimulating enterprise investment, growth, invest and ultimately the creation of more employment and income-earning opportunities.
- **Workstream 3:** The RECONOMY programme supports advocacy (policy / regulatory/ legislative/ administrative improvements) so that target groups and private enterprises increase their participation and voice, and hence access better economic opportunities.

One of the economic sectors selected by RECONOMY in Moldova, and Ukraine is the ICT (Information, Communication and Technology) and BPO (Business Process Operations) sectors.

Both countries (Moldova and Ukraine) have a growing ICT / BPO sector. ICT-enabled services like BPO are also growing but not to the extent of creating substantial economic opportunities – both in terms of generating jobs as well as driving other related services. For example, Ukraine is now Europe's largest software development industry, with over 100,000 Microsoft certified professionals. As well as continuing to grow ICT exports, there is potential to leverage these capabilities to drive technological progress domestically.

Yet there is a higher entry barrier and only a smaller group of (male and young) people who are also predominantly urban with higher levels of educational attainment that are active in higher-productivity, higher-wage, activities like BPO (finance and professional services). The number of people with basic and higher education and computer literacy is growing. However, firms that can offer services to foreign clients struggle to fill in openings due to the skills shortages for highly skilled professionals. This holds them back from investing and growing. In addition, initial capital other than conventional financial institutions to start a business remains a challenge

2. The objectives of the Request for Proposal

Based on the above mentioned, RECONOMY program launches the RfP at hand for a pilot project in ICT/BPO sector in Moldova and Ukraine and is seeking out organisations interested in acting as Implementing Partner/Co-facilitator in this process and implement one of the pilots of RECONOMY from May 2022 until December 2022 on **Vibrant BPO sector for increased economic opportunities in EaP countries** where the Implementing Partner's activities will be focused on the two countries of the Eastern Partnership Countries (EaP) – Moldova and Ukraine.

The role of the Implementing Partner, some selected deliverables/activities and expected results during the pilot implementation are as follows:

- Conduct the needs assessment of selected market actors from BPO sector in both countries, to identify the constraints (skills, finance including non-banking, externalization, promotion etc.) which should be addressed to make the sector more accessible for women and young job seekers
- Identify and assess the capacity and incentives of the selected market actors
- Develop pilot interventions based on needs assessment
- Engage identified/ selected market actors in the pilot implementation
- Discuss, develop, and agree on business models and roles with market actors
- Facilitate linkages between engaged market actors in accordance with the developed business models
- Continuously document and share experiences of the pilot interventions through regular exchanges and learning processes with other pilots and initiatives of the RECONOMY Program

3. Submission procedure and deadline

Eligibility criteria:

In the context of RECONOMY, Implementing Partner collaboration aims to build multiple partnerships throughout Program implementation, to leverage organizational capacities across the region for broad-based and sustainable inclusive economic development. With Implementing Partners, the Program has a common objective to jointly implement a project.

In order to be eligible, the partner must be a non-for-profit organisation (national or international). If interested, your organisation is kindly asked to submit the following two separate documents according to the instructions below:

- **Technical Proposal, maximum 10 pages**
- **Capability Statement, maximum 2 pages**

The selection of the Implementing Partners will be based on the assessment of the quality of their proposals meeting the objective of this RfP.

Technical Proposal

The technical proposal should be focused on **Vibrant BPO sector for increased economic opportunities in EaP countries (Moldova and Ukraine)** and structured around the following guiding questions linked with the RECONOMY program's workstreams. For each workstream please propose not more than two intervention ideas, i.e., a total of four interventions (in both countries: Moldova and Ukraine):

Workstream 1 (skills development):

- What are the key shortages or deficiencies in the skills development system (both formal and informal) in the ICT / BPO sector?
- Are there any demand-driven skills development and offering that are commercially sustainable for delivering training packages specifically focusing on (a) BPO competencies, particularly the use of digital technologies and interpersonal transferable skills?
- What are the current capacities of skills development providers (both public and private, formal, and non-formal) that could improve/ provide the necessary skills to respond to the changing skills demands of the sector?
- What are the key mismatches in labour supply and demand in the BPO sector?
- Why does excluded groups (rural etc) have limited access to ICT skills?
- What should the RECONOMY program do to stimulate closer coordination between skills providers and employers for the development of market demanded BPO skills of young people and women?

Workstream 2 (internationalization, business, and financial services):

- What is the level of coordination between BPO companies for internationalization? How is this coordination taking place?
- Are there any services offering cross-border trade information, procedures, border agency cooperation etc?
- Are there any regional multi-partner cooperation that includes research and technology organizations, universities, industry associations, chambers of commerce, incubators, accelerator who would offer intermediation services for BPO companies. To what extent BPO companies use various existing regional innovation / digital innovation hubs? Why the BPO companies do not respond to these opportunities?
- How should the RECONOMY programme go about tackling these constraints – fill the gap between relevant market actors?
- Are there any accessible and affordable non-bank financing available to support BPO firms? Are there any co-investment schemes from state institutions for research and development as well as starting/expanding business? Why do the organisations not access these financing?

Capability Statement

This should include details of the previous project(s) experience demonstrating the following capabilities:

- Experience relevant to the objective of the assignment
- List and a short description of similar activities conducted, or projects implemented
- Experience of working in the Eastern Europe
- Number of the staff to be involved in the pilot projects and their relevant experience
- Familiarity with the Market Systems Development (MSD) approach
- Monitoring capacities and experience
- Experience managing and accounting for funding

4. Timeframe and budget

The estimated budget for the planned co-facilitation is **CHF 85,000** (for both countries) and the duration for the implementation is 8 months. By considering these, as well as proposed interventions, the applicant is kindly asked to provide the targets/ expected results, as a potential impact of the project implementation by providing/ filling-in the following indicators (where relevant):

***Goal** - Women and young people, in particular, disadvantaged and excluded ones, benefit from improved economic opportunities (better income and decent jobs) inclusively and sustainably*

- Number of people with additional income and decent job opportunities	xxx
- % of people with additional income and decent job opportunities who express satisfaction with their situation	xxx%
- Number of people who improve their skills and knowledge, and increase their employability as well as start their own economic/income-generating initiatives	xxx
- % of people who express satisfaction with the relevance of skills, knowledge, and information services	xxx%
- % of private sector enterprises that report higher turnover and/or profit as a result of changes stimulated by the program	xxx%
- Number of relevant and improved skills and knowledge initiatives designed and delivered	xxx
- Number of private and public skills, knowledge, and information providers that adopt new/improved practices/models	xxx
- Number of relevant and new/improved business and financial services offered	xxx
- Percentage of business and financial service providers that report increased performance due to adoption of new/improved practices/models	xxx%

By considering these targets, as well as proposed interventions, the applicant is kindly asked to provide the financial proposal (as a separate document) for the pilot project, in the following structure:

Part 1: Personnel	CHF
Total part 1	
Part 2: Operation costs	
Total part 2	
Part 3: Activities/Interventions	
Total part 3	
Grand total	

The following timeframe is expected:

RFP submission date	February 09, 2022
Application submission deadline	March 09, 2022
Submission	Application must be elaborated in English language and is to be submitted to HELVETAS Eastern Europe at the email: easterneurope@helvetas.org
Q/A	Questions regarding this RfP can be submitted to the email mentioned above until 17 February 2022 .
Online session	An online session on programme presentation as well as a live session of Q/A will be organised on February 18, 2022, at 14:00 CET time. The interested organisations are welcomed to send a request to the above-mentioned email until latest February 17, 2022, 13:00 CET and we will send you a ZOOM link.
Evaluation of the applications	Applications will be evaluated by the RECONOMY's procurement committee, and the applicant can expect to receive a decision on their proposal by April 01, 2022 . RECONOMY reserves the right to include an exchange or test of capabilities as part of the evaluation if needed to conclude this RfP.