

**Annex A-Terms of Reference**

**PR\_00145048**

**Consultancy Service - Strategy Development of newly-built Crafts Development Centre (CDC) in Zugdidi, Samegrelo**

1. **Introduction to DRC**

The Danish Refugee Council assists refugees and internally displaced persons across the globe: we provide emergency aid, fight for their rights, and strengthen their opportunity for a brighter future. We work in conflict-affected areas, along the displacement routes, and in the countries where refugees settle. In cooperation with local communities, we strive for responsible and sustainable solutions. We work toward successful integration and – whenever possible – for the fulfilment of the wish to return home.

The Danish Refugee Council was founded in Denmark in 1956 and has since grown to become an international humanitarian organization with more than 7,000 staff and 8,000 volunteers. Our vision is a dignified life for all displaced.

All our efforts are based on our value compass: humanity, respect, independence and neutrality, participation, and honesty and transparency.

Since 1998, programmes in Georgia are designed through a “protection lens”, ensuring that all activities integrate protection principles. As such, we will continue to work on expanding our knowledge and ensure durable solutions are provided to IDPs, returnees and host communities, and as well as make IDPs, returnees, host communities and persons in a refugee-like situation aware of and actively claim their rights, through legal assistance and awareness raising.

The main DRC donors in Georgia in 2021 are the KfW, GIZ, UNHCR, UNDP and the European Union while fundraising efforts have been undertaken with other donors which could potentially effect priorities, the scope of work and tasks related to this particular assignment.

In Georgia, the programmes focus on the following core sectors of intervention in line with DRC mandate to provide durable solutions to displaced populations of concern:

* Livelihoods (self-reliance, small-business and SME development, VET, work placement etc.)
* Shelter and small-scale infrastructure (construction and rehabilitations work)
* Access to education and community services
* Access to rights and basic freedoms/protection (legal aid assistance)
* Technical assistance to the Government in support of IDP integration in all its dimensions

1. **Background**

Among multiple projects, DRC is currently implementing one KfW–funded (German Reconstruction and Development Bank) project **“Economic Participation, Housing and Social Infrastructure for IDPs and Host Communities”** with the aim to address the critical protection issues pertaining to IDP integration in Georgia, in terms of access to social services and education, the enjoyment of livelihood opportunities, and provision of adequate durable housing solutions for IDPs. The project targets the mixed communities IDPs as well as conflict affected local population in underserved rural areas of West and East Georgia.

As a part of the project, DRC envisions the construction of one Crafts Development Center (CDC) through KfW funding in Zugdidi Municipality, Samegrelo region. DRC foresees to establish the CDC in close cooperation with local authorities as a strong and sustainable organisation beyond DRC’s involvement to support educational, touristic and entrepreneurial activities and enhance business related skills and competence in the crafts sector in Samegrelo-Zemo Svaneti. This is to be achieved by promoting local crafts products, and by formalizing in this sector partnerships with business associations, civil society organizations, target communities, relevant government agencies and other players. Three specific dimensions are the key areas of the center: Craftsmanship development in the Samegrelo-Zemo Svaneti region, Skills development on craftsmanship and Tourism promotion around craftsmanship in the Semegrelo-Zemo Svaneti.

**Objective:** The objective of the assignment is to contribute to strategically forge the corporate identity of the CDC and outline its strategic priorities on the basis of the current status of the craftmanship sector locally (actors and supply chains) and the identification of challenges and opportunities around Craftsmanship development at large. Specifically, the consultancy shall detect for the CDC to be constructed in 2021 relevant sectoral and programmatic directions in a) skills development for youth along crafts, b) professional development for crafts entrepreneurs and tourism promotion using crafts as a vector in WG. The Consultancy shall formulate recommendations at strategic level to support DRC in the establishment of the Craft Development Center (CDC) as a viable structure with short-term and long-term development perspectives.

**Timeframe:** The duration of the assignment is 5 months

**Consultancy fee:** Bidder shall indicate the expected **monthly** fee for the consultancy service in EUR, including all costs related to the assignment through the filled and signed RFQ form (attached). The payment will be disbursed on a monthly basis in accordance with the below listed ultimate and intermediary deliverables.

1. **Scope of work**

As an ultimate result, the Consultant/Expert shall:

* Support on the basis of a multi-faced evidence collection as described below DRC the formulation of the constitutive elements of CDC corporate identity (vision, mission, expected breakthrough by 2025, guiding principles) with a specialization on the wood crafts sector;
* Shape in close cooperation with DRC management the main strategic priorities of the CDC, its sectoral focus and its possible sub-areas of investment (wood crafts segments);
* Align these overarching principles and priorities with a business model, including the definition of an optimal governance structure;

As intermediary results, the Consultant/Expert shall:

1. Review all educational and non-educational dimensions pertaining to the sector of wood craftsmanship at large (actors and supply chains), solely in Samegrelo-Zemo Svaneti (possibly with examples in Imereti), to identify current skills development needs in the sector and capture the needs in terms of tourism promotion around craftsmanship in the Samegrelo-Zemo Svaneti, to determine the operational context of the CDC. This may be particularly linked to the guesthouse to be located at the CDC as point of attraction for foreign clients and learners;
2. To support this first level analysis, review through one comprehensive market research the key challenges, opportunities and gaps in the craftsmanship sector at production/service level along the wood crafts market segment with the special attention to the highly demanded goods and services in order to measure the pertinence of the specialization of the CDC in that area;
3. Integrate the analysis of the existing coordination and communication mechanisms between the stakeholders including trends in crafts education and training opportunities in the region of WG along the wood supply chain, possibly wooden crafts in the proposed strategy;
4. Integrate the study the role of local and regional government in facilitating the steady development of tourism sector in the in relation to the crafts production along the wood supply chain (furniture, decors, sculpture, toys, other wooden crafts...) in the proposed strategy, possibly expanding the study to international partnerships if any;
5. As a supporting element, analyze the business model of up to 5 wood crafts business along diversified sub-sectors to explore paths of cooperation with the CDC along the overarching CDC proposed business model.
6. **Required Deliverables**

The selected service provider is required to effectively contribute to the **development of the CDC strategy** and present in one comprehensive report the key dimensions of it, including the Vision, Mission/Mandate, the expected Breakthroughs, the main Strategic Priorities, the CDC Guiding Principles, the needed sub-sectors of investment and the expected programmatic modalities (based on one Results Framework). This requires a mix of field-based research, desk reviews, and most importantly the facilitation of a series of programmatic and non-programmatic workshops with the participation of relevant DRC management staff, local entrepreneurs and specialists in the wood sector, as agreed with DRC Area Manager for West Georgia, using inclusive methods.

Beside the development of the **Strategy Paper** for the CDC as the core deliverable defined above as an ultimate result, the Consultant/Expert is expected to submit one overarching **final report** to DRC with key outlines on the most suitable **Business Case** for the CDC to ensure its sustainability. The Report shall include as annexes a clear analysis of the 5 aforementioned intermediate results.

The report to be submitted in English to DRC, which is subject to DRC’ review and approval.

*DRC may provide existing baseline research data performed by the external actors as reference documents around the craftsmanship Sector in WG.*

The final report should answer the following questions:

* What core strategic priorities and guiding principles the CDC shall adopt to develop its strategy and shape it identity?
* What optimal governance structure is proposed to sustain the CDC?
* What are the short-term and long-term development perspectives of the newly established Crafts Development Centre considering the status of the current market?
* Which challenges does the sector face and the specific needs of the identified sub-sectors, which the CDC can cover in the long run?
* How can the CDC be engaged and contribute to the education and skills development areas around the craftsmanship sector in WG?

1. **Required Qualifications and Experience**

DRC is seeking applications from the qualified, legally registered companies/organizations or individual experts with a minimum of the following qualifications and experience:

* An advanced degree in marketing, market research, social sciences, or other related field;
* At least 5 years of proven experience working in the sector of craftsmanship or other related filed;
* At least 5 years of documented experience working in organizational development field preferably in organizational establishment/development including the vision, mission/mandate, the main strategic priorities etc;
* Significant practical experience in report writing and formulation of recommendations

1. **Procedure for submission of quotation**

Interested service provider (*legally registered companies/organizations or individual experts*) is expected to submit the following materials in English in response to this ToR:

* Technical Proposal (to be submitted in free format):
* Brief introduction of the applicant organization/ in case the service provider is individual, please submit updated CV and motivation letter;
* Detailed description of methodology and and tools for the execution of the required deliverables and respective timetable of actions (free format)
* Filled and signed Request for Quotation Form (please see attached)
* Completed and signed DRC supplier profile registration form (please see attached)
* Signed Code of conduct (please see attached).

Deadline: The interested applicants should submit the application to the following email address: **rfq.geo.zug@drc.ngo** by 24:00 PM local time, **April 28**, 2021**.** Please indicate the following assignment title in the subject line of the email ***“****PR\_00145048****-****Consultancy Service - Strategy Development of CDC”*

Applications submitted after the deadline will not be considered for selection.

Additional questions are accepted before **April 26, 2021, 17:00 PM local time** on the following email address: [mzevinar.jojua@drc.ngo](mailto:mzevinar.jojua@drc.ngo) and will be responded to all applicants on **April 27, 2021**.

1. **Proposal Evaluation and Selection**

The evaluation is made on a technical and financial basis. The proposed technical offer by bidders will be evaluated using the following criteria, and points will be allocated on a scale from 1 – 10 for each of the criteria stipulated below, whereas the weighting is as follows:

|  |  |
| --- | --- |
| **Relevant Qualifications (60%)** | * Demonstrated experience in forging organization’s corporate identity and strategy (20%), preferably in the Crafts sector |
| * Demonstrated experience working with actors engaged in Crafts or active in steady economic development field (20%) |
| * Demonstrated experience in conducting research and report writing (20%) |
| **Proposed services (40%)** | * The proposed methodology is relevant to the DRC requirement 40%) |
| **Total** | **100%** |

All bidders must obtain an **average score of at least five** for the total technical scoring in order to proceed to the financial evaluation. The financial offer will then be weighed against the technical offer.

**Nota Bene:** The total cost of the financial offer should be mentioned in the DRC Bid Form (RFQ). The total price offered should be a lump sum price, including all costs relevant for the assignment.