

**CALL FOR PROPOSAL (CFP)**

<b>PROGRAM NAME:</b>	Program for Social, Political, and Environmental Resilience in Somalia (PROSPERIS)
<b>DONOR:</b>	Royal Norwegian Embassy (RNE) and Swiss Development Cooperation (SDC)
<b>ACTIVITY TITLE:</b>	To assess, identify and select approx. 85 potential/eligible Small Medium Size Enterprises (SMEs) owned and managed by women and to provide microfinancing/revolving fund loans & basic business skills training support.
<b>ACTIVITY LOCATION/s:</b>	Beledweyne (Hirshabelle), Baidoa (Southwest), Galkayo North (Puntland), Galkayo South (Galmudug), Kismayo (Jubaland), and Lasáanood (Sool)
<b>IMPLEMENTING PARTNER</b>	Nordic International Support Foundation (NIS)

The Nordic International Support Foundation (NIS) is seeking proposals from established and experienced microfinance institutions (MFI) for the design and implementation of microfinancing support activities that will target approximately total number of **85 women-owned Small Medium Enterprises (SMEs) potential beneficiaries in 6 locations across country**. For detailed information, please refer to the ToR below.

**Proposal format and requirements to be submitted are as follows:**

- I. Information about the institution’s background and relevant expertise/experience related to the proposed activity (max 2 pages).
- II. Understanding of the ToR (max 1 page).
- III. Description of the approach, and methodology that the institution will use to assess, identify, and select potential SMEs owned by women in the 6 target locations (i.e. Selection criteria). Additionally, include fund disbursement methods, and work plan with timelines for performing the proposed activity including the monitoring plan during and after the implementation of the activity (max 4 pages).
- IV. Provide financial proposal or operational/admin cost for implementing this activity.
- V. Provide List of key qualified personnel (CVs) with their respective roles who will be responsible for the implementation of this activity.
- VI. Share respective previous experience of undertaking similar activities in the target locations in the last 5 years (attach minimum of 3 contracts of similar work that were internationally funded by donors, UN, International NGOs, etc).
- VII. Submit relevant organizational registration documents with relevant regulatory authorities.

**Submission of proposals**

The deadline for submitting the complete proposal is **11:59 PM on 31<sup>st</sup> July 2024**.

Proposals must be submitted electronically to [procurement.somalia@nis-foundation.org](mailto:procurement.somalia@nis-foundation.org), with the subject **“Microfinancing & basic training for 85 Women-Owned SMEs 6 locations in Somalia- CALL FOR PROPOSAL”**

**Contact information:** Please forward any query to the following e-mail address: [procurement.somalia@nis-foundation.org](mailto:procurement.somalia@nis-foundation.org) not later than **11:59 PM (EAT) on 28<sup>th</sup> July 2024**.

Any inquiries or questions may be addressed to NIS Foundation through the above-mentioned email.

Offers will be rejected if any illegal or corrupt practices have taken place in connection with the award.

**NB:** NIS Foundation promotes equal opportunities for all and welcomes applications from all sections and members of society regardless of their age, gender, group membership, political and/or clan affiliation. Qualified local MFIs owned by women are particularly encouraged to apply.

**NB.** Please be informed that a given proof of operational presence in the target locations will be an added advantage to the applicants.

## TERMS OF REFERENCE

Assess, identify and select 85 potential/ eligible women owned SMEs and provide microfinancing/revolving fund loans & basic business skills training support in 6 locations

### 1. BACKGROUND INTRODUCTION AND OBJECTIVE

The Nordic International Support Foundation (NIS) is a Norwegian-registered non-profit organization engaged in stabilization and reconciliation initiatives in conflict and post-conflict locations. NIS' primary areas of intervention are institutional development, public service delivery, and conflict resolution. Headquartered in Oslo, Norway, NIS currently implements projects in Somalia, Myanmar, and the Sahel.

With funding from the Royal Norwegian Embassy (RNE) and Swiss Development Cooperation, NIS is currently implementing the Programme for Social, Political, and Environmental Resilience in Somalia (PROSPERIS) designed to address the vulnerabilities related to socioeconomic, political (governance visibility/presence), and environmental factors that undermine Somalia's longer-term stability. The program also aims to build on the achievements and experiences from the previously implemented stabilization program (2016-2022) funded by RNE and seeks to strengthen government legitimacy through the renewal of the social contract between the authorities and the communities by jointly implementing and overseeing projects together.

The interventions under PROSPERIS are organized into four different thematic areas/components. The Socioeconomic component includes supporting 85 women SMEs in Six (6) locations of Somalia with microfinancing/revolving loans and basic business skills training to scale up/expand their business productivity and profitability and potential increase in employment opportunities for other women/female youth.

The program aims to specifically contribute towards reducing food insecurity resulting from worsening climate conditions with a focus on micro-finance support to women working within the food sector (dairy/ milk vendors, fish/ meat/ agricultural, and other food products). NIS theorizes that creating more opportunities for women entrepreneurs to engage successfully with their customers and markets will yield higher dividends for them, their families, and communities; and deliver society-wide gains due to increased productivity and more inclusive economic growth.

The MFI will expect to provide sharia-compliant partial funding mechanisms and technical assistance to women entrepreneurs who require start-up or expansion of their business. The beneficiaries proposed for this support will include entrepreneurs already running their businesses, and potential entrepreneurs with innovative ideas to start a business. To promote sustainable growth to entrepreneurs, a training package on entrepreneurship and business management skills will be provided by the selected micro-financing institution (MFI). The training will complement the distribution of loans so that women are provided with the skills alongside the funds needed to grow a successful business and improve their socioeconomic status & livelihood. Women SME beneficiaries will be chosen based on their socio-economic vulnerability, business size, and the sector that they are involved in to facilitate results monitoring.

## 2. SCOPE OF THE ACTIVITY TO BE IMPLEMENTED

This assignment will focus on engaging and partnering with MFI to manage the assessment, disbursement and follow up on repayment of loans to eligible SMEs both early-stage/start-ups as well as existing well-established ones needing further expansion, etc. ~~women-owned businesses~~ in 6 locations, namely:

1. Mogadishu,
2. Beledweyne,
3. Baidoa,
4. Kismayo,
5. Lasanod,
6. Galkayo North, and
7. Galkayo South.

The anticipated total duration of the activity will be 18 months effective from date of signing award contract which includes assessment of applicants, disbursements, monitoring, and reporting and will be working with an estimated allocated budget of USD 400,000 including administration costs. Once all original loans are fully repaid, it is expected the funds will continue to be revolving as part of successful MFI's overall capital base and to reach more women owned SME beneficiaries in the future by the respective MFI.

Upon successful awarding of the contract, the MFI will be responsible for the implementation of the following core activities in conjunction and coordination with NIS Foundation:

- I. develop the selection criteria for the SME beneficiaries (NIS will provide the relevant project documents and the expected outcomes of the grant for reference)
- II. Assess, identify, and select existing successful or new women-owned SMEs, within the relevant sector, with both clear business plans and the potential to be scaled up through outreach. The list should be shared with NIS for verification & approval.
- III. Conduct due diligence exercise of SME beneficiaries and share their business plans with NIS for review
- IV. Develop a database of all potential eligible SMEs based on the due diligence assessment conducted and shared business plans with agreed-upon milestones.
- V. Provide business skills training to the successfully selected SME beneficiaries.
- VI. Verify that SME agree to implementation targets/loan conditions are fully understood and met.
- VII. MFI will be responsible for managing loans disbursements to successfully selected SMEs beneficiaries
- VIII. The fund for loans disbursement will be separate from the funds allocated for operational/admin costs.
- IX. All approved loan disbursements should be made within the activity period as will be stipulated in the formal contract.
- X. Carry out periodic follow up assessments, preferably every 2 months, to track SMEs beneficiaries' progress, plan for new SMEs enrollment in the revolving loans.
- XI. Prepare and submit monthly monitoring financial and narrative reports to NIS.
- XII. Prepare and document relevant success stories including images/videos from the participating SMEs beneficiaries.
- XIII. maintain regular coordination with and reporting to NIS program person responsible.

Based on the above scope of work, potential MFIs are invited to submit their proposal applications detailing their experience, approach in delivery and overall management and coordination, as well as any potential risks that might be associated with the implementation of such activity and how they intend to mitigate against those risks.

### **3. Admin cost of MFI**

A detailed proposal for admin/operational cost of the applicant MFI institution is to be prepared and presented separately and included in the proposal document.

### **4. DETAILED WORK PLAN AND TIME FRAME**

The duration of this activity will be 18 months from the date of signing a formal award contract. The MFI is expected to share a detailed work plan with a timeframe, schedule of activities and tasks to be performed during the activity period.