Terms of Reference

Consultancy service to recruit a business development service provider for compliance improvement and system strengthening of LIWAY Implementing partners

ITB: 051/26/SNV

Project Name	**LIWAY II**	**SAP No. (budget line)**	
Organizer (SNV staff name)	Melaknesh Ayele and Hawi Serbesa		
Place/s of the activity	Addis Ababa, Ethiopia:		
Duration	Start Date: After signing the contract		End Date: Dec 31st, 2026
Background and Context	**1. Background and Context** Livelihoods Improvement for Women and Youth (LIWAY) II, is a four-year programme (March 2025–December 2028) funded by Sweden and implemented by a consortium of SNV and Mercy Corps. LIWAY aims to contribute to sustainable poverty reduction and social stability in Addis Ababa by increasing the incomes of 143,000 poor people at least 50% women through improved wage and self-employment opportunities using a climate-smart Market Systems Development (MSD) approach. The programme operates across four prioritized market systems: Labor, Micro and Small Enterprises (MSE), Medium and Large Enterprises (MLE), and Skills. The program designed intervention activities to address the underperformance with in the four systems that enable income increase and employment for target women and youth in Addis Ababa. The program collaborates with a range of local private sector actors also known as Implementing Partners (IPs) to deliver sustainable livelihood and economic improvement intervention activities. As part of the donor compliance and institutional sustainability beyond the program conducted an organizational capacity gap assessment of these IPs. Though most of the partners have the willingness and basic capacity to perform the identified intervention activities, the organizational capacity assessment identified gaps among several implementing partners including in governance, financial management, procurement policy, standardized voucher and receipt system, organizational structure, safeguarding policy, and regulatory compliance. Many recently assessed partners lack dedicated and qualified finance experts, organizational structure and organogram, financial management and system, internal control systems, human resource policy documents, external Audit and their system is difficult to audit. To address these identified gaps and to build the capacity of the implementing partners to be compliant with requirements and make their operational system sustainable, the LIWAY program seeks to onboard a qualified business development provider/s, to assess, design and strengthen the identified institutional gaps of IPs tailored to their individual needs.		
Purpose of the Assignment	**2. Purpose of the Assignment** The purpose of this assignment is to develop and /or update standard operational procedures and systems of at least 20 LIWAY implementing partners and build their capacities to effectively utilize them in day-to-day operations.		

	General Objective The general objective of this assignment is to strengthen the organizational, governance, financial, and compliance capacities of LIWAY implementing partners through assessment, capacity building, coaching, and development of standardized operational tools and/or systems. **Specific Objectives** The assignment aims to: ▪ Conduct quick organizational capacity gap assessment of targeted implementing partners to identify gaps against donor compliance, legal requirements and best practices. ▪ Develop and/or update key organization foundational policies, financial policy, procurement policy, payment documentation, procurement and inventory documentation, financial management system, HR policy, (child) safeguarding policy anti-fraud and anti-corruption policy, conflict of interest policy, code of conduct operational manuals and guidelines and integrate them into their organizational systems and services ▪ Provide training, mentoring, and coaching to the partner management and staffs to effectively execute those developed tools/guidelines into their day -to- day operations. ▪ Support partners to establish clear governance structure, financial recording, systems that makes them compliant and ready for external audits
Scope of Work	**3. Scope of the Assignment** The selected **service provider/s (two)** will conduct a quick organizational capacity gap assessment, prioritize gaps and compliance action, develop/ revise manuals, templates and governance documents, provide tailored training, coaching and in-person support and lastly will check their readiness and compliance and develop final report. The service provider is expected to enhance the operational system of the implementing partners to make them compliant and feasible for external audit. **Key Activities** The selected service provider will: 1. Review and/or conduct organizational capacity assessment and assess governance, management, finance, procurement, HR, safeguarding, compliance and operational system. 2. Design tailored organizational specific capacity strengthening strategy or plan with a clear schedule and prioritize compliance gaps. 3. Develop/revise manuals, policies, procedures and systems of IPs 4. Provide capacity building training and coaching on financial management, procurement procedures, record keeping and documentation, human resource management, donor compliance requirements, prepare them for audit.
Expected Outcomes and Results	**4. Expected Outcomes and Results** ● 10 implementing partners have improved their financial management system which are digitalized (per service provider) ● 20 implementing partners have a clear governance/organizational structure with standardized operation procedures, guidelines and manuals including, but not limited to HR, Finance, Procurement, safeguarding, training, etc

	• Moving away from traditional, founder-based private sector management to independent, compliant, resilience implementing partner through establishment of a well-structured operational system.
Key Deliverables	**5. Key Deliverables** The service provider will submit the following deliverables across the lifecycle of the 3-months: • Inception Report & detailed capacity building plan: A clear operational document that shows clear timeline, technical expertise assigned for the capacity building specifications, data privacy management, a list of capacity building strategies. • Organizational capacity Assessment report with clear workable capacity strengthening plan for each partner. • Developed or updated Organizational policies and manuals • Training materials, tools, coaching reports • Final report including progress, audit readiness assessment, recommendations and sustainability plan
Duration of the Assignment	**6. Timeframe** The assignment is expected to be implemented within **approximately 3 months (From signing the contract to 31 December 2026)** from the date of contract signing.

1. Page Limit on Technical Proposal	The technical proposal should be between 10 pages. CVs and other supporting documents should be included as annexes. Proposals that exceed this page limit may be automatically disqualified.	Mandatory
2. Solid Experience and Knowledge	Direct institutional experience in similar assignments, specifically: provision of organizational capacity development, capacity building on operational system establishment and enhancement for private sector; designing and executing tailored strategies for making partners compliant, have experience in financial system establishment and management, etc	**20**
	- More than 8 years of direct experience in similar assignments and experience in Donor compliance with SIDA, EU, FCDO etc):	20
	- 3-5years of relevant experience:	10
	- 1-2 years of relevant experience:	5
	- Less than 1 year of relevant experience:	0

3. Quality of Technical Proposal	Clear understanding of objectives, detailed methodology & logical work plan.	**30**
	Full Understanding & High Quality: Proposal demonstrates a thorough understanding of the major organizational capacity gaps for private sectors operational system why it is not standardized and compliant, detailed similar experience and innovative strategies proposed for addressing the gaps with timely divided work plan.	30
	Partial Understanding: Proposal indicates a fragmented or superficial understanding of the major gaps of private sectors operational system and compliance risks.	15
	Poor Understanding: Proposal fails to demonstrate a viable, scalable approach.	0
4. Team Capacity and Composition	Multi-disciplinary team with system development, manual preparation, financial management and Audit experience, and practical previous experience in similar assignments.	**20**
	Highly Multi-Disciplinary Team: Structure features senior experts in Finance, Audit facilitation, digital finance system establishment, operational manual preparation. The team must include at least one dedicated expert finance expert specialized in complex finance system management and establishment.	20
	Acceptable Team: Lacks demonstrated expertise or a solid track record in one or more of the cores required expertise.	10
	Inadequate Team: Missing more than half of the required team capabilities.	0
Total Technical Score		**70**

7. Proposal Evaluation Criteria

Proposals will be evaluated using a two-stage selection process based on a total weighting of **70% Technical** and **30% Financial**.

Technical Evaluation Criteria (Weight: 70%)

A pre-defined technical criterion will be employed to evaluate applicants. To be eligible for financial evaluation, proposals must secure a minimum score of 70% of the technical points (i.e., **49 points out of the 70 available** in the evaluation matrix below). Failure to meet this threshold will result in automatic disqualification.

Financial Evaluation Criteria (Weight: 30%)

- The financial proposal must be submitted in a separate document. It must be simple, transparent, and explicitly itemize all applicable taxes.
- Proposals must be submitted in **Ethiopian Birr (ETB)**.
- **Legal Registration Requirements:** Bidders must be legally registered consulting firms or consortia and attach copies of valid business licenses, TIN numbers, and VAT/tax registration certificates.
- **Withholding Tax Conditions:** In accordance with Ethiopian law, SNV shall deduct either 3% (for local suppliers with a valid license and TIN) or 30% (for suppliers without a valid license/TIN) of the contract amount in lieu of withholding tax, remitted directly to the relevant tax authority.
- Only proposals scoring 49 points (70%) or above in the technical evaluation will have their financial proposals opened and evaluated for the remaining 30% financial weight.

Firm Qualifications and Key Expert Requirements

Interested organizations or consortia are expected to meet the following critical qualifications:

Please Note: Priority and strong preference will be given to service providers who already run active, similar business operations and are willing to adapt their current models to fit the requirements of this call.

Educational Background

- **Key Experts:** Must hold at least a master's degree in a relevant field, such as Accounting, Finance, HR, Audit Business Administration, Demonstrated **Experience & Technical Capacity**
- The firm should have demonstrated experience in organizational development.
- The firm should have dedicated expertise in financial management and accounting.
- The service provider should have experience and dedicated staff who have expertise in procurement system, human resource management, governance and compliance, related to audit and internal control system.

Language & Ethical Standards

- **Language Proficiency:** Fluency and excellent professional writing skills in English and Amharic. Knowledge of other local languages is an advantage.
- **Ethical Compliance:** Strict adherence to Swedish International Development Cooperation Agency (Sida) and SNV organizational policies, child safeguarding principles, data privacy laws (especially regarding candidate profile security), and codes of ethical conduct.

Submission of Proposals

Proposals must be submitted in **two separates**, clearly marked components (separate files via email):

Technical Proposal Components

Cover Letter (1 Page Max): Expressing clear interest in the assignment ("To recruit business development service provider for compliance improvement and system strengthening of LIWAY partners).

Detailed Technical Proposal:

- *Understanding of the Assignment:* A clear strategy employed for the organizational capacity gap assessment, testimony for similar assignments,

- *Detailed Methodology:* Practical strategies for strengthening organizational capacity development, training, and coaching methodologies, how to incorporate donor compliance requirements and external audit requirements.
- *Comprehensive Work Plan:* A logical timeline covering the entire compressed 5-month capacity building plan.
- *Resource Allocation:* A comprehensive matrix showing team members assigned to specific tasks, along with estimated man-days per member.
- *Value-Add Recommendations:* Innovative ideas to maximize operational efficiency of the partner and in place sustainable system.
- Annexes: Updated CVs of key experts, proof of language proficiency, signed ethical compliance statements, and corporate registration/licensing documents.

Financial Proposal Components

An itemized breakdown of all anticipated costs, structured as follows:

- **Breakdown of all Relevant Cost Elements:** Provide a clear, itemized breakdown of all anticipated costs. For each cost element, include:
    - *Description:* (e.g., Professional Fees, Daily Subsistence Allowance, Travel Costs, Communication Costs, Report Production).
    - *Unit:* (e.g., day, trip, unit, people).
    - *Number of Units:* (e.g., total man-days, etc.).
    - *Unit Cost:* (e.g., daily rate, cost per item).
    - *Total Cost:* for each item.
- **Personnel Costs / Service Fees:** Indicate the daily rate for each professional team member and specify the number of days each team member will be engaged during the 3-month pilot assignment.
- **Travel Costs:** Itemize travel expenses, including local operational travel within Addis Ababa, Ethiopia.
- **Communication and Technology Costs:** Include costs for communication, digital hosting, mobile internet for data validation, and any other miscellaneous technical expenses necessary for the successful delivery of the virtual fair ecosystem.

Submission Guideline and Application submission date:

Both the **Technica**l and **Financial** proposals should be sent **separately**, only through ettenders@snv.org

Therefore, SNV will expect two submission emails that are for the technical and financial offers. Both email subjects must contain the name of the assignment and proposal type. If the consultants miss the submission procedure, they will be automatically **rejected.**

Title of the specific assignment: **Business development service provider for compliance improvement and system strengthening of LIWAY Implementing partners**

SNV will **be rejected** for proposals submitted without indicating the title of the assignment **"Business development service provider for compliance improvement and system strengthening of LIWAY Implementing partners''** in the subject of the email.

For any clarification and questions, use the following email: yfulea@snv.org

Proposals must be received by the SNV no later than **October 01, 2026, 17:00 PM**, **17:00 (5:00PM)** close of business.

SNV Ethiopia, Roosevelt St. on the way from AU to Mexico Square, telephone: +251 (0)11 616 6232, P.O. Box 40675, Addis Ababa | Ethiopia

SNV Ethiopia reserves the right to accept or reject any or all bids.