



ASEAN-AUSTRALIA DEVELOPMENT COOPERATION PROGRAM (AADCP) PHASE II

TERMS OF REFERENCE FOR

Improving Research and Advocacy Skills of Business Associations in CLMV Countries

The ASEAN Secretariat and the Australian Government, through AADCP II, invite applications from consultants for the above-referenced project.

I. Background

Micro, Small and Medium-sized Enterprises (MSMEs) represent the majority of enterprises (between 88.8% and 99.9%) in ASEAN and contribute significantly to employment and the national economies of ASEAN Member States. Despite their importance, they are often marginalised during policy discussions. An underlying reason is because business associations – which are meant to represent the interests of business in the policy-making process – often lack the relevant organisational skills (e.g., convening business forums and other advocacy events), and technical skills (e.g., gathering, analysing, and presenting data) to effectively engage policy makers.

Business associations are institutionalised groups of businesses who share similar interests, and who work together to help overcome the disadvantages of being small stakeholders in the economic value chain. Business associations have two key functions:

- *Being a key communication channel between the private sector and the government.* Effective business associations provide valuable input to policy makers on the sentiments of the business community and insights on the challenges that the community is facing. This provides a channel for policy makers to develop timely and relevant policies to address challenging economic issues.
- *Providing technical and advisory support to MSMEs.* Micro and small enterprises, because of their size, lack the diversity of in-house capabilities that larger enterprises can afford to maintain. As such, these enterprises traditionally rely on external support for training, business development, and advisory services. Business associations and their secretariats are a key source for these ad-hoc services. Associations help MSMEs by acting as a platform for networking and business matching. In some cases, associations also provide MSMEs the opportunities to learn about business development, and participate in professional training (e.g., professional training on improving productivity), as well as technical training (e.g., compliance with new government regulation).

Despite the services already offered by business associations in Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) countries), there remain significant limitations to the capabilities and activities of associations in these countries. In a 2014 ASEAN SME Policy Index undertaken by the Economic Research Institute for ASEAN and East Asia (ERIA) in cooperation with the Organisation for Economic Co-operation and Development (OECD), respondents perceived that associations in CLMV countries were weaker at undertaking market research and business matching, as well as in their capacity to conduct advocacy activities to represent the interests of the business community in policy making. The results of the survey also show that weak business advocacy is an issue that affects CLMV countries,

especially Cambodia, Lao PDR and Myanmar. The gap between the performance of ASEAN-6 (Brunei Darussalam, Indonesia, Malaysia, Philippines, Thailand, and Singapore) and CLMV countries in this area is likely to also impact the quality of economic policy making, which is a key enabler of on-going regional integration.

There have been several initiatives to improve the capacity of business associations, but most have only been able to focus on a small number of associations. Given the diversity of business associations in each CLMV country and the scale of the capacity gaps relative to ASEAN-6 countries, it is clear that business associations in CLMV countries would benefit from further assistance to build up both their technical and organisational skills and improve their ability to undertake business advocacy activities (e.g., drafting white papers, convening business forums, and conducting business perception surveys). Enhancing the ability of associations to undertake advocacy activities will also improve policy making; governments will have a stronger private sector partner who can represent the views and sentiments of the business community well.

II. Needs and Objectives

The project aims to assist business associations in CLMV to better represent the interests of the local business community during policy making by:

- Identifying gaps for business associations in CLMV countries in developing, managing and delivering advocacy programmes/activities;
- Identifying capacity building requirements for CLMV business associations to better conduct business advocacy activities;
- Providing training and mentoring to participating business associations to develop these skills; and
- Providing mentoring support for each participating business association to identify and undertake a specific business advocacy activity or programme.

III. Outputs

The expected outputs for the project are:

1. An assessment report of each CLMV country in the following areas, at a minimum:
 - Situation analysis in the CLMV countries to better understand how CLMV governments interact with the private sector, particularly MSMEs and the associations that represent MSMEs, and what issues they generally face in influencing policy making. This should include identification of gaps on mechanisms for the government to effectively engage with the private sector.
 - Identification of gaps for business associations in CLMV countries in developing, managing and delivering advocacy programmes/activities as well as in analysing and integrating gender, environmental and social issues (GESI) in the design and implementation of advocacy programmes/activities. These should, at the minimum, include enabling environment (e.g. political will), to enhance the capacity of the business association (e.g. technical capacity to research and gather information, devise an advocacy strategy, utilise and manage data, communicate or present data, organise advocacy events, and monitor and evaluate advocacy), and to improve credibility of the business associations.
 - Recommendations to address identified gaps, including design of regional training

programmes for participating business associations in CLMV countries to address the gaps in enhancing their business advocacy capabilities, particularly in strengthening MSMEs; and to engage with relevant government officials to ensure that training programme is impactful.

- Recommendation of at least two business associations in each CLMV country to participate in the project. This should include assessment methodology, procedure for the inclusion of participating association, and selection criteria (which should at least cover the following elements: (i) sufficient permanent staff in the association to benefit from the training and undertake the ongoing activities; (ii) at least some staff and/or office bearers in the association with sufficient basic English proficiency to participate in regional training; (iii) sufficient capacity of staff and/or office bearers of the association to fully participate in the project, including undertaking the advocacy activity or programme; and (iv) demonstration of high commitment, with prior identification of potential advocacy issue/topic that benefit MSMEs, to pursue advocacy activity/programme within six months after the conclusion of the regional training. Associations that have not directly benefited from other similar projects and associations that focus on strong representation of women and youth in MSMEs will receive preference for support from this project.

2. Design and development of training material based on the gaps in business advocacy capabilities as identified in Output 1. The training materials will be in the form of presentation materials (e.g. slides, videos, games, multimedia, etc.), handouts/workbook for participants as well as reference documents and facilitation/delivery guidebook documents for trainers, for potential delivery by trained business associations and/or other stakeholders in the future. The material should be designed for adult learning and be ready for publication (edited, designed and laid out).

3. Delivery of training programmes in intensive format at regional level for staff and office bearers of each participating business association in CLMV countries.

4. Up to 40 days of provision of remote (via telephone and/or email communications) or on-site technical assistance to each participating business association in developing, managing and delivering one advocacy activity/programme in their respective country. Conduct of in-country visits to provide on-site assistance will be determined at later stage.

5. Regional workshop for the participating business associations to share lesson learnt from the development, management and delivery of the advocacy activity/programme conducted after the regional training and to obtain feedback on how to strengthen their respective activity/programme. The training material will be updated based on the feedback of the workshop.

6. A final report providing the final training material (in a separate editable soft copy for easy distribution), evidence of the improved skills and knowledge that the participating business associations have obtained during the regional training and remote technical assistance, as well as the recommendations on how to improve the mechanisms for government to effectively engage with the private sector and enhance the capacity of business associations in developing, managing and delivering advocacy programmes/activities.

IV. Tasks/Activities

The following activities will need to be undertaken to achieve the outputs presented above. The bidder should provide details on its approach to each activity in its bid and is free to recommend additional activities.

OUTPUTS	ACTIVITIES/TASKS	PERSON WORKING DAYS	DURATION IN CALENDAR WEEKS	COMPLETION DATE	RESPONSIBLE ENTITY
Inception report	Setting expectations on the project with consultant	3	2 weeks	2 weeks after signing of the Special Services Agreement (SSA)	Consultant
	Preparation of Inception Report				Consultant
	Finalisation and submission of Inception Report				Consultant
Approval of Project Inception Report by the ASEAN Secretariat (3 weeks)					
Assessment report of each CLMV country	Data collection, which may include desk review, survey/ questionnaire, focus group discussion, interviews, etc.	10	2 weeks	Week 14	Consultant
	Preparation and submission of draft country assessment report	10	2 weeks		Consultant
	Feedback on draft country assessment report from CLMV countries	-	2 weeks		IAI&NDG Division and CLMV countries
	Finalisation and submission of country assessment report	2	1 week		Consultant
Approval of Assessment report of each CLMV country by the ASEAN Secretariat (3 weeks)					
Development of high quality training materials and delivery of training programme	Develop training materials	10	2 weeks	Week 22	Consultant
	Preparation and conduct of regional training programme for staff and office bearers of each participating business association in CLMV countries	15	4 weeks		Consultant, IAI&NDG Division, and CLMV countries
	Report and feedback on the regional training programme				Consultant

OUTPUTS	ACTIVITIES/TASKS	PERSON WORKING DAYS	DURATION IN CALENDAR WEEKS	COMPLETION DATE	RESPONSIBLE ENTITY
Development, management and delivery of advocacy activity/ programme in CLMV countries	Mentoring (i.e. remote and consultation visits) to each participating business association in developing, managing and delivering one advocacy activity/programme in their respective country	40	24 weeks	Week 58	Consultant and CLMV countries
	Preparation of regional workshop	10	3 weeks		Consultant, IAI&NDG Division, and CLMV countries
	Conduct of regional workshop to share lessons learnt from the development, management and delivery of the advocacy activity/programme	10	1 week		Consultant, IAI&NDG Division, and CLMV countries
	Update of training materials based on the feedback from the workshop and submission of regional workshop report				Consultant
Final report	Finalisation of training materials	3	1 week	Week 60	Consultant
	Finalisation and submission of final report, including documentation of the development and delivery of advocacy activity/programme in each CLMV country and recommendations on how to improve capacity of business associations in developing, managing and delivering advocacy programmes/activities.	10	2 weeks		Consultant
Approval of Final Report by the ASEAN Secretariat (3 weeks)					
Project completion report	Preparation and finalisation of the Project Completion Report	2	2 weeks	Week 65	Consultant
Approval of Project Completion Report by the ASEAN Secretariat (3 weeks)					
** The number of person working weeks is intended to indicate the amount of relative effort required to deliver the corresponding outputs. The calculation is based on assumption of 5 person days per week. Actual time will be agreed in negotiation with the successful bidder.					

V. Reporting

The consultant is expected to produce reports in accordance with Section III and IV above. The timing of delivery is indicative and can be adjusted when the consultant's work plan is developed, subject to mutual agreement.

No.	Reports	Target Delivery Date
1	Project Inception Report describes the overall approach and detailed conceptual framework.	2 weeks following signing of the Special Services Agreement (SSA)
2	Assessment report of each CLMV country	Week 14
3	Regional Training Report which summarises feedback on the regional training programme and suggested refinements on the training modules	Week 22
4	Regional Workshop Report which includes documentation of the development and delivery of advocacy activity/programme in each CLMV country and outcomes of the regional workshop	Week 58
5	Final Report including final training materials and recommendations on how to improve capacity of business associations in developing, managing and delivering advocacy programmes/activities.	Week 60
6	Project Completion Report which describes project achievements against the project's original intended purpose and outputs. It is intended to assist in assessing impact, draw out conclusions and lessons learned.	2 weeks after ASEAN approval of the last/final project output(s)

All reports will be submitted based on AADCP II Guidelines for Contractors in draft format to the ASEAN Secretariat, IAI&NDG Division (with a copy to AADCP II) and, following the ASEAN Secretariat's approval, in final form. All outputs and reports must be suitable for publication, although the decision on publication lies with the ASEAN.

The contractor will also provide regular (weekly, bi-monthly or as agreed with the ASEAN Secretariat) summation of activities undertaken and issues that have arisen. These will be submitted to IAI&NDG Division and AADCP II via email.

Financial reports will be submitted at invoicing in line with a payment schedule to be specified in the Special Services Agreement (SSA).

VI. Project Management

The project will be funded by the ASEAN-Australia Development Cooperation Program II and managed by the IAI&NDG Division of the ASEAN Secretariat. The consultant should be responsible for organising and conducting the scheduled activities in collaboration with the host countries and the ASEAN Secretariat.

VII. Scope of Services

The consultancy will be undertaken over a **continuous effective period of 15 calendar months** with approximately **130 working days or 26 working weeks** of professional services. Work will commence immediately after contract signing.

VIII. Qualifications

In its proposal the bidder should demonstrate:

- In-depth knowledge and proven experience in business advocacy. Relevant work experience in business advocacy in CLMV countries will be an added advantage;
- Experience in working with business associations, preferably in CLMV countries;
- Experience in the analysis, design, implementation and evaluation of advocacy programmes/activities;
- Proven track record in conducting needs assessments/gap analysis;
- Excellent capacity in building skills, with proven experience in effective training, coaching, facilitation and mentoring;
- Extensive knowledge and experience in developing and delivering advocacy programmes/activities;
- Experience in GESI analyses and integrating GESI into advocacy programme design, implementation and monitoring and evaluation.
- Having existing local business associations networks or industry connections in CLMV countries is an advantage;
- Experience working with the ASEAN Secretariat and AADCP II on projects with similar scope and characteristics will be considered added value;
- Proven skills in report writing and conversing in English; and
- A thorough understanding of ASEAN and AADCP II procedures will be considered added value.

IX. Bidding

Interested consulting firms are invited to submit a proposal in response to these Terms of Reference. This proposal should be in two separate parts: **Technical** and **Financial components**.

The Technical component should present the following information:

- A brief discussion indicating the bidder's understanding of the needs of the project;
- A brief analysis of key issues;
- A methodological discussion of how the bidder proposes to address those needs including assessment of key issues, analytical strategies that will underlie the project, specific techniques to be utilised, and practical discussion of possible limitations in carrying out the project;
- A detailed work plan that specifies activities to be undertaken, expected outputs and deliverables, resources to be utilised and timing;
- Staffing and management plan;
- A discussion on how measures to ensure the future sustainability of the outcomes of the project will be addressed;
- CVs of all proposed experts;
- Brief discussion of firm's past experience in undertaking similar work and brief summaries of all projects undertaken.

The Financial component should specify:

- 1) Professional fees of expert(s);
- 2) Management and/or operational fees (if any), which include all costs incurred by the person/entity/company for internal coordination, communication, travels and any other associated project management cost;
- 3) Applicable taxes such as VAT, GST, PPN. See Section IX point 3 for an additional note on tax liability.

Activity costs for experts and participants such as reimbursable expenses for airfare, other travel costs and daily subsistence allowance for workshops, meetings, and all other agreed activities do not need to be included in the Financial Component. These items will be discussed with the preferred contractor during the finalisation of the scope of services. Costs will be based on prevailing ASEAN Secretariat rates.

X. Submission of Application

Applicants should send their application with a cover letter, materials specified in Section IX above and other supporting documents with ***“Improving Research and Advocacy Skills of Business Associations in CLMV Countries”*** as the subject via email to tender@aadcp2.org, no later than **4 August 2020 at 05:00pm Jakarta time**.

For Frequently Asked Questions (FAQ), please visit <http://aadcp2.org/aadcp-ii-tender-frequently-asked-questions/>

Any queries on the TOR should be sent to contact@aadcp2.org with the subject line: ***“Query Improving Research and Advocacy Skills of Business Associations in CLMV Countries”***

XI. Additional Notes on Terms and Conditions of the Project

1. Any future studies/reports/analysis in any form of intellectual property rights (including but not limited to patents, copyright and any related rights) submitted by the Contractor to ASEAN arising out of or in connection to the services performed by the Consultant to ASEAN shall belong to the Secretariat under the name of **ASEAN** only;
2. Successful bidder shall agree to be bound and sign the Special Services Agreement (SSA) with all requirements under the terms and conditions provided therein, including but not limited to the AADCP II Guidelines for the Contractors attached to the SSA.
3. As an intergovernmental organisation, ASEAN shall not be responsible for any tax(es), levy, tax claim or any tax liability which may be imposed by any law in relation to any amount payable by the ASEAN Secretariat.