



GOVERNMENT OF SAINT LUCIA

**Ministry of Commerce, Manufacturing, Business Development,
Cooperatives and Consumer Affairs**

**MSME Loan-Grant Facility
MSME Loan-Grant Facility's Project Capacity Building – Advanced Business Planning**

Terms of Reference – Advanced Business Planning Training and Technical Assistance: 2024

1. BACKGROUND

The COVID-19 pandemic has had a major impact on Saint Lucia's Micro, Small and Medium Enterprise (MSME) Sector, with existing enterprises reporting major reductions in sales revenue amidst increasing costs due to rising commodity prices and other disruptions in global value chains. This also coincides with a sharp increase in the number of MSME owners that were displaced by the economic downturn, establishing new MSMEs as a means of substituting lost income. Now in the third year of the pandemic, the Government of Saint Lucia (GOSL) seeks to support the post COVID-19 recovery efforts of the MSME sector by providing an influx of Capital to support individual MSME development objectives.

Moreover, given Saint Lucia's status as a Small Island Developing State (SIDS) faced with continuous endogenous and exogenous shocks, the GOSL further sees the need to build resilience within the sector, developing the capacity of MSMEs to respond to future events. In this regard, it was envisaged that the proposed financing of MSMEs must be accompanied by targeted technical support and capacity-building initiatives, aimed at formalizing individual MSME operations.

The Facility's main implementing Agency, i.e. the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs - through its Small Business Development Centre (SBDC) Unit - seeks to engage firms to implement the project's training and technical assistance.

2. SPECIFIC OBJECTIVES

2.1. The Firm's mandate is to equip MSMEs with the necessary knowledge and skills to achieve the objectives of their business plan, in keeping with the broader scope of objectives under the

MSME Loan-Grant Facility. This will include training and technical assistance in the following key areas:

- 2.1.1. **Improved Business Planning** should bring research, industry expertise, financial analysis, and advisory skills into the business plan development process. The consultant is to help MSMEs revisit their business plans while considering internal assumptions and biases, and external opportunities and threats.
- 2.1.2. **Bookkeeping and Financial Management** will help the MSMEs identify opportunities and risks before they become emergencies. That gives the MSME the chance to consider options to pivot initial decisions to executing a carefully planned strategy.
- 2.1.3. **Business Continuity Planning** will focus on how to prepare, and build a solid plan to protect against any potential threats in case disaster strikes, including the protection from losing any important data or having any downtime.

2.2. The specific focus would include but not be limited to the following:

- i. The Function and Goal of Financial Management
- ii. Understanding Financial Statements
- iii. Evaluating Financial Performance
- iv. Financial Planning
- v. Cash Management
- vi. Accounts Receivable and Inventories
- vii. Short-Term Financing
- viii. Financing Start-ups and Small Firms
- ix. Evaluating Investment Opportunities
- x. Business Continuity Planning

3. SCOPE

3.1. Between 150 to 250 MSMEs will benefit from training and between 100 to 150 MSMEs from mentorship and other technical assistance. The delivery of this component will include training MSMEs from at least five (5) locations around Saint Lucia, in batches of 15 to 25 MSMEs, covering each of the key areas. The technical assistance can be done using a method of the firm's choosing to be elaborated in the Expression of Interest, for 100 to 150 MSMEs, based on the needs of the specific MSMEs.

3.2. The Firm shall be responsible for developing the capacity of MSMEs through a variety of training or technical support formats including:

- In-Person training
- Virtual training
- Virtual consultancies
- Group Consultations
- One-on-One consultations
- Site Visits
- Field research
- Desk Research and Analysis

- Other singular or hybrid formats

3.3. The areas of training will be in keeping with those outlined in 3.1 above.

4. ROLES AND RESPONSIBILITIES

4.1. The Firm will undertake to perform these services with the highest standards of professional and ethical competence and integrity. The Firm is required to perform the following functions:

- a. Develop and implement the agenda for the training or consultations based on agreed Specific Objectives.
- b. Prepare training material for participants
- c. Provide access to training/consultancy material for distribution to participants and the Implementing Agency.
- d. Facilitate the training/technical support based on the agreed agenda, objectives and deliverables.
- e. Prepare a final report of the training/consultancy that includes:
 1. Evaluation of the MSMEs/businesses and deliverables
 2. Provision of recommendations
 3. Participants' assessment of training/consultation - MSME owners' feedback
- f. The Consultant may be required to attend meetings prior to and at the conclusion of the training/consultation to coordinate delivery as required by the Implementing Agency.

5. QUALIFICATION:

The selection of a firm to provide experts who serve as facilitators and consultants shall be based on their technical expertise in the identified subject matter, and/or previous experience working with MSMEs. The procedure for selecting firms shall be open and transparent and follow Procurement Procedures for Projects Financed by CDB (January, 2021). Selection shall be based on predetermined criteria and shall include the following:

Firms Experience and Qualification:

- a) At least Five (5) years of knowledge and experience specific to one or more of the industries or sectors under the project scope
- b) Experience working with MSMEs, specifically business training and consultation
- c) An understanding of the issues related to MSMEs in a developing country context, preferably in the Saint Lucian economy context.
- d) Excellent oral and written communication skills with fluency in written and spoken English. Knowledge and understanding of Saint Lucian Creole would be an asset.

Agencies:

- a) Reputable Agencies with a proven track record of training/consultation

- b) Onboarded Team of Professionals with relevant subject matter expertise

The firm or company shall ensure that additional experts if required, are adequately supported and equipped. In particular, the Consulting Firm shall ensure that there is sufficient administrative, secretarial and general support for each additional expert to enable the Firm's agent or Consultant to execute his/her/their primary responsibilities.

6. Duration of Contract

Work is expected to **start by July 2024 and conclude by October 2024**, but not exceeding three-staff months.

7. Remuneration & Terms of Payment

- a. The Implementing Agency shall pay to the firm, fees in keeping with going market rates and based on the format and duration of engagements as well as their qualifications and experience.
- b. The contract amount shall be paid to the firm in the following manner: after submission of the required deliverables and accompanied by original invoices to the Ministry of Commerce.
- c. The Ministry shall not enter into an employer/employee relationship with the Firm or its agents.

8. Office Accommodation

No office accommodation at the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs will be provided.

9. Reporting Requirements:

- a. The Firm will submit the following deliverables for Training:
 - i. A Final Training Report based on the approved methodology to be delivered within two (2) weeks following the close-off of the training component of the consultancy.
- b. The Firm will submit the following deliverables for Technical Assistance:
 - i. Report 1: An Inception Report highlighting the findings and work plan of the key areas under the assignment to be delivered within ten (10) working days of signing the contract;
 - ii. Report 2: A First Draft of the Final Report based on the approved methodology to be delivered within three (3) months after the commencement of the technical assignment or after signing the contract, the greater of the two);
 - iii. Report 3: A Final Report based on the Terms of Reference, signed contract, and approved methodology. This report should be within two (2) weeks after the close-off of the technical assignment on the signed contract.

10. Submission, Approval & Termination of Reports

The deliverables referred to above must be submitted to the Permanent Secretary of the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs and a copy to the Director, Small Enterprise Development Unit (SEDU), (also known as the Small Business Development Centre).

All deliverables must be submitted in **English**.

The Permanent Secretary of the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs is responsible for approving the deliverables.

The Ministry of Commerce will provide feedback to the Consultant within five (5) business days of receipt of the final deliverable.

The Contract shall be terminated in accordance with the terms and conditions outlined in the Contractual arrangements with the Consultant and the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs and in line with follow Procurement Procedures for Projects Financed by CDB (January, 2021).

All work must be completed to the satisfaction of the Ministry of Commerce, Manufacturing, Business Development, Cooperatives and Consumer Affairs.

11. Deliverables

Reporting Requirements for the Overall Consultancy:

For Training:

- a) A Report on overall training

For Technical Assistance

- a) Inception report
- b) First Draft of the Final Report
- c) Final Report

12. Financial arrangements

The total cost of the consultancy **will not exceed** the contract sum which should include professional fees, all travel fees (including local fees and allowances) and other expenses incurred by the Consultant(s). After submission of the required deliverables in original and accompanied by original invoices to the Ministry of Commerce (the Implementing Agency).

13. Monitoring and Evaluation

Performance on the project will be measured by the timely submission of the deliverables outlined in clause 9 and as outlined in the work plan submitted in the Inception Report. Feedback on each submitted deliverable is not a requirement for the continuation of the project. The Implementing Agency will provide feedback to the Consultant within five (5) working days of receipt of the final deliverable.

Note: All Firms from Member Countries on CDB's Eligibility Listing, as referenced in Annex 1 of Procurement Procedures for Projects Financed by CDB, (January 2021) are eligible to participate