



***Government of the Co-operative
Republic of Guyana
Ministry of Public Works***

DRAFT TERMS OF REFERENCE

FOR

**NEEDS ASSESSMENT, CAPACITY BUILDING, AND GRANT ASSISTANCE FOR
SMALL AND MEDIUM ENTERPRISES IN THE PROJECT AREA (LINDEN TO
MABURA HILL)**

February 2024

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1. BACKGROUND

- 1.1 The Linden-Lethem road is critical in providing connectivity between Guyana's hinterland and coastland regions. The Government of Guyana (GOGY) intends to upgrade the first 121km from Linden to Mabura Hill to all-weather status and improve drainage, structures, geometry and safety features of the roadway in order to improve service variables and achieve the economic benefits associated with the roadway. GOGY has now applied for financing from the United Kingdom Caribbean Infrastructure Partnership Fund (UKCIF) implemented by the Caribbean Development Bank programme for upgrading the segment of roadway from Linden to Mabura Hill to an 'all-weather' status and intends to apply a portion of the proceeds of this financing to eligible payments under a contract for which this invitation is issued. The Project also seeks to advance socioeconomic development in the project areas, with keen attention to opportunities for business development capacity of vulnerable groups such as indigenous peoples, persons with disabilities (PWDs), youth, girls/women, and boys/men.
- 1.2 GOGY recognises the importance of advancing business development. According to the Small Business Act 2004 and Small Business (Amendment) Act 2021, a "small business" means any person or persons, including a body corporate or unincorporate, carrying on business in Guyana for gain or profit and satisfying at all of the following conditions: "*Employs not more than twenty-five persons; Has gross annual revenues of not more than GYD60M; Has total business assets of not more than GYD20M*". The Small Business Bureau is a semi-autonomous agency established under the Ministry of -Tourism, Industry and Commerce, based on the Small Business Act of 2004. The Small Business Bureau office was established in 2010 and became operational in 2013 with funding from the Guyana REDD+ Investment Fund, for the 'Micro and Small Enterprise Development Programme. Other initiatives include the Hinterland Employment Youth Services programme under the Ministry of Amerindian Affairs; Small Grants for Women-run Microenterprises offered by the Ministry of Social Protection and Women of Worth; and the People of Worth Entrepreneurial Resources Loan Programmes under the Ministry of Finance's Poverty Alleviation Programme. GOGY intends to use proceeds from the project funds to strengthen livelihood support services in the project areas.
- 1.3 Small and medium enterprises (SMEs) contribute up to 45% of total employment and account for about 33% of gross domestic product (GDP) in emerging economies (World Bank 2015). The Inter- American Development Bank's (IDB) 2018 *Small Business Survival in Guyana: Insights and Implications* survey identifies high failure rate of SMEs, that is, over 70% in last 5 years. The IDB (2018) survey showed that 41.6% of the failed SMEs believed that inadequate access to finance contributed to their demise. A considerable number of SMEs also identified

limited markets (18.0%), poor location (11.2%), and other factors (19.1%) as responsible for failure (IDB 2018, p.16). A significant number of SMEs that survived attributed success to market access (18.2%), social capital or networking (16.2%), industry experience (19.9 %), ideal location (12.0%), years in operation (10.0%), access to finance (6.2%), and other factors (8.2%) (IDB 2018, p. 17). The IDB's (2018) findings also show that efforts to encourage businesses to formalise operations, as well as provide incubation of SMEs and funding are important. The Draft Environmental and Social Impact Assessment's (IDB, 2020) community profiles reveal the presence of SME's operating in project areas and ongoing work on the development of community tourism products at the Great Falls Indigenous Village. This large-scale road infrastructure project will facilitate developmental opportunities to advance sustainable livelihoods of SMEs operating in project areas.

2. OBJECTIVES

- 2.1 The objective of the assignment is to conduct gender-responsive and socially-inclusive identification of the needs of Small and Medium Enterprises (SME's), and provide evidence-based livelihood programming to two target groups in Project areas:
- a) SME's at major communal intersection points of the road corridor; and
 - b) the Great Falls Indigenous Village

3. METHODOLOGY

3.1 The Consultants will:

- (a) Review available secondary data, including the National Youth Policy, Gender Equality and Social Inclusion Policy, Amerindian and Disability legislation, Indigenous Peoples Plan (IPP) for Great Falls and other secondary data including reports, studies, gender analytical reports, poverty assessments, relevant strategic sector plans, policy and legal documents and data from the census and Labour Force Surveys. The review will include a strength, weakness, opportunities and threats (SWOT) analysis of GOGY's credit programs targeting various categories of SME's such as the Women of Worth (WOW) project, the Micro and Small Enterprises Development project, Agricultural Export Diversification (AED) project, and Rural Enterprises and Agricultural Development Project (READ).
- (b) Conduct a thorough stakeholder analysis and collect primary data through participatory consultations with state and non-state stakeholders to inform

the assignment and gain buy-in for implementation. Elite interviews, focus groups, site visits, transect walks, and other appropriate participatory methodologies must be employed. Focus groups may be convened separately for males, females, youth, indigenous peoples, and PWDs. Those consulted will include, *inter alia*:

- (i) State agencies including the Bureau of Statistics, the Small Business Bureau, the Ministry of Tourism, Industry, and Commerce, the Ministry of Public Works (MOPW), the Ministry of Amerindian Affairs; Ministry of Human Services and Social Protection, Ministry of Finance, Regional Democratic Council (RDC), Neighbourhood Democratic Council (NDC), Women, and Gender Equality Commission, National Commission for Disability and Indigenous Peoples Commission; and
- (ii) Non-state actors such as The Centre for Local Business Development, The Georgetown Chamber of Commerce and Industry, credit unions, community-based organisations (CBOs) faith-based organisations (FBOs), and village councils and other relevant non-governmental organisations (NGOs).

4. SCOPE OF SERVICES

4.1 The services are to be conducted in accordance with generally accepted international standards and professional practices acceptable to GOGY. The scope of services is understood to cover all activities necessary to accomplish the objectives of the consultancy, whether or not a specific activity is cited in the Terms of Reference. A participatory and consultative approach is to be encouraged in the conduct of the services, and due attention to measures that enhance access to project benefits by men, women, and vulnerable groups such as youth, and PWDs.

- (a) **Preparation of Needs Assessment and Profile (NAP) of SMEs.** The NAP shall identify:
 - (i) Number, type and scale/scope of SME's;
 - (ii) SWOT analysis of GOGY's credit programs targeting various categories of SMEs;
 - (iii) The resources available including:
 - (aa) Human capital: certification, skills and knowledge, ownership structure, labour (number of

- employees/entrepreneurs (including men, women, youth, indigenous peoples, and PWDs);
- (bb) Natural capital: access to land, water, wildlife, flora, forest;
 - (cc) Psycho-Social capital: psychosocial needs and level of support currently available, as well as formal and informal stocks of social trust, norms, and networks that people can draw upon to solve common problems;
 - (dd) Physical capital: houses, vehicles, equipment, livestock, types of products or services, annual quantity and value of output, the value of annual sales (local and export), annual wage/salary disbursements, and levels of investment in innovation, and technology utilization; and
 - (ee) Financial capital: financial system participation (formal and informal), savings, access to regular income, net access to credit, insurance, payment of income tax/corporate tax, social security, etc.;
- (iv) Ongoing and planned projects for SMEs operating in priority sectors/sub-sectors being undertaken by Government, NGOs and/or other regional/international development agencies, including any legal and regulatory reforms;
 - (v) Available livelihood support programming as appropriate, to support individuals to adapt and establish livelihoods through the pursuit of income-generating activities;
 - (vi) Availability, relevance and adequacy of business development courses;
 - (vii) Specify livelihood issues, opportunities, barriers, strategies and aspirations of the men and women, youth, indigenous peoples and PWDs seeking to establish livelihoods, including an assessment of how traditional gender roles, and the extent to which gender, youth and disability stereotypes and/or bias may further exacerbate these; and
 - (viii) Disaggregation of NAP findings according to sex, age group, disability status, ethnicity and geographical location, where possible.

- (b) **Preparation and delivery of a Capacity-building Plan (CBP)** which identifies capacity-building needs and a costed work plan (human, financial and other resources) for providing relevant training for two target groups (stated under objectives).
- (c) **Definition of a Small Grant Assistance Programme (SGP)** to strengthen SMEs (post-completion of capacity-building training). It must identify:
 - (i) grant components with critical business inputs such as tools of the trade, small equipment, relevant software and other eligible expenditure;
 - (ii) eligibility criteria for participation of SMEs;
 - (iii) institutional arrangements and resources required (human, financial, psychosocial, etc.) to support the programme implementation including ongoing business coaching/mentorship; and
 - (iv) M&E system to measure the success of the interventions provided; that is, effectiveness in supporting the sustainable establishment, formalisation, and/or expansion of SME livelihoods.
- (d) **Convene Stakeholders' Consultation Workshop(s)** to review draft project deliverables in sections 4.01 (a) to 4.01 (c) above with key stakeholders in the public, private and non-governmental organisations sectors; prepare a Stakeholders' Consultation Evaluation Report to document participants' profile and feedback gleaned; and incorporate feedback into the revised project deliverables.
- (e) **Conduct Capacity-building Training for:**
 - (i) key stakeholders to be involved in the implementation of the Project and SGP; and
 - (ii) two target groups of SME beneficiaries through business development training and coaching including record keeping, establishing market linkages; and strengthening sustainability through establishing, formalising and expanding businesses.
- (f) **Prepare a Capacity-building Training Evaluation Report** of participants' profiles and areas of satisfaction and dissatisfaction regarding the training provided.

5. REPORTING REQUIREMENTS

5.1 The following reports in Microsoft Word/Excel which can be edited, two hard copies, along with an electronic copy either by email, on CD ROM or flash drive, shall be submitted to the MOPW at the times indicated below. The reports must incorporate feedback provided by the MOPW.

- a) Inception Report, within two (2) weeks of commencement of the assignment including the workplan, detailed methodology and research instruments for the assignment.
- b) Interim Report, within three (3) months of commencement of the assignment including the Draft NAP, Draft CBP, and Draft SGP. Interim Report 1 shall be presented at the Stakeholder's Consultation within 2 weeks of submission.
- c) Interim Report Two (2), within four (4) months of commencement of the assignment including the Revised NAP, Revised CBP, Revised SGP, and Draft Stakeholders' Consultation Evaluation Report.
- d) Draft Final Report, within nine (9) months of commencement of the assignment including the Final NAP, Final CBP, Final SGP, Final Stakeholders' Consultation Evaluation Report, and Draft Capacity-building Training Evaluation Report.
- e) Final Report, within twelve (12) months of commencement of the assignment including Final Draft Capacity-building Training Evaluation Report.

6. PAYMENT SCHEDULE

Payment is contingent on the acceptance of each deliverable by GOGY. The timelines, deliverables and payment schedule are as per table below:

Item #	Deliverable	Timeline	Payment %	Remarks
1	Inception Report, including the workplan, detailed methodology and research instruments for the assignment.	Two (2) weeks from the start date	10%	Within 30 Days of Acceptance
2	Interim Report One (1), including the Draft NAP, Draft CBP and Draft SGP. Interim Report One (1) shall be presented at the Stakeholder's Consultation within two (2) weeks of submission	Three (3) months from the start date	15%	Within 30 Days of Acceptance
3	Interim Report two (2) including the Revised NAP, Revised CBP, Revised SGP, and Draft Stakeholders' Consultation Evaluation Report	Four (4) months from the start date	20%	Within 30 Days of Acceptance
4	Draft Final including the Final NAP, Final CBP, Final SGP, Final Stakeholders' Consultation Evaluation Report, and Draft Capacity-building Training Evaluation Report	Nine (9) months from the start date	20%	Within 30 Days of Acceptance
5	Final Report, including Final Draft Capacity-building Training Evaluation Report.	Twelve (12) months from the start date	35%	Within 30 Days of Acceptance

7. IMPLEMENTATION ARRANGEMENTS

7.1 GOGY will appoint a Project Coordinator (PC). The PC will facilitate the work of the Consultants and make available all relevant project-related reports and data relevant to the completion of the exercise and will act as a liaison between the consultants, and GOGY officials and stakeholders.

7.2 The Consultants shall report to the project's PC at the MOPW, and work closely with the Small Business Bureau, the Ministry of Tourism, Industry and Commerce, and other GOGY Ministries with responsibility for youth, gender equality, and indigenous people's affairs

8. QUALIFICATIONS AND EXPERIENCE

8.1 The firm must have experience in social marketing in the traditional and new media industry, including experience in communications for promoting gender equality and the social inclusion of vulnerable groups. Knowledge of vulnerable groups of youth, elderly, children, PWDs, indigenous peoples, and gender issues affecting men and women respectively is critical for this assignment.

8.2 The Consultants should include:

- (a) Key Expert 1 – SME Development Specialist with expertise in Microfinance:
 - (i) post-graduate qualifications in Business Administration, Finance, Accounting, Economics, Development Studies, or a related field;
 - (ii) ten years' experience in business development/management, marketing, training and advisory services, including business continuity planning;
 - (iii) five years' experience working with SMEs in the Caribbean and with multilateral agencies, and Governments; and
 - (iv) two years' experience working with indigenous peoples and SMEs in rural communities.

- (b) Key Expert 2 – Social and Gender Specialist with:
 - (i) post-graduate qualifications in development studies, social policy, or another related field;

- (ii) eight years' experience in community development, social and gender analysis/development work, conducting quantitative and qualitative research including participatory methodologies, monitoring and evaluation (M&E); development issues associated with gender equality, PWDs, indigenous peoples and youth in the Caribbean, and three years' experience working with/for multilateral agencies, and governments.

9. DURATION

It is expected that the assignment will require a maximum of 12 months.