UNITED NATIONS DEVELOPMENT PROGRAMME

**TERM OF REFERENCE**

**Independent Final Evaluation of UNDP Project:**

**Strengthening SME Business Membership Organizations**

Project ID: 00094897

**APRIL 2018**

1. **PROJECT BACKGROUND AND OVERVIEW**

**1.1 Project factsheet**

|  |  |
| --- | --- |
| **Project name** | Strengthening SME Business Membership Organizations |
| **Project ID** | 00094897 |
| **Post title**  | Consultant to conduct Final Evaluation |
| **Country / Duty Station** | Home-based with 1 mission to Kyiv, UA (approximately 12 days) |
| **Expected places of travel** | 1 roundtrip travel to Kyiv, UA (possible other 1-2 cities)  |
| **Duration of Initial Contract** | 25 May-30 June 2018 |
| **Assignment Quality Assurer** | Vitaliy Kuchynsky, UNDP M&E Analyst |
| **Assignment Coordinator** | Andriy Zayika, Project Manager  |
| **Expected Duration of Assignment** | 20 days within the timeframe 25 May- 30 June 2018 |
| **Payment arrangements** | Lump Sum (payments are linked to deliverables) |
| **Administrative arrangements** | All working arrangements to be provided by the Consultant. The Consultant will receive all required information from UNDP, including projects documents (electronical or paper format), analytical papers and other relevant documents |
| **Selection method** | Technically compliant offer and lowest price |

* 1. **Project background and context**

Ukraine is a country with a very challenging business environment, especially for Small and Medium Enterprises (SMEs). There are excessive regulations and inconsistencies in the norms and requirements governing the SMEs. Ukraine has also a negative track record in permits, giving and licensing processes that are overall non- transparent and prone to corruption practices.

SMEs request for a simplification of business regulations and, in general, a better business climate is not supported, partially due to weak institutional capacity structures, such as Business Membership Organizations (BMOs). Therefore, UNDP has been implementing the project [“Strengthening SME Business Membership Organizations”](http://www.ua.undp.org/content/ukraine/en/home/operations/projects/democratic_governance/strengthening-sme-business-organizations.html) in 2015-2018, with the financial support from the State Secretariat for Economic Affairs of Switzerland (SECO).

The project aims at accelerating the development of the SMEs sector in Ukraine by strengthening the capacities of BMOs to reinforce a much-needed dialogue between the private and public sectors. In order for BMOs to be a strong and reputable representative of the private sector to the public sector, they must be able to advocate member interests and concerns; be strong organizations with proper governance structures; and be able to respond to member needs by delivering high quality and affordable services and information.

The project has been delivering tailored capacity development programme to selected SME BMOs in Ukraine aiming to help improve their institutional/organizational/financial capacities to represent interests of the private sector and facilitate a more active, responsive, professional and policy-oriented dialogue between public and private sectors.

The aim of the project is to have a positive impact on the ability of BMOs to attract members, promote constructive cooperation with governmental structures and to contribute to policy development leading to SMEs sector growth. Increased membership of BMOs coupled with higher institutional effectiveness, resulting from the support received from the project will contribute to the financial sustainability of BMOs and spur mobilization of the entrepreneurs, therefore, strengthening the ‘collective voice’ of business.

The project has been implemented through four interconnected components dealing with BMOs’ organizational capacity and governance, improvement and expansion of services provision, advocacy and promoting effective cooperation with the government at all levels.

Following the selection process, the project has worked to develop the capacity of seven BMOs with different profiles and geographic coverage. The group includes one regional chamber of commerce, three industry associations and three regional universal BMOs. All BMOs are established organizations that have been on the market for a considerable period of time and have accumulated valuable experience, but have faced a variety of challenges and barriers to growth and operation.

In 2017, the project underwent a midterm evaluation in which demonstrated that the project was on track though indicating that some adjustments were necessary. The evaluation report can be found online at UNDP´s Evaluation Resource Centre ([see the link to ERC](https://erc.undp.org/evaluation/evaluations/detail/8571)).

UNDP seeks to conduct a forward-looking final project evaluation. The nature of the final evaluation is largely a management tool to provide project team and stakeholders with an account of projects results assessed against the initial plans, project document and cost-sharing agreement, provide recommendations and guide the development of the follow-up phase of UNDP’s intervention.

1. **SCOPE AND OBJECTIVE OF THE ASSIGNMENT**

The main objective of the assignment is to conduct the forward-looking Final Evaluation of the Project “Strengthening SME Business Membership Organizations”. The purpose of the evaluation is two-fold: a) to analyse the implementation of the project in 2015-2018 and draw the lessons learned; and b) to provide recommendations and inform the development of the project’s follow-up phase.

The key product expected is a comprehensive evaluation report (up to 30 pages without annexes, single spacing, Myriad Pro font, size 11), which includes, but is not limited to, the following components:

* Executive summary (up to 3 pages)
* Introduction
* Evaluation scope and objectives
* Evaluation approach and methods[[1]](#endnote-1)
* Development context and project background
* Data analysis and key findings and conclusions
* Lessons learned and recommendations for future intervention (including viable ideas on work directions which could be sharpened and further enhanced in the next SME BMO project phase)
* Annexes: TOR, list of people interviewed, interview questions, documents reviewed etc.

This forward-looking evaluation will assess project performance against the review criteria: **relevance, effectiveness, efficiency, sustainability and impact**. More specifically, it will cover, but not be limited to, the following areas and preliminary questions:

1. **RELEVANCE**

The report will examine the extent to which the project is relevant to the:

* Country context: How relevant was the project to the interventions target groups, including Government’s needs and priorities? To what extent was the project aligned with the policies and strategies of the Government, SDGs as well as UNDP/UNDAF country programme strategy?
* Target groups: To what extent was the project relevant to address the needs of vulnerable groups and gender issues in entrepreneurship development (both at project and stakeholder’s level)? To what extent did the initial theory of change for the project take those groups into consideration?
* Does the project remain relevant taking into account the changing environment while taking into consideration the risks/challenges mitigation strategy? Was there a need to reformulate the project design and the project results framework given changes in the country and operational context.
* What can be done additionally to better capture the needs of vulnerable groups and gender issues?
* What measures can be taken to improve the relevance of the project?
1. **EFFECTIVENESS**
* Assess the overall performance of the project with reference to its respective project document/cost-sharing agreement, strategy, objectives and indicators, and identify key issues and constraints that affected the achievement of project objectives. Were the planned objectives and outcomes achieved in the framework of the key project components?
* What are the results achieved beyond the logical framework? What were the supporting factors? What are the main lessons learned from the partnership strategies and what are the possibilities of replication and scaling-up? How can the Project build on or expand the achievements?
* How have stakeholders been involved in project implementation? How effective has the project been in establishing ownership?
* What measures can be taken to improve the effectiveness of the project?
* What can additionally be done to better capture the needs of vulnerable groups and gender issues?
* Assess the project effectiveness at **stakeholders’ level**. Review the BMO final organizational capacity assessment of all seven partner BMOs, provided by UNDP, and assess the progress they have achieved with the project’s support in terms of organizational growth, provision of Business Development Services, advocacy and contribution to the public-private dialogue.
1. **EFFICIENCY**

The extent that to which:

* The project cost was effective? Was the project using the least cost options? Have resources (funds, human resources, time, expertise, etc.) been allocated strategically to achieve the relevant outputs and outcomes?
* Has the project produced results (outputs and outcomes) within the expected time frame? Was project implementation delayed, and, if it was, did that affect cost effectiveness or results?
* Are the project’s activities in line with the schedule of activities as defined by the project team and annual work plans? Are the disbursements and project expenditures in line with budgets?
* Was the project management, coordination and monitoring efficient and appropriate?
* Assess the criteria and governance aspects related to the selection of beneficiaries and partners institutions, including BMOs.
* What can additionally be done to improve the efficiency of the project?
1. **SUSTAINABILITY**

Sustainability is understood as the likelihood of continued benefits after the SME BMO project ends. Assessment of the sustainability of project results will be given special attention.

* To what extent are project results (impact, if any, and outcomes) likely to contribute after the project ends? Define the areas that produced the most sustainable results, and the most promising areas requiring further support and scaling-up in the course of future interventions.
* Is there sufficient public/stakeholder awareness in support of the project’s long-term objectives?
* Is the BMOs’ activity likely to continue, be scaled up, replicated and increasingly contribute to the entrepreneurship development after the project? Define which of the platforms, networks, relationships development in the framework of the Project that have the highest potential for further scaling up and/or replication.
* Are there any social or political risks that may jeopardize sustainability of project results?
* Do the legal frameworks, policies, and governance structures and processes within which the project operates pose risks that may jeopardize sustainability of project benefits?
* To what extent were capacity building initiatives for partner organizations adequate to ensure sustainability? What can additionally be done to improve the sustainability of the project?
* Identifying possible priority areas of engagement, offer recommendations for the next phase of the SME BMO Project.
1. **IMPACT**
* Has the project contributed or is likely to contribute to long-term social, economic, technical changes for individuals, SME community and institutions related to the project?
* What difference has the project made to the beneficiaries?

The final list of evaluation questions and tools to be proposed by the evaluator and agreed with UNDP.

1. **EVALUATION APPROACH AND METHODOLOGY**

**3.1. Methodology**

The scope of the final evaluation will cover all activities undertaken in the framework of the SME BMO Project. Given the forward-looking nature of the evaluation, the Evaluator will: a) compare planned outputs of the project to actual outputs and assess the actual results to determine their contribution to the attainment of the project’s objectives, as well as b) provide clear recommendations for the follow-up phase of the project, based on identified lessons learned in key areas of project implementation These findings will serve to inform the development of the follow-up phase of the project.

The evaluator will be required to use different methods to ensure that data gathering and analysis deliver evidence-based qualitative and quantitative information, based on diverse sources: desk studies and literature review, statistical analysis, individual interviews, focus group meetings, surveys and direct observation. This approach will not only enable the final evaluation to assess causality through quantitative means but also to provide reasons for why certain results were achieved or not and to triangulate information for higher reliability of findings. The concrete mixed methodological approach will be detailed in the inception report and stated in the final report. All data provided in the report should be disaggregated by gender and vulnerability.

The evaluator is expected to follow a participatory and consultative approach ensuring close engagement with BMOs, government counterparts, international partner organisations, Swiss Cooperation Office in Ukraine, UNDP Country Office (CO) and project team at all stages of the evaluation planning and implementation. The evaluation will assess the extent to which the project was successfully mainstreamed with UNDP strategic priorities, including eradicating poverty, accelerating structural transformations for sustainable development a building resilience to crises and shocks.

The evaluation of project performance will be carried out against the expectations set out in the Project Logical Framework/Results Framework, which provides performance and impact indicators for project implementation along with their corresponding means of verification. All indicators in the Logical Framework need to be assessed individually, with final achievements noted. An assessment of the project M&E design, implementation and overall quality should be undertaken. The evaluation will assess the key financial aspects of the project, including project budget revisions. Project cost and funding data will be required from the project, including annual expenditures. Variances between planned and actual expenditures will need to be assessed and explained.

The conclusions related to the implementation of the project in 2015-2018 should be comprehensive and balanced, and highlight the strengths, weaknesses, challenges and outcomes of the project. They should be well substantiated by the evidence and logically linked to the terminal evaluation findings. They should respond to key evaluation questions and provide insights into the identification of and/or solutions to important problems or issues pertinent to project beneficiaries, UNDP and SECO.

The recommendations for the follow-up phase of the project should identify how best practices and achievements of the project can be scaled up or proliferated to increase the positive impact of the intervention on private sector development in Ukraine, as well as adapt/strengthen the theory of change of the project, based on interviews with project partners and beneficiaries and desk analysis *(please see below).* The recommendations need to be supported by an evidential basis, be credible, practical, action-oriented, and define who is responsible for the action - to have potential to be used in decision-making.

The evaluator should provide a proposed design, methodology of evaluation (methods, approaches to be used, evaluation criterion for assessment of each component to be proposed), detailed work plan and report structure to UNDP prior to the start of fieldwork; these documents and the list of businesses and other stakeholders to visit should be agreed with UNDP. While proposing the methodology, the Consultant should be guided by UNDP approach to project evaluations[[2]](#footnote-1).

The evaluator is expected to develop and present detailed statement of evaluations methods/approaches in the inception report to show how each objective and evaluation criterion will be assessed.

The methodology will be based on the following:

1. Desk review of the documents listed below ( but not limited to):
2. The original project documents, monitoring reports, action plans, M&E frameworks, mid-term evaluation, and financial documents (such as the cost-sharing agreement with SECO);
3. Notes from meetings involved in the project (such as board meeting minutes);
4. Other project-related material produced by the project (such as datasets, publications, audio-visual materials and consultancies reports).
5. Interviews with the relevant UNDP Country Office and the project’s management and staff, Swiss Cooperation Office and the various national and sub-regional authorities dealing with project activities as necessary, to provide in-depth briefing on the project, its results, context of partnerships with different stakeholders etc. as well as vision for future.
6. Interviews and focus groups discussions with project partners and beneficiaries. Partners and beneficiaries can be divided into three distinct groups:
	1. Business Membership Organizations and other representatives of private sector;
	2. Government institutions (including but not limited to the Ministry of Economic Development and Trade; oblast state administrations, other);
	3. International development actors active in the field of intervention (EU, CIPE, USAID, EBRD etc).

Debriefing session will be arranged for discussing the evaluation findings, results and recommendations.

**3.2 Deliverables**

The Consultant should provide the following deliverables:

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| --- | --- | --- | --- |
| **Deliverable #** | **Task description** | **Days and timing** | **Payment breakdown** |
| Deliverable #1 | Conduct desk research of SME BMO core documentation (cost-sharing agreements, project documents, annual work plans and progress reports 2015-2018, project implementation plans, board meeting minutes, mid-term evaluation report with annexes etc.). The set of documents to be reviewed will be prepared by UNDP.Develop an evaluation methodology and strategy to collect the required data, plans and forms for the interview with partners and counterparts.**Output**: The inception report (with detailed description of the methodology and evaluation matrix) is produced; annotated structure of the report is developed; a toolkit for gathering data (questionnaire and interview plans, a questionnaire for a beneficiary satisfaction survey) is designed. All documents are submitted to UNDP for final approval. | 4 days, by 30 May | 20% |
| Deliverable #2 | Conduct necessary consultations and interviews with the project staff and project partners. Examine how stakeholders assess the project and what their concerns and suggestions are. Clarify issues that emerge from the preliminary analysis of the project and require hard and soft data to substantiate their reasoning. Discuss the existing needs in the field of the private sector development and how the follow-up phase of the project should address them. Collect and analyse feedback from the partners.**Initial findings discussed in a wrap-up session with Project team and UNDP CO** *(can be done on-line via Skype conference)***.** | 6 days, by 12 June  | 0% |
| Deliverable #3 | Produce a draft report of the evaluation covering all items detailed in the paragraph #2 of the present TOR with definition of the lessons learned and recommendations for the follow-up phase of the project.**Output**: draft of the report produced and submitted for UNDP comments (*UNDP review will take up to 10 days*). | 5 days, by 17 June  | 40% |
| Deliverable #4 | Collect, review and incorporate comments from UNDP into the final version of the evaluation report.**Output**: Final evaluation report containing all required annexes indicated in the paragraph #3 of the present TOR, submitted to UNDP, SECO/SCO for final review and approval. | 4 days, by 30 June | 40% |
| Deliverable #5 | Prepare a detailed PowerPoint presentation of the evaluation study (in English) and present the results during the meeting between UNDP, SECO/Swiss Cooperation Office in Kyiv, Ukraine *(can be arrange also distantly via Skype depending on meeting arrangements. If travel occurs, UNDP will cover all related travel expenses)*.Consultations regarding UNDP expectations from the presentation will be held with the Contractor prior to the event.**Output:** PowerPoint presentation prepared and delivered during the joint meeting of interested parties (to cover major findings and lessons learned from the evaluation as defined in section 3 of this TOR with diagrams/pictures, where applicable). | 1 day, by 30 June |

The detailed structure of the final report should be agreed with UNDP and reflect all key aspects in focus.

Payment will be based upon satisfactory completion of deliverables. 100% of the total amount shall be paid upon completion of the Deliverables 1-5.

1. **MONITORING/REPORTING requirements**

The consultant will interact with UNDP project and CO staff to receive any clarifications and guidance that may be needed. He/she will also receive all necessary informational and logistical support from UNDP CO and the Project. On a day-to-day basis, consultant’s work will be coordinated with UNDP Project Manager. The satisfactory completion of each of the deliverables shall be subject to endorsement of the UNDP CO M&E Analyst.

The consultant will inform UNDP of any problems, issues or delays arising during the implementation of the assignment and take necessary steps to address them.

The key product expected is a comprehensive evaluation report (*with parameters indicated above in section 2)*

The report must be as free as possible of technical jargon in order to ensure accessibility to its wide and diverse audience. The Report should be prepared in English.

All reports and results are to be submitted to the UNDP in electronic form (\*.docx, \*.xlsx, \*.pptx, and \*.pdf or other formats accepted by UNDP).

1. **EXPERIENCE AND QUALIFICATIONS REQUIREMENTS**
* *Education:* Advanced University degree (Master’s or PhD) in Economics, Management, Mathematics, Social Sciences, Public Administration, Business Administration or other relevant area;
* *Relevant professional experience:* At least 5 years of work experience in the area of economic development, poverty reduction, private sector development, SME and/or business support of business membership organizations development including participatory planning, monitoring and evaluation. Working experience in Eastern Europe region and CIS will be an asset;
* *Experience in evaluation:*At least, 3 accomplished complex evaluations projects where the candidate was the author or co-author especially in economic development, private sector development fields, understanding of gender aspects (reference to or copies of previously developed knowledge materials including analytical reports, research papers, case studies materials, etc. to be provided);
* *Proven knowledge of monitoring and evaluation methodologies*, summary of a proposed evaluation methodology is to be provided (up to 2 pages);
* *Languages proficiency*: Excellent English writing and communication skills; knowledge of Ukrainian and/or Russian will be an asset.
1. **DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS**

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| --- | --- |
|  |  |
| [x]  | Letter of interest/proposal, providing brief methodology on how the work will be conducted and/or approached (up to 2 pages); |
| [x]  | P11, including information about past experience in similar projects / assignments; |
| [x]  | Duly accomplished Letter of Confirmation of Interest and Availability using the template provided by UNDP; |
| [x]  | Financial proposal (according to defined deliverables); |
| [x]  | Reference to or copies of previously developed knowledge materials including analytical reports, research papers, case studies materials, etc. (at least, 3 reports) |

1. **FINANCIAL PROPOSAL**

[x]  Lump sum contract

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in instalments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount (including travel, per diems, and number of anticipated working days).

**Travel costs.** Logistics arrangements for any travel or events in Ukraine involving the Consultant will be provided by UNDP. Air tickets to join duty station/repatriation travel Duty Station will be provided by UNDP. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the Consultant wish to travel on a higher class he/she should do so using their own resources. All other envisaged travel costs must be covered by the Consultant and included in the financial proposal. The official UNDP DSA rate for Kiev is currently $205 per day. The means of reimbursement will be via signed F10 form and payment/reimbursement into the nominated bank account of the consultant.

The Basic Security in the Field II and Advanced Security in the Field courses must be successfully completed prior to commencement of travel. Individual Consultant is responsible for ensuring he/she has vaccinations/inoculations when travelling to certain countries, as designated by the UN Medical Director. Consultant is required to comply with the UN security directives set forth under <https://dss.un.org/dssweb/>

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

1. **EVALUATION CRITERIA**
* Master’s/Specialist’s degree or equivalent in Economics, Management, Mathematics, Social Sciences, Public Administration, Business Administration or other relevant area – **10** points max

*[PhD degree - 10pts ; Master’s degree - 7 pts];*

* At least 5 years of work experience in the area of economic development, poverty reduction, private sector development, SME and/or business support of business membership organizations development including participatory planning, monitoring and evaluation. Working experience in Eastern Europe region and CIS will be an asset – **15** points max

*[more than 10 years - 10 pts; 7-9 years - 8 pts –; 5-6 years - 5pts; working experience in Eastern Europe region and CIS - additional 5 pts];*

* Experience in conducting complex evaluations – **20** points max

*[5 and more highly relevant evaluation projects - 20 pts; 4-5 highly relevant evaluation projects – 17 pts; 3 highly relevant evaluation projects - 15 pts]*

* *Proven knowledge of monitoring and evaluation methodologies* *-* **20** points max

*[highly relevant methodology (methodology is based on previous successful experience with the following examples of its use for such tasks, adapted to the needs of the target audience and TOR - 20 pts; intermediate level of quality and relevance (methodology is based on previous successful experience with the following examples of its use for such tasks) - 17 pts; acceptable quality and relevance of the methodology (methodology is based on the information, provided in TOR) - 15 pts;*

* Languages proficiency – **5** points max

*[English and Ukrainian/Russian - 5 pts; only English - 3pts];*

Maximum available technical score - 70 points.

1. **EVALUATION method**

[x] **Cumulative analysis**

Contract award shall be made to the incumbent whose offer has been evaluated and determined as:

a) responsive/compliant/acceptable, and

b) having received the cumulative highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

\* Technical Criteria weight: 70%

\* Financial Criteria weight: 30%

Only candidates obtaining a minimum 70% from the maximum available technical score (70 points) would be considered for the Financial Evaluation

The maximum number of points assigned to the financial proposal is allocated to the lowest price proposal and will equal to 30. All other price proposals will be evaluated and assigned points, as per below formula:

30 points [max points available for financial part] x [lowest of all evaluated offered prices among responsive offers] / [evaluated price].

The proposal obtaining the overall cumulatively highest score after adding the score of the technical proposal and the financial proposal will be considered as the most compliant offer and will be awarded a contract.

1. The Project should be evaluated in accordance with UNDP Evaluation Policy. [↑](#endnote-ref-1)
2. http://web.undp.org/evaluation/handbook/documents/english/pme-handbook.pdf [↑](#footnote-ref-1)