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# BACKGROUND INFORMATION

## Beneficiary country

Kosovo

## Contracting Authority

Community Building Mitrovica (CBM), Confidence Area, 40000 Mitrovica, Kosovo

## Country background

Kosovo is a potential candidate for future enlargement of the European Union. Kosovo's declaration of independence from Serbia was enacted on 17 February 2008 by a vote of members of the Assembly of Kosovo. The declaration was not recognised by Serbia, or five out of 28 EU member states, and as a result the European Union itself refers only to "Kosovo\*", with an asterisked footnote containing the text agreed to by the Belgrade–Pristina negotiations: "This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence." This has not prevented the country from continuing its EU enacted Stabilisation Tracking Mechanism (STM) programme, aiming to gradually integrate its national policies on legal, economic and social matters with EU, so that at some point in the future they could qualify for EU membership.

To ensure stability at the territory and neutral rule of law enforcement, the EU is operating in Kosovo under the umbrella of the United Nations Interim Administration Mission in Kosovo (UNMIK), deploying police and civilian resources under the European Union Rule of Law Mission (EULEX).

On 19April 2013 Serbia and Kosovo reach landmark deal - an agreement was signed in Brussels between the governments of Serbia and Kosovo on “principles governing the normalization of relations”, which was followed by approval from Kosovo’s parliament and the Serbian government. By signing the Brussels Agreement, Belgrade in principle accepted the integration of northern Kosovo into the constitutional order of Kosovo. Pristina, in turn, agrees to the establishment of an ‘association of Serb municipalities’, which is to be given considerable autonomy in the fields of economic development, education and health issues as well as land-use planning. The normalization of relations between Kosovo and Serbia is a prerequisite by the EU for continuing the process of the European integration of the two states.

On 10 October 2012 the European Commission found that there were no legal obstacles to Kosovo signing a Stabilisation and Association Agreement (SAA) with the EU, as full sovereignty is not required for such an agreement, and recommended for SAA negotiations to start as soon as Kosovo had made further progress on issues in the four areas: Rule of law, Public administration, Protection of minorities, and Trade. On 28 June 2013, the European Council endorsed these recommendations, and negotiations were launched in the fall of 2013. After signing the agreement on 22 April 2013, the European Commission recommended the opening of accession negotiations with Serbia, and of negotiations on a Stabilization and Association Agreement (SAA) with Kosovo. Integration of the Serbian population in the north Kosovo into Kosovo-state institutions is the most important thing to achieve long-lasting political stability in Kosovo.

Completion of the negotiation of a Stabilisation and Association Agreement with Kosovo and its initialling in July 2014 is a milestone on Kosovo’s European integration path. It will be the first comprehensive agreement between the EU and Kosovo. The SAA provides for enhanced political dialogue, closer trade integration, including opening EU markets to Kosovo’s industrial and agricultural products, and new forms of cooperation. The Commission now looks forward to its signature and conclusion. Following the elections in June, there has been an increasingly polarised political environment and Kosovo has come to a situation of political deadlock, delaying certain key reforms.

## Current situation in the sector

A potential candidate for EU membership, the Republic of Kosovo is a lower-middle-income country with a solid economic growth performance since the end of the war in 1999. It is one of only four countries in Europe that recorded positive growth rates in every year during the crisis period 2008–12, averaging 4.5%. The resilience of Kosovo’s economy reflects limited international integration into the global economy; the success of its diaspora in the labour markets of, especially, the German-speaking countries of Central Europe, resulting in a steady reflux of remittances; a generally pro-growth composition of the budget, allowing for about 40% of public expenditures to be spent on public investments; and a steady influx of donor support.

Efforts aimed at strengthening domestic productivity particularly critical in a euroized country will need to remain the pivotal policy anchor, as Kosovo continues to struggle with high rates of unemployment and poverty. Joblessness in particular - estimated at about 40% remains a central economic-policy challenge. With the difficult labour market conditions affecting youth and women disproportionately, these conditions risk undermining the country’s social fabric. Largely reflecting historical legacies, Kosovo remains one of the poorest countries in Europe, with a per-capita gross domestic product (GDP) of about €2,700 and about one-third of the population living below the poverty line - and roughly one-eighth in extreme poverty.

In Kosovo, women’s economic empowerment is a process that is conditional upon available resources, a process that does not give women a lot of opportunities and space to use their skills in order to have access to and control over economic benefits. Even today, after thirteen years of development aid, Kosovo women, and especially women living in rural areas, are still marginalized and have relatively limited access to information and resources. Women still face many obstacles related to traditional gender roles that affect their economic opportunities. Lack of ownership, lack of financial resources and lack of government support are important factors hindering the development of more pronounced entrepreneurship among women.

Kosovo still does not have a long-term vision of sustainable policies that would close the gap between men’s and women’s participation in entrepreneurial activities. Governmental and local non-governmental institutions are thought to continually work on changing the value system, attitudes and the environment on which the development of women’s entrepreneurial activities depends, but in frequent meetings with women one always identifies numerous obstacles to women’s entrepreneurship, from the stereotypes that exist in society to the lack of funds and lack of institutional support.

Women are not always present and included in all agendas of the government, in the local and central level. This happens because of lack of a structured dialogue between key stakeholders, lack of mechanisms for institutional support for policy promotion and execution of measures, lack of mechanisms for implementation of strategies and plans for economic empowerment of women, especially mechanisms related to the implementation of the Law on Gender Equality and the National Action Plan for Gender Equality. These are just some of the factors that show this reality, because there is no special financial support for women, knowing that access to finance is a key enabling factor for their economic development and empowerment. Fiscal laws and sub-laws do not have special provisions to promote female self-employment. There is no permanent database for women entrepreneurs in Kosovo and the activities that they lead and manage.

## Related programmes and other donor activities

The EU is investing heavily in building Kosovo’s small but highly open economy. The EU programme of financial assistance supports Kosovo’s ambitious reform agenda. More than 280 EU-funded projects managed by the EU Office are currently being carried out across a wide-range of sectors, regions and cities in Kosovo. The EU assistance is focused on fulfilment of the EU political criteria, including strengthening the rule of law and support for public administration reform, the communities, culture, media and the youth and sports; on wider socio-economic issues, including trade and regional development, education and employment, support for the tax administration and agriculture; on capacity building, the approximation of legislation and flanking measures on European standards, as identified in the European Partnership, including support for the environment, transport and energy. EU funding for projects in Kosovo is provided in the form of grants and contracts. EU allocated €645.5 million of financial assistance for the period 2014-2020 under IPA II for Kosovo. Below are presented some of the projects under Private-sector and economic development implemented by the EU Office in Kosovo:

* EU KOSVET VI-Development of Vocational and In-Company Training Schemes and Development of Entrepreneurship Scheme;
* Regional Development Agency – Center
* Regional Development Agency – North
* Regional Development Agency – West
* Regional Development Agency – East
* Regional Development Agency – South
* Promoting Energy efficiency and renewable in Kosovo
* Beautiful Kosovo

# OBJECTIVE, PURPOSE & EXPECTED RESULTS

## Overall objective

The overall objective of the project “Supportive business environment for women start-ups in North and South Mitrovicë/a” of which this contract will be a part is as follows:

Contribution to sustainable economic and social improvement of North & South Mitrovica through inclusion of women in private sector development.

## Purpose

The purpose of this contract is as follows:

* Perform consultancy on developing marketing packages for women start-ups/entrepreneurs in Mitrovica.

## Results to be achieved by the Contractor

* Consultancy on developing marketing packages: 30 women will receive 15 consultancy days during two months period.

# ASSUMPTIONS & RISKS

## Assumptions underlying the project

The most important assumption is harmonized business environment; Authorities in Mitrovica support economic reconciliation through actions. Also, free access to training & consultancy venues for women start-ups and mentors is another important assumption for successful implementation of the project. Active role of Mitrovica Women’s Association for Human Rights in selection of target group is expected. There is available pool of consultants able to provide different type of consultancies (e.g. handicrafts, textile, agriculture, etc.). Cooperation between legal & physical entities in both parts of Mitrovica is expected to be unobstructed.

## Risks

Main risks of successful implementation of this project are possible low turnout of women start-ups in the activities, as well as the absence of political unrest in both parts of Mitrovica.

# SCOPE OF THE WORK

## General

### Description of the assignment

Strengthening the business networking of women entrepreneurs is one of the most important results project “Supportive business environment for women start-ups in North and South Mitrovicë/a” shall achieve. The final working package consists of selecting high-growth women start-ups & entrepreneurs, providing them with sub-grants and assisting them in cooperative production and marketing activities. This package include a promotional component advancing the idea for increased support and exposure of women products and services to the customers, increase networking among women businesses from both areas and enhance greater cooperation and understanding between the communities of North and South Mitrovica.

Each of 30 women start-ups-grantees will receive 15 consultancy days on branding and marketing.

### Geographical area to be covered

South and North Mitrovica, Kosovo

### Target groups

Women start-up entrepreneurs from South and North Mitrovica.

## Specific work

The primary goal of the consultancy is development of marketing packages for women start-ups products/services. Consultant is required to prepare the marketing package for each of women start-ups - grantee winners. Consultancy shall contain of 15 consulting days for each of the grantees. Marketing package should contain the following topics:

* Marketing mix for target market:
  + **Product/Service**: Customer’s needs for the product/service; Needs that product/service satisfies; What features does it have to meet these needs? Are there any features missed out? How and where will the customer use it? What is it to be called? How is it branded? How is it differentiated versus the competitors?
  + **Place**: Where do buyers look for product or service? How to access the right distribution channels? Needs to use a sales force, attend trade fairs, make online submissions, or send samples to catalogue companies? What are competitors doing, and how to learn from that and/or differentiate?
  + **Price**: What is the value of the product or service to the buyer? Are there established price points for products or services in the area? Is the customer price sensitive? Will a small decrease in price gain an extra market share, or will a small increase be indiscernible, and so gain you extra profit margin? What discounts should be offered to trade customers, or to other specific segments of the market? How will price compare with competitors?
  + **Promotion**: Define promotional slogans of products/services; Where and when is possible to get across marketing messages to the target market? How reach the audience by advertising online, in the press, or on TV, or radio, or on billboards, or by using direct marketing mailshot, through PR, or the Internet? When is the best time to promote? Is there seasonality in the market? Are there any wider environmental issues that suggest or dictate the timing of the market launch, or the timing of subsequent promotions? How competitors do their promotions? And how does that influence choices of promotional activity?

The 4Ps of the marketing mix shall be related, and combine to establish the product’s position within its target markets.

* Marketing strategy of the business: An effective marketing strategy shall combine 4Ps of the marketing mix. It shall be designed to meet the company’s marketing objectives by providing its customers with value.
* Branding strategy: Develop name, logo, slogan and tagline; Develop key messages; Interaction with customers.

Consultancy will take place in-house, in the premises of women start-ups. The exact time of the consultancy will be agreed between the Contracting Authority and the Consultant.

## Project management

### Responsible body

The Contractor is responsible for all activities regarding implementation of this contract.

### Management structure

The responsible person for implementation of the tasks related to this contract on behalf of the Contracting Authority is Ms. Aferdita Sylaj.

### Facilities to be provided by the Contracting Authority and/or other parties

Not applicable.

# LOGISTICS AND TIMING

## Location

South Mitrovica, Kosovo

## Start date & Period of implementation of tasks

The intended start date is date of the signature of this Contract by both parties and the period of implementation of the contract will be 60 days from this date. Provisional period of implementation of tasks is June-August 2016.

# REQUIREMENTS

## Staff

Note that civil servants and other staff of the public administration of the partner country, or of international/regional organisations based in the country, shall only be approved to work as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well as proof that the expert is seconded or on personal leave.

### Key expert: Business Consultant

Qualifications and skills

* University degree in Economics, Business administration or other relevant field;
* Successful hands-on professional expertise in key business areas, including marketing, branding, sales, customer service, research, imports/exports;
* Good knowledge of economic situation in country, economic policies, as well as good knowledge of the institutional, technical, and commercial aspects of doing business;
* At least 5 years of working experience in marketing-related fields;
* Demonstrable experience in creating marketing/branding policies, strategies and business practices;
* Must be willing and able to commit to meeting regularly with the women businesses.

### Other experts, support staff & backstopping

CVs for experts other than the key experts should not be submitted in the tender. The tenderer will have to demonstrate in their offer that they have access to experts with the required profiles. The Contractor shall select and hire other experts as required according to the needs. The selection procedures used by the Contractor to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience.

The costs for backstopping and support staff, as needed, are considered to be included in the tenderer's financial offer.

## Office accommodation

Office accommodation for each expert working on the contract is to be provided by the Contracting Authority.

## Facilities to be provided by the Contractor

The Contractor shall ensure that experts are adequately supported and equipped. In particular it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract and to ensure that its employees are paid regularly and in a timely fashion. Contractor shall be provided with all information and documents required for preparation and execution of the trainings by the Contracting Authority.

The Contracting Authority will provide suitable venue, equipment, refreshment and meals for the participants and trainers in South Mitrovica. The Contracting Authority will also provide simultaneous translation for Albanian, Serbian and English languages for all trainings.

The Contracting Authority will inform women start-up entrepreneurs from South and North Mitrovica about the exact dates, hours and places of the appointed trainings through invitations and other means of information in order to invite them to participate trainings.

The Contracting Authority will provide the necessary visibility marks such as logo, EU flag and other visual identity signs of the project “Supportive business environment for women start-ups in North and South Mitrovicë/a”.

## Equipment

**No** equipment is to be purchased on behalf of the Contracting Authority / partner country as part of this service contract or transferred to the Contracting Authority / partner country at the end of this contract. Any equipment related to this contract, which is to be acquired by the partner country, must be purchased by means of a separate supply tender procedure.

# REPORTS

## Reporting requirements

The contractor will prepare the final report on the implementation of the tasks at the end of this contract. The approval of the final report by the Contracting Authority will be the basis for issuing the final payment, as indicated in the Special Conditions.

## Submission and approval of reports

The report referred to above must be submitted to the Project Manager identified in the contract. The Project Manager is responsible for approving the reports.

# MONITORING AND EVALUATION

## Definition of indicators

The indicator of the successful implementation of the contract is “Services provided in timely, quality and quantity manor, as required in these Terms of Reference”.

## Special requirements

No special requirements are specified.