



**TERMS OF REFERENCE FOR HIRING OF FIRM FOR DIAGNOSTIC STUDY OF CLUSTERS AND TRAINING ON ENTERPRISE DEVELOPMENT SKILLS IN DISTRICT KHYBER AND PESHAWAR**

Country:	Pakistan
Name of the Project:	Khyber Pass Economic Corridor
Consultancy Services:	Hiring of firm for diagnostic study of clusters and training on enterprise development skills in District Khyber and Peshawar
Credit No.:	IDA-62700
Project ID:	P159577

**A. BACKGROUND AND INTRODUCTION.**

The global integration of South and Central Asia is intertwined with the Khyber Pass. Over recent decades, constraints on trade through the Khyber Pass have hindered the development of Afghanistan, Pakistan, and Central Asia and undermined the stability of northwestern Pakistan. Economic development has been especially constrained in the erstwhile Federally Administered Tribal Areas (FATA) the situation was further worsen with the outbreak of covid-19.

With the improvement in the security situation in the newly merged regions of Khyber Pakhtunkhwa (KP) the forthcoming construction of the China Pakistan Economic Corridor (CPEC) and ongoing investments to address electricity shortages, unprecedented opportunities exist to increase economic growth, support local community development and reduce poverty in the region.

To increase trade between Afghanistan and Pakistan and accelerate economic growth in Peshawar, the capital of the province KP, the Government of Pakistan and the World Bank have agreed upon the development of the Khyber Pass Economic Corridor (KPEC) Project. For an amount of US\$460.6 million, the KPEC project includes two components:

Component I. Expressway development from Peshawar to Torkham (PTEX), with a new alignment next to the existing N5 road and with a planned completion data of 2023. The Component also includes Design and Construction of the access controlled Southern Link Road connecting M-1, N-5, and N-55 to the Peshawar-Torkham Motorway (Southern Link Road)

Component II. Development of the Khyber Pass Economic Corridor, that will, in conjunction with other initiatives, maximize the benefits of PTEX for the population in the KP by preparing transformational road infrastructure, urban development, cultural heritage protection and other area-based public investments for Western Greater Peshawar and by alleviating constraints to local employment, in particular for women, and to the integration of local producers and other private sector actors into global value chains.

**B. Rationale of the Assignment.**

The merged districts of Khyber Pakhtunkhwa (KP) Province spans the region bordering Afghanistan and Pakistan province of KP. They remain one of the most under developed region of Pakistan, and enduring decade of marginalization and economic deprivation. Livelihood and employment remain a critical issue related to both social and economic development and to matters of stability and governance, due to outbreak of COVID-19, the economic activity of the existing business has been decreased to greater extend.

Entrepreneurship is an asset, and MSMEs are the drivers of that asset for any country. It not only increases wealth, creates employment opportunities but also builds value that improves the lives of people.

Entrepreneurship is important to Pakistan as it can act as the wheel of the economic growth of the country by resolving problems/challenges, creating sustainable employment opportunities by creating new business/services/products, capacitate existing business, and mobilizes investments for SMEs.

In order to strengthen entrepreneurial and enterprise management skills through capacity building and training resources that foster the adoption of good workplace practices in cluster based micro and small enterprises, KPEC Project intends to carry out the diagnostic study of the business clusters in Khyber and Peshawar District.

Based on the outcome of the study, a customized training modules for each identified cluster depending upon the needs and requirement will be developed followed by enterprise development trainings of the cluster based small and medium enterprises in the district Khyber and Peshawar.

## **B. OBJECTIVES OF THE CONSULTANCY**

The overall objective of the assignment is to enhance the economic activities in the region through increasing/enhancing/upscaling the business of business clusters by providing them tailor made enterprise development training as per the need and requirement. The specific objective is to educate the clusters on using the online trading/business platforms, development of linkages and exploring the national and international potential markets, which will ultimately enhance the economic activities, generate more employment opportunity, contribute to the creation of enterprise culture among the people of the districts to shape their future, and play a key role in the economic and social development of district Khyber and Peshawar

## **D. Scope of Work**

The assignment will be conducted in two phases:

### **Phase-1 “Identification of clusters and diagnostic study”**

- Conduct needs assessment to understand business challenges in the both pre and post covid19 scenario, The needs assessment shall be done through a participatory process involving all the major stakeholders
- Identification of business clusters in district Khyber and Peshawar.
- Trend wise bifurcation of identified clusters in terms of gender, existing jobs, potential for job creation, investment, economic viability, sustainability etc.
- Gap analysis of clusters, constraints hindering the economic growth in terms of lack specific industry skills, financial management, e-commerce, development of forward and backward linkages, market intelligence.
- Based on the cluster analysis, the firm will identify 10 clusters having holistic Maximum impact in
  - Job creation
  - Revenue generation
  - Representation of marginalized number of societies especially women.
  - Export orientation and growth potential.
  - Social/Environmental impact.
- Recommendation of practical, viable and customised learning interventions for each cluster.

### **Phase-2: Capacity building in terms of Enterprise development**

- The firm will develop and design course outline, training content and enterprise development module for 10 identified clusters.
- Prepare training modules, PPT and handouts for the trainees.
- Conduct Consultative sessions with clusters and stakeholders to validate the developed content

- Design, plan, manage and execute enterprise development workshops to capacitate entrepreneurs and owners of business within the cluster.
- Arrange and manage all necessary arrangements including venue, refreshments, training material, etc. for the training/trainees.
- Onboard and engage all key stakeholders in the program to ensure proper and effective delivery of the programs and workshops.
- The firm will provide follow plan including form, proforma and mechanism to gauge learning augmentation and coaching requirement assessments.
- Conduct pre and post assessments to identified growth in understanding and improved performance.

#### **E. Methodology**

1. Desk review of the available data/ reports, studies.
2. Survey of the clusters though out District Khyber to identify the training needs.
3. Conduct FGDs and Key informant interviews of all relevant stakeholders and MSMEs.
4. Develop training modules, training manual and other training material.
5. Stakeholders consultative workshop to validate the develop contents.
6. Implementation of training

#### **F. OUTPUTS AND DELIVERABLES**

The outputs expected from the consultant will be as described below table: -

<b>S.No</b>	<b>Deliverable</b>	<b>Timeline</b>
1	Inception Report including detailed methodology and workplan	2 weeks
2	Assessment/diagnostic reports	1 <sup>st</sup> month
3	Draft training manual, training content, training module, PPT.	2 <sup>nd</sup> month
4	Consultative Workshop	3 <sup>rd</sup> month
5	Training sessions	4-6 month
6	Report identifying pre and post improvement via assessment	After 3 months of last training.

#### **G. Selection Method and Qualification**

Firm will be selected in accordance with the Consultant qualification based selection (CQS) method set out in the World Bank's: Procurement Regulations for Investment Project Financing Goods, Works, Non-Consulting and Consulting Services" (July 2016) revised November 2017 & August 2018.

The attention of interested Consultants is drawn to Section III, paragraphs, 3.14, 3.16, and 3.17 of the World Bank's "Procurement Regulations for IPF Borrowers" July 2016 [revised November 2017 and August 2018] ("Procurement Regulations"), setting forth the World Bank's policy on conflict of interest.

## H. Qualification Requirement

The consulting firms shall provide the following information to substantiate the qualification for the assignment.

S.No	Area of expertise	Marks
01	Core Business: Information on experience since establishment and at least 05 years post registration experience in surveys, cluster work, research work, needs assessment, modules development and trainings with the government and other donor agencies. Documentary evidence of assignment including client name, worth and registration certificate(s) with legal entities should be provided.	10
02	Relevant Experience: Should have conducted at least 10 trainings assignment (s) and training modules development of similar nature.	40
03	At least 5 years' experience in Monitoring and Evaluation/assessments in Government/semi-Government or donor funded projects.	20
04	Consultant Technical and Managerial Capability: Detail of logistical support such as offices or allied facilities in the project proximity including the details of overall technical and managerial staff and proposed team composition.	30

### Team Composition

S #	Key Expert	Education	Experience	Man days
01	Team Leader	Master's degree in a Management, Finance, Business Administration, public administration, Social Sciences or equivalent.	At least 07 years of experience in conducting assignment, Should have led the 3 assignments of similar nature	60
02	Enterprise Development Expert	Master's degree in a Management, commerce Finance, Business Administration, public administration, Social Sciences or equivalent.	07 years of experience in the relevant field	22
03	Master Trainers	Master's degree from recognized university equivalent.	07 years of experience in the conducting trainings/TOTs.	85
04	Module developer	Master's degree in a Management, commerce Finance, Business Administration, public administration, Social Sciences or equivalent.	07 years of experience in the relevant field	30
05	M & E Expert	Master's degree in Management, commerce Finance, Business Administration, public administration, Social Sciences or equivalent.	07 years of experience in the relevant field	24