

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

Terms of References for Business Development Service Providing Organisation

Part A: Terms of Reference

Title of the Services Required: **Results-based Micro-Enterprise Development Programme Implementation in a District**

1. Background and Rationale

1.1 Background

Micro-Enterprise¹ Development Programme (MEDEP) being implemented by the GoN, in partnership with AusAID, CIDA, and UNDP, aims to diversify the livelihoods and increase the incomes of poor families through the creation and development of micro-enterprises and entrepreneurship. The programme targets people below the nationally defined poverty level with special focus on Women, socially excluded groups such as *Dalits, Janajati*, Muslims, and unemployed youths in 36 districts².

MEDEP's integrated, demand-driven enterprise development model consists of a stepwise micro-entrepreneur development approach, including local resource, market and potential entrepreneur analyses; entrepreneurship development training; the development of technical skills; access to finance; the testing and transfer of appropriate technology; and business counselling and market linkages.

Ministry of Industry (MOI) is the main implementing agency for MEDEP whereas Ministry of Agriculture and Cooperatives (MOAC), Ministry of Forests and Soil Conservation (MFSC), and Ministry of Local Development (MLD) are co-implementing agencies. District Enterprise Development Committee (DEDC), which is chaired by District Development Committee (DDC)-chairperson and backed by other district level government and non-government organizations, guides the implementation of the programme at district level. MEDEP also directly executes activities such as capacity enhancement of partner organizations and the activities that do not go in line with DEDC model.

1.2 MEDEP's Key Achievements and Lessons Learnt

During its twelve years of implementation, MEDEP has realized many achievements and learning. Following are the most notable of these reported by various studies³ and GSIMIS database⁴:

- 52,494 poor people (68% Women, 22% Dalits, 36% Indigenous Nationalities, and 55% Youth) became micro-entrepreneurs. Among these, 76 percent are operating their businesses and 4 percent are obtaining income through employment in others' enterprises.

¹ A micro-enterprise is the enterprise with: (i) fixed capital investment of NRs 200,000 excluding building & land, (ii) entrepreneur is the sole proprietor, (iii) a total of 9 employees including the proprietor, (iv) annual money transaction below NRs 2,000,000 and (v) in case of enterprise using machinery engine, capacity of electricity or oil engine of less than 10 kilowatt (Industrial Policy 2068).

² **Eastern:** Terhathum, Udayapur Sunsari, Siraha, Saptari

Central: Rasuwa, Sindhupalchok, Dolakha Kavre, Nuwakot, Sindhuli, Ramechhap, Rautahat, Sarlahi, Mahottari, Dhanusha

Western: Myagdi, Parbat, Baglung Nawalparasi, Kapilvastu

Mid-western: Jumla, Kalikot Pyuthan, Rukum, Rolpa, Salyan, Dailekh, Surkhet, Dang, Banke, Bardiya

Far-western: Darchula, Baitadi, Kailali, Dadeldhura

³ These are: (i) Impact Assessment of Micro-Enterprise Development Programme. 2010, (ii) Micro-Enterprise Development Programme (MEDEP) Phase II – Mid Term Review, 2006 (iii) Phase Out Strategy for MEDEP Phase I and II Districts, (iv) Scoping study of MEDEP, 2007, (v) Sustainability study of MEDEP, 2008, (vii) Impact Study of Finance, 2009.

⁴ According to December 2010 MEDEP MIS records

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

- 521 Enterprise Development Facilitators (EDFs) were trained by MEDEP for business development service provision. EDFs are highly trained professionals capable of developing entrepreneurs and providing business development services whose quality and ability has been manifested from the fact that many other agencies consider them as capable BDS providers.
- Adequate access to finance, market linkages and follow-up support are essential for micro-enterprise sustainability and growth.
- 20% inactive micro-entrepreneurs. Further support is needed for adequate technical capacity at implementation, monitoring and reporting levels. This will be required for enhancing effectiveness of service provision to micro-entrepreneurs.

1.3 Results-based programme subcontracting and financing: An initiative of MEDEP in 2012

In 2012, MEDEP has planned to apply following strategies for results-based programme subcontracting and financing for micro-enterprise development programme in district:

- Multi-partnership MoUs and agreements among Business Development Service Providing Organization, Entrepreneurs' Organization, District Enterprise Development Committee (DEDC), Financial Institutions, and other service providing line agencies and private sectors will be promoted. Orientation to these stakeholders on results-based programme subcontracting and expected results as per their roles (see table 1) will be done. Logical framework development for each stakeholder is critical⁵ as this framework includes the results a project intended to achieve, and this will provide a guide on what to be monitored. Adjustments and improvements needed to achieve the results will be identified through logical framework analysis.

Table 1. Roles of the stakeholders for micro-enterprise development in a district

Stakeholders	Roles
Business Development Service Providing Organization (BDSPO)	New micro-enterprises creation and scale up (applying MEDEP model components)
Entrepreneurs' Organization (DMEGA)	Policy influence, advocacy for resource mobilization, public/social auditing, Planning and M&E, follow up, counseling, market promotion and network development
District Enterprise Development Committee	Business Development Service Provider selection, micro-enterprise development (MED) plan finalization, guide Entrepreneurs' Organizations for planning, joint M&E, policy/guidelines in district for MED, district report on MED
Sectoral Line Agencies	Technical service provision
Financial Institutions	Financial service provision
Private Sectors	Technical skill provision and buy-back guarantee

⁵ Results based Monitoring & Evaluation Guidelines published by NPC in 2067 indicates requirement of logical framework for all projects of GoN.

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

- Competitive bidding process to select capable business development service organisations (private sectors, Private Firms, NGOs) in districts as Implementing Partners.
- Results-based programme subcontracting, with annual programme subcontracting and results-based financial management for Implementing Partners in districts through annual MoU/agreement, and quarterly work plans and budget.
- Results-based subcontracting and financial management for other service providing organisations with specific skills/expertise.
- Cost-sharing partnerships with private sectors (e.g. Gandaki Bee Concern, Nepal Dairy, FHAN.....) and relevant GoN stakeholders for technical skill provision and B2B linkages.
- Cost-sharing partnerships with entrepreneurs' organisations for monitoring and counselling support to entrepreneurs, market linkages development, gender and social inclusion responsive participatory PME, and other areas whichever they should own.

1.4 Pro-poor and inclusive micro-enterprise development model of MEDEP

The MEDEP Model is based on a pro-poor and inclusive entrepreneur selection and entry process and a six-components ME development process (see figure 1). The six components represent a generalization of the support requirements of micro-entrepreneurs and the ultimate aim is to have entrepreneurs become self-sustaining and to graduate.

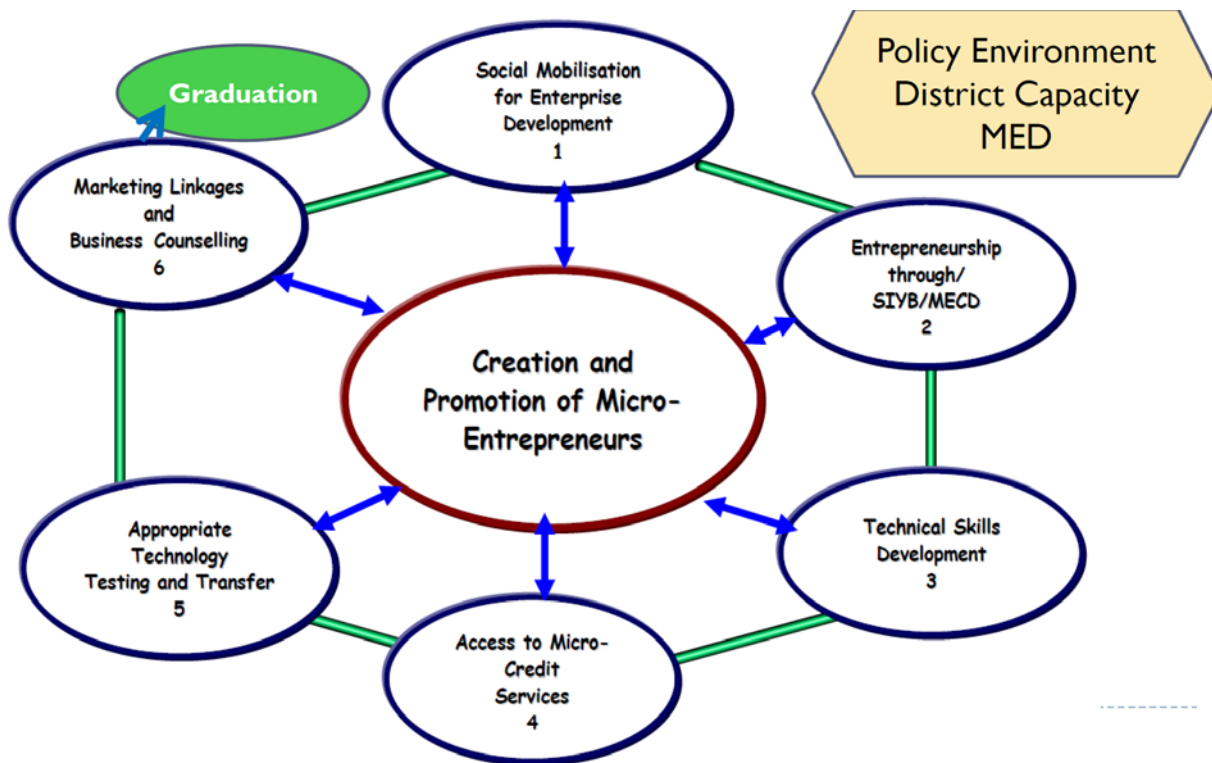


Figure 1: The MEDEP Model

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

2. Objectives

The main objective of this assignment of a Business Development Service Providing Organization is to develop micro-entrepreneurs and micro-enterprises applying MEDEP modality and to contribute to pro-poor and inclusive micro-enterprise development through a multi-partnership with Entrepreneurs' Organization, District Enterprise Development Committee (DEDC), Financial Institutions, and other service providing line agencies and private sectors in a working district.

Expected outcomes are:

- a) Increased number of micro-enterprises, being operated by members of poor and excluded groups, with a specific focus on Women-, Dalit-, and disadvantaged Indigenous Nationalities-operated enterprises in a working district.
- b) Increased productivity of micro-enterprises operated by men and women from poor and excluded groups, with a particular focus on Women, Dalit and disadvantaged Indigenous Nationalities in a working district.
- c) Contributed to a more conducive and gender-equitable business environment for micro-entrepreneurs in a working district.

The expected outputs are:

- d) Identified potential micro-entrepreneurs from poor and excluded groups
- e) Improved entrepreneurial skills of target population (all poor people, 60% Women, 30% Dalit, 40% Indigenous Nationalities, 60% Youth, and the other excluded and disadvantaged people).
- f) Increased access to financial services for target population (all poor people, 60% Women, 30% Dalit, 40% Indigenous Nationalities, 60% Youth, and the other excluded and disadvantaged people) through linkages with Financial Institutions.
- g) Increased access to new technologies for target population (all poor people, 60% Women, 30% Dalit, 40% Indigenous Nationalities, 60% Youth, and the other excluded and disadvantaged people) through linkages with technical service providers and private sectors.
- h) Increased linkages of micro-entrepreneur groups with other value-chain actors.
- i) Increased capacity of women and men from targeted communities to advocate for improved micro-enterprise-based production and marketing policy reforms.

3. Strategies for integrated micro-enterprise development

3.1 Integrated community-based micro-enterprise development approach along eco-tourism trekking routes in Parbat and Myagdi districts

During 2010-2011, through the collaborative partnership with the Annapurna Dhaulagiri Eco-Tourism Community, Nepal Tourism Board (NTB) and Trekking Agencies Association of Nepal (TAAN), MEDEP developed new eco-trekking product in Parbat and Myagdi districts. The objective of this pilot programme was to alleviate poverty of community by direct spending trekking cost by trekkers (tourists). In 2011, 9 trekking groups (60 foreigners and 40 Nepalese) visited using the trekking routes. MEDEP has also been promoting forest- and agro-based enterprises in the districts. MEDEP has identified following existing and potential micro-enterprises to be further developed:

Tourism: Home Stay; Community Dining Hall; Lodge; Cook; Guide; Culture; Sightseeing; Lunch Spot

Agro: Off-season Organic Vegetables; Mandarin and its Juice; Honey; Shiitake Mushroom; Rainbow Trout; Poultry Farming for Meat and Eggs; Plum Jam; Yak Breeding Centre

Forest: Lokta Paper; Paper Products; Nettle Powder; *Allo* Products; Handicrafts; Bamboo Products

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

In 2012, MEDEP would like to further develop the integrated community-based micro-enterprises through following strategies:

- Mass scale production of agro- and forest-based products in collaboration with District Agricultural Development offices, and District Forest Offices of Myagdi and Parbat
- Product diversification as per local and external markets' demand
- Organic certification of agro-based food products
- Branding and packaging as per market demand
- Market network development for products
- Expansion of lodge capacity and improvement of tourism services in collaboration with NTB, TAAN and private sectors
- Promotion and dissemination, and new collaborative initiatives with GoN and other relevant stakeholders

3.2 Pro-poor and inclusive value chains development

MEDEP has already developed 7,834 micro-entrepreneurs of the 10 products, and more than 12,500 people are being employed by the entrepreneurs (see table 2). In 2012, MEDEP will contribute to the value-chains development of *Allo* in project districts of far-west, mid-west and western regions, ginger in Salyan and Nawalparasi, and *Chiuri* honey in project districts of mid and far west regions. Workshops at district levels for the product specific value chains will be organized, in which, plan of action including collaborative actions for strengthening pro-poor and inclusive value chains will be agreed by concerned stakeholders and value-chain actors. Strategies for value chains development for these specific sub-sectors will focus on collaboration and partnerships with GIZ, HVAP, PACT, AEC, FHAN, Private sectors and other related actors for: (i) linkages of MEs with MFIs, (ii) development of technical skilled local resource persons, (iii) improved technologies, (iv) diversified and quality products development, and (v) market networks development. Participatory Market Chain Approach (PMCA)⁶ will be adapted to facilitate for implementation of plan of action in district level.

Table 2: MEDEP's achievements in value chains (as of December 2010)

S.N.	Product	Number of MEs	No. of Employment	District Coverage
1	Allo	787	1180	21
2	Bamboo Products	814	1439	28
3	Honey	2573	3887	29
4	Chyuri Herbal Soap	115	200	19
5	Dhaka Fabric	655	1244	23
6	Ginger	855	1219	24
7	Incense Stick	1272	2326	30
8	Lapsi	233	299	7
9	Lokta	171	321	15
10	Orange	359	535	13
	Total	7834	12650	

⁶ Horton, D. Facilitating pro-poor market chain innovation: An assessment of the participatory market chain approach in Uganda. International Potato Centre (CIP), Lima, Peru. 2008. 46 p.

Bernet, T., Thiele, G. and Zschocke, T. 2006. Participatory Market Chain Approach (PMCA) User Guide. Lima, Peru. International Potato Centre (CIP). (Available at: <http://papandina.cip.cgiar.org/fileadmin/PMCA/User-Guide.pdf>)

Bernet Thomas, Andre Devaux et al. (2008). "The Participatory Market Chain Approach: Stimulating pro-poor market-chain innovation." *Institutional Learning and Change, Brief 21*.

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

Partnerships with private sectors (e.g. Gandaki Bee Concern, Nepal Dairy,..), product-specific cooperatives or individual small business persons (who can take risks associated with businesses) for business to business linkages will be promoted for sustainability of enterprises. Focus will be on the particular functional level of the micro-entrepreneurs to build their capacity to enter into contractual relationships with other actors. With the possible vertical and horizontal integration along the value chain and with better coordination for common marketing of produce, access to inputs supply, access to micro-finance and quality certification, micro-entrepreneurs will benefit.

3.3 Promotion of green and environmental-friendly micro-enterprises

Mass scale production of products/commodities developed are based on use of renewable natural resources (e.g. *Allo*, if not used will be wasted), and these have been grouped into 3 different categories of Green Micro-Enterprises (see table 3).

Table 3: MEDEP's 3 broad categories of Green Micro-Enterprises

S. N.	Broad Categories	Products	Private sectors	Support service organisations	Policy level enablers	Financial service providers	Environmental concerns	Gender & inclusion	Outreach
1	Natural Fibre Products	Allo; Banana fibre; Bamboo fibre; Cotton handlooms (Dhaka), etc.	Entrepreneurs/ producers/ associations, business member organizations, traders, exporters	NARC, NAST, RECAST, Forest Research & Survey, DFO, DDC, CSIDB, DCSI, FNCSI, FNCCI, CCI, CFUG, CRT, Global Packaging, Sunworks, FTG Nepal, FHAN	Mol, MoFSC, MoAC, MoLD, MoE	Development Banks Commercial Banks FINGOs Saving & Credit Cooperatives NRB	Sustainable production & harvesting	Feasible for poor Women, Youth & disadvantaged people	Mainly in mid & far west
2	Agro-Processing & Value-Added Products	Honey; Ginger; Lapsi; Orange; Apple; Dairy Products, etc.	Entrepreneurs/ producers/ associations, business member organizations, traders, exporters Rijal Tashi, Nepal Dairy, Gandaki Bee Concern	NARC, NAST, RECAST, DFTQC, DADO, DLSO, DDC, CSIDB, DCSI, FNCSI, FNCCI, CCI, CRT, Global Packaging, Sunworks, FTG Nepal	Mol, MoFSC, MoAC, MoLD, MoE		Products with free of harmful chemicals		Potential nationwide
3	Forest-Based Products	Chiuri; Kaulo; Essential oils (Chamomile, mentha, lemon grass, Neem), etc.	Entrepreneurs/ producers/ associations, business member organizations, traders, exporters	NARC, NAST, RECAST, Forest Research & Survey, DFO, DDC, CSIDB, DCSI, FNCSI, FNCCI, CCI, CFUG, CRT, Global Packaging, Sunworks, FTG Nepal	Mol, MoFSC, MoAC, MoLD, MoE		Sustainable production & harvesting		Mainly in mid & far west

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

Products' promotion strategies will emphasize resource conservation and prevention of resource depletion (e.g. through improved harvesting techniques of *Kaulo*; plantation of *Lapsi*, *Ketuke*), natural resource management (e.g. sustainable soil management through prevention of using soil degradation-prone chemicals), and environmental-friendly technologies, stock taking and dissemination (e.g. use of wood ash for processing of *Allo* fibre, integrated pest management and organic pest management in vegetables, organic certification of *Chiuri*-based chemical-free honey). The strategies will also contribute to disaster mitigation (e.g. *Allo* for prevention of soil erosion).

3.4 Gender and socially inclusive micro-enterprise development

Its aim to reach the poorest of the poor, MEDEP will particularly target the Dalits, Indigenous Nationalities, and Women and Youth who constitute the most discriminated, disempowered and excluded groups. In all the components of MEDEP model and activities, it is mandatory to ensure 60% Women, 30% Dalit, 40% Indigenous Nationalities and 60% Youth from poor economic status. All the service provision (e.g. trainings, observation visits, new technologies through common facility centres, micro-credit, trade fair, exhibition, etc.) will emphasize on the aspects that significantly contribute to development of micro-enterprises operated by women from poor and excluded groups. For the identification of target beneficiaries for all the service provision, BDSPO will collaborate with DMEGA.

3.5 Strengthening access of micro-entrepreneurs to credit for MED

Micro-entrepreneurs' requirement of external finance will be assessed and a strategy will be developed for linking MEs with MFIs, Cooperatives and Development Banks (e.g. Shangri-La, Bageshwari, KIST, etc.) in collaboration with DMEGA. Linkages of MEs' cooperatives with RSRF/NRB and other financial service providers will also be strengthened.

3.6 Market-led products development and diversification

In 2012, MEDEP will intensify its strategies to develop diversified products maintaining quantity, quality, brand and packaging as per demand of local and external markets and consumers. These could also be one of collaborative action plans for value chain of ginger in Salyan and Nawalparasi. These will also apply for MEDEP's other GREEN micro-enterprises listed in the table 3 above.

4. Methodology

BDSPO needs to carry out a number of activities by applying above strategies to achieve the expected outcomes and outputs and to fulfil the objective. These activities are described below:

4.1 Identification of project location and market centres

Selection of market centres and project location will be based on the results of "resource potential survey" and triangulation of findings with other relevant studies. Criteria for the selection of project, among others, include (a) availability of raw materials, (b) local traditional skills (c) access to markets (d) settlement of potential entrepreneurs (e) demand and interest of target groups, in particular Women, Dalit and Indigenous Nationalities from poor economic status.

4.2 Identification of potential entrepreneurs from target groups

Although MEDEP believes that every individual has latent entrepreneurship within himself/herself, it follows the following sub-steps to identify most potential entrepreneurs and to target the poorest of the poor and socially excluded groups like Women, Dalits and Indigenous Nationalities. For this, following activities will be carried out:

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

- a) Poverty mapping in selected project locations (areas) through PRA to select the poor households.
- b) Household survey through socio-economic baseline survey, and for this, the MEDEP has developed a structured HH survey questionnaire (Form A).
- c) Having identified unemployed members in the HHs through HH survey (Form A), the next questionnaires (Form B and Form C) will be administered to them to know their educational status, knowledge, skills, interest/priorities, economic sources, entrepreneurship background, membership, etc.
- d) Selection of potential entrepreneurs from the selected households through participatory discussions and interactions with them.
- e) Provide information of potential entrepreneurs to DMEGA to be kept in database.

4.3 Establishment of micro-entrepreneurs

- a) Identification of products that can be produced at the local level. In this sub-step, **traders survey** (Form D) is carried out to identify potential markets, traders, market demand for the products (quantitative and qualitative), market situation and so forth.
- b) Provide Start and Improve Your Business (SIYB) training which is comprised of the following sequential four packages: (a) Training of Potential Entrepreneurs (TOPE), (b) Training of Start-up Entrepreneurs (TOSE), (c) Training of Existing Entrepreneurs (TOEE), and (d) Training of Growing Entrepreneurs (TOGE). Of the four packages (see figure 2), the first two packages are given as part of this step, which focus on enterprise development, selection of appropriate enterprises, preparation of business plan, marketing etc.

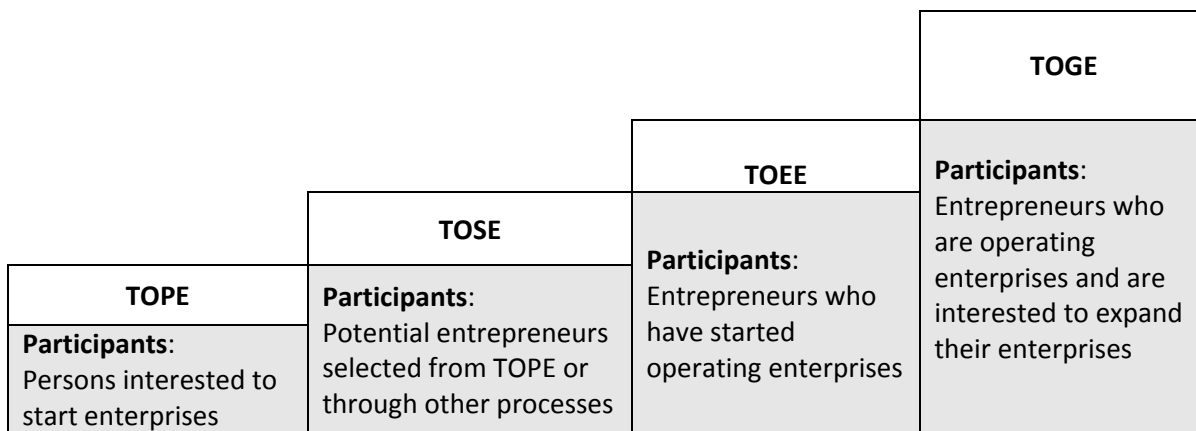


Figure 2: The steps of the SIYB training package

4.4 Social mobilisation, follow up and technical backstopping

This includes following activities:

- a) Group formation and organization in collaboration with DMEGA.
- b) Assistance to receive financial services through linkages with cooperatives, MFIs, and other FIs.
- c) Appropriate technology support services through technical skill training and common facility centres (CFCs)⁷ in collaboration with technical service providing line agencies and private sectors.

⁷ MEDEP's support is directed towards delivering technical support and services. It does not provide direct cash or material support to the MEs, except some hardware (equipments, tools, machineries) support through the provision of CFCs. Support for CFCs, particularly

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

- d) Impart remaining two training packages of SIYB-TOEE and TOGE.
- e) Assistance for establishing marketing linkages and market access in collaboration with private sectors.
- f) Other business counselling.

4.5 Technical, business counselling and any support needed to strengthen sick micro-enterprises and up-grade existing micro-enterprises

This includes following activities:

- a) Assistance to receive financial services through linkages with MFIs, and other FIs.
- b) Appropriate technology support services through technical skill training and common facility centres in collaboration with technical service providing line agencies and private sectors.
- c) Impart remaining two training packages of SIYB-TOEE and TOGE.
- d) Assistance for establishing marketing linkages and market access in collaboration with private sectors.
- e) Other business counselling.

4.6 Planning and M&E

In collaboration with DMEGA, BDSPO will carry out following activities:

- a) Promotion of participatory bottom-up planning at entrepreneurs' level (MEG to MEGA and to DMEGA) and changes required in the plans as per entrepreneurs' demands and issues identified through gender and socially inclusive participatory planning, monitoring and evaluation (GSIPPME) will be done and submitted quarterly.
- b) Promotion of participatory and self M&E at entrepreneurs' level and support DMEAGs to keep and manage data record. Support DMEGA to prepare quarterly and annual progress reports.
- c) Collaborate with entrepreneurs' organisations to carry out social/public auditing and pre and post evaluation of all trainings, CFCs and events.
- d) Joint monitoring visit activities of MEGA meetings.

5. Results-based M&E, deliverables and timeline

M&E mechanisms and reports need to ensure achievements of quantitative, qualitative and process-related results as per specific target indicators. A district will have an approximate target of establishing 50-200 new micro-entrepreneurs and strengthening/upgrading 50-200 existing micro-entrepreneurs.

Expected results to be achieved as per specific target indicators after 4 months of project initiation are those on social mobilisation (see table 5.1) and entrepreneurship skill development (see table 5.2).

Expected results to be achieved as per specific target indicators after 7 months of project initiation are those on technical skill enhancement (see table 5.3) and credit accessibility (see table 5.4).

Expected results to be achieved as per specific target indicators at the end of the project are those on adoption of appropriate technologies (see table 5.5), market network development (see table 5.6) and strengthening and up-grading of existing micro-enterprises (see table 5.7).

M&E quarterly reports and Case Studies prepared in each quarter will include successes of micro-entrepreneurs, problems identification, and opportunities for improvement.

building construction part, is not provided unless the MEs receive assistance through local bodies such as Village Development Committees (VDCs), municipalities and District Development Committees (DDCs), and preferably from other donors and agencies.

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

5.1 Social mobilisation

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
No. and types of potential micro-enterprises (MEs) and micro-entrepreneurs (MEs) selected	Proportion of MEs operated and MEs from poor Gender and Social Inclusion categories (% Women, % Dalits, % Indigenous Nationalities, % other Madhesi Castes, % Muslims, % Youth)	<ul style="list-style-type: none"> - DEDC meeting - Orientation about MEDEP approach in VDC (if new) - PRA at VDC for identification of potential resources and target groups - Selection of Potential MEs through surveys 	Baseline information of MEs and MEs MIS data base of DMEGA
No. of MEGs formed and initiated savings, maintained records of savings and MEGs meeting minutes	Proportion of MEs from poor Gender and Social Inclusion categories in MEG key positions	Group formation Group meetings	MEG/MEGA/ DMEGA meeting minutes Quarterly reports

5.2 Entrepreneurship skill development

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<ul style="list-style-type: none"> - No. of potential MEs increased knowledge on factors required for business and ready to start business - No. of potential MEs aware of method to develop business plan considering environmental aspects 	<ul style="list-style-type: none"> - Proportion of MEs from poor Gender and Social Inclusion categories increased knowledge on factors required for business - Proportion of MEs from poor Gender and Social Inclusion categories increased knowledge to prepare business plan - Business plans developed, which considered environment-friendly aspects 	<ul style="list-style-type: none"> - Integrate environmental aspects in entrepreneurship skill training (SIYB) - Organize training considering for increased participation from GSI categories - Pre test and Post test evaluation - Public/social auditing at the end of each training 	MIS data base of DMEGA GSIPPME report Quarterly reports Public/social audit report Training evaluation report

5.3 Technical skill enhancement

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<ul style="list-style-type: none"> - Roster of skill training service providers prepared - No. of MEs increased their knowledge/Skills on technologies based on their requirements (needs) - No. of MEs prepared business plan - % of MEs established enterprises 	<ul style="list-style-type: none"> - Proportion of MEs from poor Gender and Social Inclusion categories increased knowledge/skill on technologies - Proportion of MEs from poor Gender and Social Inclusion categories established enterprises 	<ul style="list-style-type: none"> - Create roster of technical skill training service providers - Identify potential MEs that require specific technical skills - Provide technical skill through agreement with service providers - Pre test and Post test evaluation - Public/social auditing at the end of each training 	MIS data base of DMEGA GSIPPME report Quarterly reports Training evaluation report Public/social audit report

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

5.4 Credit accessibility

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<p>No. of cooperative formed</p> <p>No. of MEs obtained loans for establishing enterprise</p> <p>No. of business plans developed by those MEs who received loan</p> <p>No. of Cooperative linked with RSRF fund and other banks for whole sale landing</p>	<p>Proportion of executives from Dalit, Women and Indigenous Nationalities</p> <p>Proportion of MEs from poor Gender and Social Inclusion categories obtained loans and established enterprises</p> <p>Recording system in cooperative and proper loan repayment system</p>	<p>Facilitation for formation of saving and credit cooperative and pre cooperative trainings</p> <ul style="list-style-type: none"> - Identify interested Financial Service Providers (FSPs) through mapping in district - Develop/motivate FSPs through partnership approach to provide loans to MEs - Facilitate financial literacy to MEs - Facilitate joint meetings/processes of obtaining loans by MEs through FSPs - Facilitate FSPs and cooperatives for linkage development with RSRF and big FIs 	<p>MIS data base of DMEGA</p> <p>GSIPPME report</p> <p>Quarterly reports</p> <p>Agreements between FSPs and MEs</p>

5.5 Adoption of appropriate technologies

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<p>Number of MEs adopted appropriate technologies</p> <p>Number of MEs became aware about key findings of PARs on technologies</p> <p>Number of CFCs with business plans established</p> <p>Number of business plans developed</p>	<ul style="list-style-type: none"> - Proportion of MEs from poor Gender and Social Inclusion categories adopted appropriate technologies - Proportion of MEs from poor Gender and Social Inclusion categories became aware about key findings of PARs on technologies 	<ul style="list-style-type: none"> - Identify appropriate technologies required by MEs - Identify the location/ organization/ service providers of appropriate technologies - Provide information on appropriate technologies to MEs - MEs' observation visit for knowledge/skills on new technologies - Feasibility and assessment, proposal preparation and resource generation along with maintenance arrangement and business plan of CFCs 	<p>MIS data base of DMEGA</p> <p>CFC database</p> <p>CFC audit report</p> <p>CFC progress report</p> <p>GSIPPME report</p> <p>PAR report</p> <p>Quarterly reports</p>

5.6 Market network development

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<p>Number of products developed such as (i) those branded/labeled, (ii) those quality tested, (iii) those with packaging</p> <p>Number of MEs sold their products and earned income from selling</p> <p>No. of cooperative started collective marketing through their cooperative</p>	<p>Proportion of MEs from poor Gender and Social Inclusion categories became aware about: (i) the products that have demands, (ii) about markets for their products, and (iii) skills to develop/promote their products in markets</p>	<ul style="list-style-type: none"> - Identify needs for market development support, and provide trainings as per need assessment - Develop products as per market demand (grading, branding, packaging, labeling, quality testing) through collaboration/partnership with private sectors and the concerned entities - Cooperative development and its contract/agreement with buyers/traders - Market observation visits and participation in trade fairs by MEs - Public/social auditing at the end of each training 	<p>MIS data base of DMEGA</p> <p>GSIPPME report</p> <p>Training evaluation report</p> <p>Public/social audit report</p> <p>Quality testing report</p> <p>Quarterly reports</p>

MICRO-ENTERPRISE DEVELOPMENT PROGRAMME (MEDEP) III

NEP/08/006

5.7 Strengthening and up-grading of the micro-enterprises

Quantitative indicators	Qualitative indicators	Process indicators	Means of verification
<p>No. of MErs/Group enterprises strengthened their enterprise through advanced entrepreneurship skill, advanced technical skill, appropriate technologies (equipments), access to credit to fulfill capital needs, better marketing services (packaging, labeling, branding, linkage)</p> <p>Average profit of MEs increased by 50%</p>	<ul style="list-style-type: none"> - Proportion of MErs from poor Gender and Social Inclusion categories moved to year round operation of their enterprises from seasonal enterprises - Prop - Proportion of MErs from poor Gender and Social Inclusion categories up-graded their enterprises and obtained the profit (at least or above the "Average Profit") 	<ul style="list-style-type: none"> - Location identification for strengthening and up grading MEs (by DMEGA) - SWOT analysis of individual MEs or group enterprise: Identify specific areas where MEs need support (business services, good governance, equitable benefit sharing) - Prioritization of specific locations/areas where supports need to be delivered (considering need of urgency, Hardcore poor, GSI) - Based on the need of the MEs, identify business services and cost of service - Preparation of action plan in consensus with MEDEP/APSO - Provide support as per plan - Public/social auditing at the end of each training 	<p>MIS data base of DMEGA</p> <p>GSIPPME report</p> <p>Training evaluation report</p> <p>Public/social audit report</p> <p>Quarterly reports</p>

6. Inputs from MEDEP

Capacity Development approach and tools will be developed for BDSPOs. The capacity of service providers will be developed on value chain approach and provision of services with respect to access to technology, skills, linkage with input suppliers, market linkages and business counselling.

Alliances will be formed with key stakeholders for promotion of the selected value chains, and this will enhance collaboration on promotion of the value chains.

Verification of achievements at the end of project will be done by independent external bodies, and final payment to a BDSPO will be done based on this.

Part – B: Cost estimate/ remuneration

As per MEDEP's guidelines and norms

Part – C: Qualification required (academic and working experiences in the relevant fields)

- Any registered organizations with relevant expertise of minimum of 2 years such as NGOs, private firms, private companies, Financial Intermediary NGOs, and private sector organizations can apply for Business Development Service Providers.
- BDSPO should have provisioned adequate competent human resources such as Enterprise Development Facilitators, Programme Coordinator, Admin and Finance Assistant, Agro-Enterprise Development Officers, Forest Enterprise Development Officers, Database Assistant, etc.