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TERMS OF REFERENCE

For procurement of a Market Actor – Facilitator¹ within the Project “Income Increase and Socio-Economic Empowerment of Vulnerable and Marginalized Groups from Rural and Sub-urban Areas 2021-2025, IISEE”

I. Background

The "Income Increase and Socio-Economic Empowerment of Vulnerable and Marginalized Groups from Rural and Sub-Urban Areas 2021–2025", IISEE Project, is implemented by We Effect together with partners and is funded by Sweden. The project's objective is to contribute to increased growth, income and employment for rural people, especially for youth, women and Roma in target markets.

The main outcomes of the project are:

- **Outcome 1.** Rural enterprises, small farmers/producers grow and provide more income and employment opportunities for the people from the rural area, women, and youth in particular.
- **Outcome 2.** Local communities are resilient and sustainable, providing support in rural development, especially for poor members of the communities in the selected market systems.
- **Outcome 3.** More Roma people have the capacities and the access to the job market, to take up employment and business opportunities in the selected market systems.
- **Outcome 4.** Organisational development.

i. Description of the Collaboration Model “Market Actor – Facilitator”

From the beginning of the IISEE project, We Effect established two distinct partnership modalities: project partners and intervention partners. Project partners play a key role in initiating systemic change, collaborating with intervention partners to strengthen market systems and improve economic opportunities.

However, due to various market needs and lessons learned throughout the project, a new collaboration model, called Market Actor Facilitator, was introduced in 2024. This model responds to the need for a more flexible and result-oriented approach, allowing for simplified administration and payment upon delivery of agreed results. Once the specified outcomes are achieved, payments are processed accordingly, ensuring an efficient and performance-driven collaboration.

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When selecting a partner within the project, it is crucial to use MSD (Market Systems Development Approach) tools and to consider both their “will and skill”, with a particular emphasis on “will”, as it inherently must accompany the partner. Past experiences have affirmed the significance of this factor. While “will” must be inherent, “skills” can be learned. We Effect has developed this ToR to practice this hybrid model of collaboration with potential market actor as facilitator in the process, which is neither project partner nor intervention partner, but a mix of both, with simplified administration of the assignment and with payables that shall become due upon delivery of results.

ii. **Rationale for the Collaboration for Market Actor – Facilitator**

We Effect is implementing the IISEE project while applying a Market System Development (MSD) approach, specifically focusing on market facilitation regarding supporting functions, rules and procedures to contribute to increased growth, income and employment for rural people, especially for youth, women and Roma in target markets. Outcome 2 of the project is “Local rural communities are resilient and sustainable, providing support in rural development, especially for poor members of the communities in the selected market systems”.

The project's second outcome is focused on improving existing services, introducing new services, strengthening the capacities of rural communities and creating an enabling environment for services available to the local communities in rural areas leading to increased income and improved livelihoods of rural population.

We Effect, as a party implementing/facilitating the project, and the selected Market Actor-Facilitator as a like-minded organisation focused on combatting poverty in order to complement each other sharing the mutual goal of having local rural communities resilient and sustainable, providing support in rural development, especially for poor members of the communities in the selected market systems. The collaboration shall be based on strengths on both sides that complement each other in order to contribute to the development of expertise, skills, values, field presence, networking and access to services in rural areas.

II. **Objective of the Collaboration**

This ToR is an integral part of the Contract of Cooperation. The focus of the collaboration is to **strengthen capacities of communities** (rural community members, private enterprises, public institutions, civil society organisations, cooperatives, hubs) to offer services in rural communities through:

- New and/or improved service available for supporting right-holders offered by/to the targeted local communities
- right holders using new/improved services offered by/to the targeted communities
- capacitated communities (including hubs; Business service providers; Associations; etc.) that offer new/improved services for the right-holders – members of targeted communities in rural areas



Targets and activities required during the Collaboration

The activities will be implemented in one or more municipalities targeting rural population. The following targets must be achieved during the piloting period of implementation from May until the end of July 2025:

- Target 1: 30 right-holders including male, female, youth directly benefiting from the activities (out of which 50% women)
- Target 2: At least 30% increased annual gross income of targeted right-holders involved in the intervention
- Target 3: At least 1 new or improved service
- Target 4: At least 1 entity capacitated that offers new or improved service for the right-holders in local rural communities

Activities corresponding with the targets must be implemented and considered

- Activity 1: Piloting of the intervention

The intervention will be piloted and refined during the pilot phase from May to July 2025, allowing the proposed concept to be tested during the implementation period based on emerging insights and market responses.

- Activity 2: Revision of the Market Sector Strategy

This activity relates to the fact that the Market Actor Facilitator will be involved in the process of regular update and revision of the existing Market Sector Strategy for Outcome 2 bringing new insights, data, and vision for change for Outcome 2 of the project, thus contributing to enriched perspective and well-tailored future market-based interventions.

- Activity 3: Monitoring and Results Measurement (MRM)

We Effect will closely monitor and assess its effectiveness and impact through its internal Monitoring and Results Measurement (MRM) System. The Market Actor – Facilitator in close cooperation with We Effect will report for MRM data for planned and achieved targets for the cooperation. Collection of MRM data will be continuous whereas the first MRM reporting will take place during July 2025 for the period May–June 2025.

The Market Actor – Facilitator is obliged to deliver MRM data, supporting documents and pictures related to the implementation until July 31, 2025, and biannually reporting the results for 2 (two) years after the piloting of the intervention has concluded, latest reporting period will include July 31, 2027.



Timeline of activities

Activity	Responsibility	Apr-25	May-25	Jun-25	Jul-25	Aug -25
<u>Activity 1:</u> Piloting the intervention	Market Actor-Facilitator					
<u>Activity 2:</u> Revision of the Market Sector Strategy	Market Actor-Facilitator					
<u>Activity 3:</u> Monitoring and Results Measurement (MRM)	Market Actor-Facilitator					
<u>Activity 4:</u> Coordination and Reporting						

III. Duty travel and accommodation

All duty travel, accommodation, and refreshment should be calculated in the budget as part of the total offer.

IV. Coordination and reporting

a. Monthly reporting

The Market Actor – Facilitator will prepare monthly financial reports for each calendar month during the contract term. Each financial report shall be submitted to We Effect no later than the 3rd day of the following month.

b. Progress Meetings

The Market Actor – Facilitator will have progress meetings twice per month to report of the results achieved and Minutes of meetings will be signed.

c. Final narrative report

The Market Actor – Facilitator will prepare and submit a final narrative report no later than 15th of August 2025 for the period May 2025 to July 2025.

V. Qualification requirements

In order for an organization to become a We Effect's partner, it must adhere to the following formal criteria:

- Share We Effect's goals and values as expressed in our global strategy.
- Have been registered for at least one year and operate within the laws of the country concerned.
- Be politically independent.
- Show commitment to be democratically governed both in policy and practice.



- Be member-based or be striving to become member-based.
- Operate in We Effect's priority working areas of sustainable rural development or adequate housing.
- Show commitment to manage development cooperation funding according to jointly established working principles and rules.
- Show commitment to work towards financial sustainability.
- Adhere to the rights-based principles of participation, accountability, non-discrimination, empowerment and transparency

Organizations working at a national level or with decentralized offices and branches are strongly encouraged to apply. International organizations including their branch offices in their respective country are not eligible for cooperation under this call.

Evaluation Criteria for technical evaluation of concept note, organizational capacity and proposed budget

- Clarity and Coherence of the submitted concept note (10 points)
- Relevance of the Concept Note to Rural Development and Market Systems (10 points)
- Potential of the Intervention for Positive and Sustainable Change (10 points)
- Reach of rights-holders with the Intervention (10 points)
- Number of Services Provided (5 points)
- Organizational Capacity in Rural Development or Market Systems (15 points)
- Organizational Details and Structure (10 points)
- Clarity, justification and detail in the proposed budget (10 points)
- Alignment of the proposed budget with activities/deliverables (10 pts)
- Cost-effectiveness of the budget (10 points)



VI. Application procedure

The offer should contain:

- I. **Concept Note** of the proposed action that is likely to bring about positive change for rural population and targeted enterprises supporting local rural development in a selected market system (We Effect template)
- II. **Proposed budget** for the intervention (We Effect template)
- III. **Proposed Operational Plan** (We Effect template)
- IV. **An organisational profile** of a maximum of 3 pages that includes the following information:
 - a. Organizational details, including legal status and year of registration:
 - b. A short description of the work of the organization including
 - i. Management structure, including governing bodies and organogram
 - ii. Membership structure
 - iii. Number of members (gender and age segregated data)
 - iv. Type of members (individual, collective)
 - v. Web site address or social media profiles (if applicable)
 - vi. Contact person
 - c. **List of implemented projects** in rural development relevant or market system(s) in the last 3 years, demonstrating clear results, successful implementation, and measurable impact along with their respective budgets
- V. Declaration of Relationship signed

Offers to be submitted by email to: info_roeu@weeffect.org; furkan.daci@weeffect.org and katerina.shojikj@weeffect.org by 28 April 2025 COB.

The subject line of the email shall state “Offer for cooperation with We Effect’s IISEE Project”. Each organization can submit only one application.

Applications not compliant with the above instructions and deadline will not be taken into consideration.

If you have any questions or require further clarification, please feel free to reach out to the contact e-mail info_roeu@weeffect.org no later than 18 April 2025.

VII. Evaluation of the offers

Offers with incomplete documentation and/or offers received after the deadline will not be taken into consideration. The evaluation will allocate a total of maximum 100 points, with maximum 70 points for technical evaluation of the concept note and organisational capacity and maximum 30 points for the budget evaluation. Offers must score at least 49 points in the technical evaluation (70% of the maximum available) to qualify for budget evaluation.



Criteria	Scoring	
Technical Evaluation of Concept Note and organisational capacity		
Clarity and coherence of the concept note (10 points)	Excellent- Logical, well-structured, no ambiguities	8-10 pts
	Good- Mostly clear and coherent with minor gaps	4-7 pts
	Poor - Disorganized, vague and hard to follow	0-3 pts
Relevance of the concept note to rural development and market systems (10 points)	Strongly aligned with market system(s), rural development and Outcome 2	8-10 pts
	Generally relevant and aligned with some indirect connections	4-7 pts
	Not clearly aligned with market system(s), rural development and Outcome 2	0-3 pts
Potential of the intervention for positive and sustainable change (10 points)	Strong, sustainable change clearly outlined	8-10 pts
	Moderate change with reasonable sustainability	4-7 pts
	Weak or no plausible change described	0-3 pts
Reach of rights-holders with the intervention (10 points)	30+ rights holders, with 50% women	8-10 pts
	20–29 rights holders with at least 40% women	4-7 pts
	less than 20 rights holders, and women’s participation is less than 40%	0-3 pts
Number of services provided (5 points)	1 service or more	5 pts
	0 service	0 pts
Organizational Capacity in rural development or market systems. Track record of implementing relevant projects in rural development or market systems (15 points)	5+ projects in rural development or market systems in the last 3 years, demonstrating clear results, successful implementation, and measurable impact	11-15 pts
	2–4 relevant projects in rural development or market systems within the last 3 years. The organization has shown positive results.	6-10 pts
	No relevant experience or less than 1 project in rural development or market systems in the last 3 years.	0-3 pts
Organizational Details and Structure (10 points)	Clear details on legal status, year of registration, management structure, membership data (gender/age if applicable), and governance.	8-10 pts



Criteria	Scoring	
Technical Evaluation of Concept Note and organisational capacity		
	Adequate details on legal status and management structure. Membership data may be partial, and governance structure may be unclear.	5–7 pts
	Incomplete or unclear details on legal status, registration, management structure, and membership data. Lack of governance clarity.	0–4 pts
Budget Evaluation		
Clarity, justification and detail in the proposed budget (10 points)	The budget is clearly presented, well-organized, and easy to understand. Major cost items are clearly broken down and explained. Ratio personnel/deliverables is 30/70.	10 pts
Alignment with activities/deliverables (10 points)	The budget logically corresponds to the described activities and outcomes in the concept note, with adequate allocation of resources for each.	10 pts
Cost-effectiveness (10 points)	The proposed costs are reasonable, justified, and reflect good value for money in relation to the expected results.	10 pts
Total		100 pts

We Effects reserves the right to select as many offerors as the available budget allows for Market Actor Facilitator partnership. The final number of selected offerors will be determined based on the alignment of their proposals with our requirements, the overall quality of their submissions, and the available funding for this initiative. This selection process ensures that we maximize the impact of the program within the financial constraints, while also maintaining a fair and competitive evaluation process.

VIII. Terms of payment and procurement

Upon contract signature We effect shall pay the Market Actor-Facilitator an advance payment of 15% of the contract amount.

Other payments shall be made monthly. For this, specific monthly delivery targets will be defined and agreed upon in accordance with the defined intervention, activities and results. Payments will be made upon the successful achievement of these agreed-upon monthly targets, the monthly report has been approved and a request for payment has been delivered to We Effect.

All requests for payment shall be issued in Macedonian Denars inclusive of all applicable taxes. Consequently, all payments shall be made in Macedonian Denars.



Each payment shall be processed within 15 (fifteen) calendar days after receipt of the request for payment.

For the implementation of the proposed activities the Market Actor-Facilitator shall be expected to implement all the necessary purchases of goods and/or services (VAT inclusive) for the implementation of the intervention. In that sense, the Market Actor-Facilitator shall also be expected to develop Terms of Reference (ToR) and/or specifications and conduct the procurement processes for those ToRs/specifications.

All purchases made within this collaboration shall be implemented in accordance with We Effect's Procurement Manual. The Manual describes different levels of purchases with pre-set value thresholds² and specific procurement procedures that correspond to each level. We Effect's Procurement Manual is in compliance with the Grant Agreement with Sida and shall be implemented by the Market Actor - Facilitator as well.

We Effect shall assist and support the Market Actor Facilitator to satisfy these requirements throughout the implementation of the intervention activities.

Other information and specifications

Human resources

The Market Actor- Facilitator will engage personnel for implementation:

- Project Manager/Co-Facilitator - responsible for the overall implementation and reporting in line with the operational plan and budget, financial management, MRM and delivery of agreed results
- Finance and Admin Officer – responsible for administration and financial matters

The budget proposal shall be prepared with a minimum of **30% co-funding** from the offeror. This co-funding may include financial contributions or in-kind support and should be clearly reflected and itemized within the submitted budget. The co-funding demonstrates the applicant's commitment to the proposed intervention and strengthens the overall feasibility and sustainability of the action.

The ratio of personnel budget to the total budget shall not exceed 30%.

We Effect preserves the right to promote the results of the collaboration and scale-up the activities and intervention with the same and other market actors, facilitators etc.

IX. Declaration of relationships

Applicants are strongly encouraged to describe in a free from **any present or past business or personal relationships** with:

- closely associated party from We Effect;
- We Effect's Regional Office in Skopje;

² Estimated price of the contract(s) that is expected to be concluded as a result of a procurement. Usually, in the stage of procurement planning, it is equivalent to the budget allocated for that procurement.



- We Effect's employees;
- We Effect's governing bodies; or

Applicants are strongly encouraged to describe any present or past business or personal relationships with NFF and We Effect, its employees and its Regional Office in Skopje, its governing bodies and employees or with similar bodies/persons of the Client. A closely associated party (persons, physical or legal) is considered a person who has the possibility to exert control over, or significant influence on, the other person when it comes to financial and operative decision-making concerning an activity. Business relationships do not refer solely to contracting arrangements but also to one-off engagements. Personal relationships do not refer solely to immediate family, but also to extended relatives, friends, and acquaintances. The purpose of the Declaration is to disclose relationship information which makes the application and evaluation process more transparent and supports the bids in their relevance according to conditions on the open market. **Declaring any relationship shall NOT disqualify the Applicant from the procurement but rather contribute to more transparent evaluation process.** Closely associated party (persons, physical or legal) as per We Effect's definition is considered person who has the possibility to exert control over, or significant influence on, the other person when it comes to financial and operative decision-making concerning an activity. The purpose of the Declaration is to disclose such information which makes the application and evaluation process more transparent and supports the bids in its relevance according to conditions on the open market.

X. Property

We Effect shall, unless otherwise agreed upon, be the sole owner of, and have all intellectual property rights to, all deliverables and results accrued through the performance of this Terms of Reference. For the purpose of this Terms of Reference, the term "results" shall mean all works and materials (including documentation) as well as any other result produced by the selected applicant. All copyright and any patent rights or other intellectual property rights connected with the result shall constitute We Effect's property. The transfer of the rights includes a right for We Effect to change and modify the results, and to transfer the rights to a third party. The selected applicant shall not have the right to, without written consent from We Effect, use the results in her/his business.