

Terms of Reference (TOR)

Business Consultancy Service for MSMEs

1. Who is the Danish Refugee Council?

Founded in 1956, the Danish Refugee Council (DRC) is a leading international NGO with a specific expertise in forced displacement. Active in 40 countries with 9,000 employees and supported by 7,500 volunteers, DRC protects, advocates, and builds sustainable futures for refugees and other displacement affected people and communities. DRC works during displacement at all stages: in the acute crisis, in displacement, when settling and integrating in a new place, or upon return. DRC provides protection and life-saving humanitarian assistance; supports displaced persons in becoming self-reliant and included into hosting societies; and works with civil society and responsible authorities to promote protection of rights and peaceful coexistence.

2. Purpose of the consultancy

DRC based in Ukraine seeks proposals from a firm consisting of multiple consultants, to deliver business consultancy services for conflict-affected micro, small, and medium-sized enterprises (MSMEs) located in Mykolaiv, Kherson, Dnipropetrovsk, Zaporizhzhia, Kharkiv, Chernihiv, and Sumy Oblasts. The consultants will be providing business consultation services to 650 MSMEs in the identified locations, targeting at areas of technical expertise identified by MSMEs as needing support. The purpose of the business consultation is to support the restoration and continuation of operations of conflict-affected businesses. The business consultancy will complement a small business grant of up to \$5,000 USD provided to the business by DRC based on their own identified needs and business plan.

3. Background

The entire program aims to address the most critical livelihood needs in the target conflict-affected oblasts through evidence-based activities, including sectoral cash to conflict-affected subsistence farmers, training and employment facilitation for vulnerable job seekers, and MSME support to conflict-affected business owners. Collectively these activities are aimed at addressing the most acute economic recovery needs created as a result of the escalation of the conflict.

The business restoration component of the project includes the distribution of a small business grant of maximum \$5,000 USD to conflict affected MSMEs to promote the recovery and continuation of their

activities. Both self-employed and private enterprises will be able to use the funds to purchase equipment, purchase raw materials, pay rent (no more than 25% of the grant amount), repair/rehabilitate damaged premises, train staff, or pay for equipment leasing, etc. In addition to this, the enterprises targeted by the project will receive business training from outside consultancy services up to a maximum of 5 hours.

The MSMEs targeted under the program are registered businesses with up to 20 employees, an annual turnover of up to 9 million UAH (ceiling of FOPIII), and at least 2 years of experience in undertaking their business activity.

4. Objective of the consultancy

DRC is seeking experienced service providers to provide business consultation services for 650 MSMEs across the seven target oblasts. Ideally this should be a consultancy group or firm with multiple available consultants who have different fields of expertise, to ensure optimal reach, flexibility and operational effectiveness for the provision of the service.

The objective of the business consultation is to provide MSMEs with consultation and capacity strengthening, targeting specifically areas needing improvement identified by the MSME itself. The business consultant would identify opportunities and solutions to provide value, advice and expertise in the identified area where support is required by each business. This may include, but not limited to marketing and sales (including internet marketing), customer relationships management (CRM systems), human resources, financial management (including pricing), attracting further funding, and export and supply chain rehabilitation and development. As a result of the intervention, it is expected that target businesses will be able to meet the specific business needs created by the war, increase productivity and apply better business practices, and generate sustainable employment through their improved productivity and functionality.

It is to be noted that legal and regulatory issues related to doing business will mostly be covered by DRC internally through cooperation with its legal aid department, so the consultancy would not have to focus on topics that DRC can address internally. A further discussion on this would be part of the consultancy kick-off meetings to have full clarity on expectations.

5. Scope of work and Methodology

DRC will submit the consultancy firm with a list of businesses to be served and the specific area in which each requires support, as well as their contact details. Based on this, the company will deploy a consultant to each company with the required profile and expertise. One consultant may serve multiple enterprises, but care must be taken that their qualifications and experience fit the particular consultancy demand.

The business consultant selected for each business must reach out to the business and then jointly agree on a work schedule and modality to achieve maximum desired impact and time suitability. The modality of delivery of this service should be organized through an online platform. The consultant is expected to provide a maximum of five hours of consultation service, targeting areas identified by the MSME, to be completed by the end of August 2025 at the latest.

The modality of consultation may be delivered through individual consultation or a group consultation. The preferred modality of delivery is individual consultation with the MSME. However, DRC may approve group consultation to be delivered to targeted MSMEs, of no more than 10 MSMEs per online session, if the desired area of support is largely aligned across number of MSMEs. For this modality business consultants should adopt a curriculum based on the MSMEs` requests, maximum operational effectiveness and improved quality (in comparison with individual online consultancy), must be one of the essential considerations.

The consultant will be required to lead the initial consultation on the area of concern identified by each MSME and the desired outcome and deliverable(s) after the conclusion of business consultation. After the initial kick-off meeting, the consultant will be required to submit a one-page work plan with deliverables and needs to obtain confirmation from the MSME before they can proceed with the assignment. The business consultant is also expected to submit a final report to DRC following the completion of the consultancy. This report should include the objective agreed with the business at the beginning of the consultancy, an action plan to achieve the desired outcome, the progress update during each meeting, and a final report at the end of the consultancy. Throughout the consultancy, DRC will set up weekly progress update meetings with the service provider to maintain oversight on the ongoing project progress.

6. Deliverables

The Consultant will deliver the following deliverables:

Phase	Expected deliverables	Indicative description tasks	Maximum expected timeframe	Expected timeline
Phase 1: Inception Phase	Operational workplan	Organise kick-off meeting and submit a one-page workplan with deliverables for each business.	One month	January 2025
Phase 2: Consultation	Business consultation	Provision of up to five hours of business consultation based on work plan developed	Five months	February – July 2025
Phase 3: Final Reporting	Final report	Prepare first draft of final report summarising support provided, deliverables reached, impact, and an assessment of the satisfaction of business owners with the consultancy services provided. Feedback from DRC to finalise the report and final report submission.	One month	August 2025

7. Duration, timeline, and payment

The total expected duration to complete the assignment will be no more than seven months.

The consultant shall be prepared to complete all tasks related to the consultancy no later than 31st August 2025. Payment for the consultancy will be completed at the end of the assignment, no later than 30 days from submission of the final documentation needed for the project. Up to 30% of prepayment is possible after submitting a feasible consultancy plan for each area based on targets submitted and rolling out the online platform for service delivery.

8. Proposed Composition of Team

- Project Manager
- Assistant Project Manager
- Technical business consultants, with coverage of a wide range of business skills and knowledge
- Quality control

The above team composition is desirable and serves as a general guideline. Bidders may propose their own team composition that they deem suitable for service provision. However, all bidders must include technical consultants who can cover all required areas of business consultancy, as this will be evaluated during the technical evaluation stage.

9. Eligibility, qualification, and experience required

The service provider is expected to be able to dispatch business consultants with the following qualifications:

Essential:

- Written and spoken fluency in Ukrainian
- Minimum 3 years relevant experience and qualifications in providing business consultancy services, particularly for conflict-affected micro- and small-scale businesses

Education:

- Consultants' Master's or higher degree in Business Administration or Management, Accountancy, Economics, Human Resource Management, Supply Chain Management or other related field – desirable.

Experience:

- A minimum of three years of hands-on experience in different relevant areas of business development, particularly for conflict-affected micro- and small-scale businesses.
- Previous work with INGOs desirable.

Skills and knowledge:

- A solid understanding of the economic context and opportunities for business growth in relevant raions of Mykolaiv, Kherson, Dnipropetrovsk, Zaporizhzhia, Chernihiv, Sumy, and Kharkiv Oblasts, including areas close to the front line.

- Excellent and updated knowledge in key business skills in demand by MSMEs, including but not limited to foreign trade and export, business taxation management, supply chain rehabilitation, material sourcing, business law, marketing, human resources, finance management, improvement of current business plan, support in identifying additional revenue sources
- Strong technical knowledge and in-depth understanding of (agri-)business operations, expansion and revenue sources

Language requirements:

- Written and spoken fluency in Ukrainian is essential.
- Written and spoken fluency in Russian
- Working knowledge of English is an advantage.

10. Technical supervision

The consultant chosen will work under the supervision of the DRC.

11. Location and support

The service provider may be a national or regional service provider. The service provider must have essential knowledge for the business landscape and challenges faced by MSMEs in the local context. The final selection of the provider will be based on the technical capacity and financial bid of the provider. The service provider is expected to ensure that each consultant has sufficient equipment available to complete the assignment, including a laptop, mobile phone and stable access to internet connectivity.

12. Operational costs

All operational costs should be covered by the service provider, and individual consultant fees should be included in the financial proposal.

Since Business consultants will provide online consultations to micro, small, and medium enterprises (MSMEs), it is essential for business consultants to have the necessary equipment to complete their assignments effectively. This includes a laptop, a mobile phone, and a stable internet connection. The equipment and services provided must also meet the specific business needs of the MSMEs.

13. Submission process

Please refer to the Invitation Letter RFP-UKR-004151

14. Evaluation of bids

Please refer to the Invitation Letter RFP-UKR-004151