**Terms of reference   
and Technical Specifications**

1. **General information**

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| Assignment name | Gap Analysis and Needs Assessment of the Financial Sector for SME Inclusion: A Special Focus on the Institute of Banking and Financial Studies (IBFS) |
| Beneficiary | Central Bank of Libya, Commercial banks, non-bank financial institutions, SMEs and MSMEs, Institute of Banking and Financial Studies and Education Sector |
| Country | Libya |
| Total estimated number of days | 150 Days |

1. **Context and justification of the need**

The EU4Skills project is designed to tackle the pressing issue of unemployment in Libya, addressing the urgent need for a comprehensive approach to employability. As of 2020, Libya faced an unemployment rate of 19.6%, disproportionately impacting women and youth. The barriers to accessing quality employment opportunities are multifaceted, necessitating a strategic and integrated response.

Libya’s economy is heavily reliant on oil and gas, which, despite being a primary source of national income, employs only 2% of the workforce. This highlights a significant mismatch between job opportunities and available employment. Although Libya has a high enrollment rate in higher education, with a ratio of 60.5% for both genders, the quality of education is lacking, as evidenced by its ranking of 102 out of 144 countries in quality performance and 133rd out of 144 in labour market efficiency.

The EU4Skills project will undertake a comprehensive employability diagnosis during its inception phase to address these challenges. This evaluation will examine the obstacles governmental institutions face in employability. The diagnostic phase will encompass the project’s four components, focusing on three key sectors:

* Digitalization efforts within the public and private sectors.
* Skills and employability within the green and blue economies.
* The imperative need for strengthening the financial sector and SME inclusion.

This holistic approach aims to map the employability landscape and establish a foundation for sustainable improvements in these critical areas. The assessment will embrace national decentralization policies and strategies given Libya's diverse economic and educational contexts.

Cluster analysis will be pivotal in the initial assessment phase, helping to identify the distinct needs of various regions within Libya. This approach is crucial for ensuring that training programs are aligned with local job market demands. By focusing on industry clusters in each area, we can develop targeted strategies that address specific needs, particularly in the sectors emphasized in components 2 to 4 of the project.

1. **Objectives and desired results**
   1. **General objective**

The financial sector is pivotal in fostering the growth of Small and Medium Enterprises (SMEs) in Libya. However, the effectiveness of this sector is hampered by significant skills gaps among financial professionals. This proposal outlines an initiative under the EU4SKILLS Project (Component 4) to assess and address these skills needs through a comprehensive Gap Analysis, diagnostic Study, and Feasibility Study.

A significant component of the EU4Skills project is improving the financial sector's capacity, which is vital for supporting SMEs and ensuring they can access financial resources to thrive. SMEs are crucial drivers of economic growth and job creation. Yet, in Libya, they face significant barriers to accessing financing due to a lack of tailored financial products, risk management strategies, and financial literacy among entrepreneurs. To address this gap, the project focuses on conducting a comprehensive gap analysis and needs assessment of the Libyan financial sector. This assessment will evaluate the skills and capacity deficits within financial institutions, including the Institute of Banking and Financial Studies (IBFS), which serves as the primary training institution for the sector. By identifying the key areas where skills are lacking—such as risk management, SME financial inclusion, digital transformation, and green financing, the project will lay the groundwork for tailored capacity-building interventions that can sustainably improve the financial sector's ability to support SMEs and economic growth.

* 1. **Specific objectives**

1. Identify the existing skills and competencies within the financial sector, focusing on the training needs related to SME financial inclusion, risk management, digital financial services, and green financing.
2. Evaluate the training capacity of the Institute of Banking and Financial Studies and other institutions to determine gaps in curriculum, training delivery, and infrastructure that hinder their ability to meet market demands.
3. Provide actionable recommendations for addressing the identified gaps, including strategies for curriculum updates, capacity-building programs, and the professional development of financial sector staff.
   1. **Anticipated results**

* ***Comprehensive skill gap report:*** A detailed report identifying the disparities between the skills of graduates and market demands, highlighting regional and gender-specific differences, and outlining key employment barriers.
* **A summary report of workshops and focus group discussion outcomes**, with expert insights and training recommendations.
* **Upgraded training programs at the Institute of Banking and Financial Studies (IBFS**), aligned with current financial sector demands, designed to equip professionals with essential skills in digital transformation and green financing.
* **Comprehensive assessment report** detailing findings and recommendations for enhancements and training recommendations for the **IBFS**
* A developed system for regular training program evaluation and feedback for **IBFS**

1. **Description of the assignment**

* **Planned activities**

The selected expert or institution will be responsible for the following tasks:

1. ***Literature Review and Desk Research***
   1. Conduct a detailed review of existing reports, studies, and data on the Libyan financial sector.
   2. Analyze the current curriculum and training programs at IBFS to determine how well they align with international standards and market demands.
2. ***Stakeholder Identification and Engagement*** 
   1. Identify and engage key stakeholders from the Central Bank, commercial banks, non-bank institutions, and educational institutions.
   2. Develop a detailed engagement plan to ensure comprehensive participation
3. ***Stakeholder Consultations:***
   1. Organize focus group discussions and interviews with key stakeholders in the financial sector, including:
      * Central Bank of Libya
      * Commercial banks
      * Non-bank financial institutions
      * SMEs and MSMEs
      * Institute of Banking and Financial Studies
   2. Gather insights from these stakeholders on the existing gaps in financial sector skills and training programs, especially in areas like SME finance, green financing, and digital transformation.
   3. Summarize the outcomes of FGDs and workshops into a report detailing challenges, opportunities, and training recommendations.
4. ***Gap Analysis:***
   1. Conduct a detailed skills gap analysis focusing on critical areas such as SME financial inclusion and access to finance, Digital transformation in the financial sector, Green and blue financing initiatives, Risk management and compliance
   2. Assess the adequacy of training currently offered by IBFS and other institutions in addressing these gaps.
   3. Compile the findings in a detailed report, highlighting specific roles required competencies and identified skills gaps.
   4. Preliminary Findings Workshop: Before finalizing the Gap Analysis & Needs Assessment Report, organizing a workshop to present preliminary findings can help gather valuable stakeholder feedback.

The project has already its MEAL plan with a clear set of KPIs. What I suggest is the design of a set of indicators (qualitative and/or quantitative) that can help the targeted institutions track the impact of the project at an internal level.

1. ***Needs Assessment*** 
   1. Conduct an in-depth assessment of the capacity of IBFS to deliver relevant, high-quality training. This will include evaluating:
      * Training infrastructure and resources available at IBFS.
      * Gaps in training delivery and curriculum that limit the institution’s ability to meet the evolving needs of the sector.
2. ***Design Qualitative and Quantitative Indicators***
3. ***Compilation of Final Report and Action Plan***
4. ***Final Presentation Preparation***
5. ***Project Closure and Reporting***
6. **Duration and Timeline**

*Save and Submit Deliverables:*

* Compile and submit all deliverables by the specified deadlines.
* Ensure the final submission includes all required components and meets the specified quality standards.

1. **Anticipated Intermediate and Final deliverables**

The timeline ensures that all deliverables are completed within the 150-day (22-week) project duration.

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| Deliverables | Duration | End date |
| 1. **Deliverable #1: Inception report:**   Detailing the methodology, timeline, and stakeholder engagement strategy.  The main content of this report is:   1. *Executive summary.* 2. *Introduction.* 3. *Methodology framework.* 4. *Stakeholder mapping.* 5. *Evaluation framework development.* 6. *Review of project documentation.* 7. *Deadline for each delivery.* | **2 Weeks** from the notification date of the contract | **End of Week 2** |
| 1. **Deliverable #2: Stakeholder Consultation Report**   A comprehensive report summarizing the key findings from consultations with stakeholders, focusing on their input regarding skills gaps and capacity needs  The main content of this report is:   1. *Overview of findings.* 2. *Initial analysis and interpretation.* 3. *Strengths and weaknesses identified.* 4. *Co-construction of the recommendations report.* | **5 Weeks** | **End of Week 7** |
| **2.1 Intermediate Deliverable**   * **Stakeholder Engagement Plan:** * Detailed Plan for Stakeholder Identification * Engagement Strategies and Methods * Schedule of Stakeholder Consultations * Communication Tools and Protocols | **3 Weeks** | **End of Week 5** |
| 1. **Deliverable #3: Gap Analysis & Needs Assessment Report**    1. A detailed report identifying key skills gaps in the financial sector, focusing on SME financial inclusion, risk management, digital transformation, and green financing.    2. A comprehensive needs assessment report evaluating the training capacity of IBFS, with specific recommendations for curriculum updates and capacity-building interventions.   The main content of this report is:   1. *Detailed analysis of findings.* 2. *Comprehensive recommendations.* 3. *Baseline for the log frame indicators relative to outcome 4;* | **5 Weeks** | **End of Week 12** |
| **3.1 Intermediate Deliverable**   * **Preliminary Findings Presentation** * Presentation of Key Findings from Stakeholder Consultations * Initial Recommendations * Stakeholder Feedback Session | **3 Weeks** | **End of Week 10** |
| 1. **Deliverable #4: Final Report and Action Plan**  * A consolidated report including the gap analysis needs assessment and detailed recommendations for training programs, curriculum updates, and professional development initiatives. | **6 Weeks** | **End of Week 18** |
| **4.1 Intermediate Deliverable**   * **Draft Final Report** | **3 weeks** | **End of Week 15** |
| 1. **Deliverable #5: Final presentation:**   *Presentation of key findings.*  *Detailed analysis and interpretation.*  *Recommendations for action.* | **4 Weeks** | **End of Week 22** |
| **5.1 Intermediate Deliverable**  **Draft Final presentation** | **2 Weeks** | **End of Week 20** |

1. **I. Additional activities**

Expertise France reserves the right to formally request additional intellectual expertise and related activities as necessitated by the evolving requirements of the mission. Such requests shall be communicated in writing and will detail the specific nature of the expertise required, the rationale for the request, and any associated timelines.

Consultants hereby advised that acceptance of this provision is a prerequisite for application. By submitting a proposal, consultants acknowledge their understanding of this clause and agree to provide the requested expertise in a timely and professional manner, ensuring alignment with the overall objectives of the mission.

1. **II. Post-Assignment Follow-Up**

Participate in Review Meetings:

Attend meetings to present key findings, detailed analyses, and recommendations for action.

Engage with stakeholders to discuss the implications of the findings and any necessary follow-up actions.

* 1. **Coordination**

The service provider shall designate a single contact person for project implementation purposes.

* Regular coordination meetings: Bi-weekly virtual meetings will be held between the expert(s) and the EF Libya team to discuss progress, challenges, and next steps.
* Dedicated focal point: A designated focal point from the EF Libya team will serve as the primary contact for the expert(s), ensuring streamlined communication and quick resolution of queries or concerns.
* Joint planning sessions: At the start of the mission, joint planning sessions will be conducted to establish a shared understanding of the objectives, timelines, and deliverables.
* Shared documentation platform: A secure, cloud-based platform will be set up for sharing all relevant documents, reports, and data.
* Feedback loops: The expert(s) will provide regular updates and draft deliverables to the EF Libya team for feedback.
* Ad-hoc consultations: In addition to regular meetings, the expert(s) will be available for ad hoc consultations with the EF Libya team as needed.
* Stakeholder coordination: The expert(s) will coordinate closely with the EF Libya team during stakeholder engagements, ensuring that the local context is appropriately considered and that all relevant parties are involved in the process.

1. **Place, duration and terms of performance**
   1. **Implementation period: 5 months**
   2. **Start date: 09 November 2024**
   3. **End date: 31 Mar 2025**
   4. **Location : Remote/ On-Site in Libya/ Tunis**

*The provisional Programme for assignment implementation is as follows:*

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| **Activity** | **Place** | **Period** |
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| 1. Literature Review and Desk Research | Remote | 2 weeks |
| 1. Stakeholder Identification and Engagement | Remote | 2 weeks |
| 1. Stakeholder Consultations: | On-Site in Libya/ Remote | 4 weeks |
| 1. Gap Analysis | Remote | 4 weeks |
| 1. Needs Assessment | On-Site in Libya/ Remote | 2 weeks |
| 1. Design Qualitative and Quantitative Indicators. | Remote | 2 weeks |
| 1. Compilation of Final Report and Action Plan | Remote | 3 weeks |
| 1. Final Presentation Preparation | On-Site in Libya/Tunis | 2 weeks |
| 1. Project Closure and Reporting | Remote | 1 week |
| **Total** |  | 22 Weeks |

1. **Monitoring-evaluation**

**Performance indicators**

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| Deliverables | KPI | Verification sources |
| Deliverable #1:  **Inception report** | * Submission of the Inception Report by the end of **Week 2**. * Inclusion of all required sections: Executive Summary, Introduction, Methodology Framework, Stakeholder Mapping, Evaluation Framework Development, Review of Project Documentation, and Deadlines. | * Signed approval from the project manager. * Meeting minutes confirming approval * Confirmation email or signed document from the project manager. * Content review of the Inception Report against the outlined requirements. |
| Deliverable #2: **Stakeholder Consultation Report** | * Completion of consultations with at least 10 key stakeholders by the end of **Week 7.** * Submission of the Stakeholder Consultation Report by the end of Week 7. * Report includes a comprehensive overview of findings, initial analysis and interpretation, identified strengths and weaknesses, and co-constructed recommendations. | * Submitted Preliminary Report * Feedback and review notes from stakeholders * Meeting minutes, attendance records, and consultation logs. * Signed approval from the project manager. * Content review of the report against the required sections. |
| (Intermediate Deliverable)  **Stakeholder Engagement Plan:** | * Completion of a detailed plan by Week 5. * Engagement strategy includes stakeholder identification, communication methods, and consultation schedules. | * Submitted Stakeholder Engagement Plan. * Signed approval from the project manager. * Confirmation of scheduled consultations. |
| Deliverable #3:  **Gap Analysis & Needs Assessment Report** | * Completion of a detailed gap analysis focusing on SME financial inclusion, risk management, digital transformation, and green financing by the end of Week 11. * Completion of a comprehensive needs assessment of IBFS with specific recommendations for curriculum updates and capacity-building interventions. * Submission of the Gap Analysis & Needs Assessment Report by the end of Week 12. * Establishment of baseline data for the log frame indicators that will be used for subsequent phases | * Sections within the report covering each focus area * Needs assessment section in the report with actionable recommendations. * Signed approval from the project manager. * Included baseline metrics within the report |
| **(**Intermediate Deliverable)  Preliminary Findings Presentation | * Presentation of key findings by Week 10. * Incorporation of feedback from stakeholders. | * Presentation materials submitted to the project manager. * Attendance records of the meeting. * Meeting minutes with stakeholder feedback. |
| Deliverable #4:  **Final Report and Action Plan** | * Development of a consolidated report that includes the gap analysis, needs assessment, and detailed recommendations for training programs, curriculum updates, and professional development initiatives. * Proposal of a Monitoring and Evaluation (M&E) framework to track the progress of implementing the recommendations. * Submission of the Final Report and Action Plan by the end of Week 18. | * Comprehensive Final Report containing all required elements. * M&E framework section within the Final Report * Signed approval from the project manager. |
| Intermediate Deliverable)  Draft Final Report | * Submission of the draft final report by Week 15. * Initial review and feedback from stakeholders incorporated. | * Submitted draft report. * Feedback notes from stakeholders. * Signed approval from the project manager. |
| Deliverable #5 :  Final Presentation | * Preparation of presentation materials summarizing key findings, detailed analysis, and recommendations for action by Week 21. * Delivery of the final presentation to stakeholders by the end of week 22. | * Presentation slides and materials submitted to the Project Manager. * Attendance records of the presentation meeting * Stakeholder feedback forms or survey results |
| Intermediate Deliverable)  Draft Final presentation | * Submission of the draft presentation by Week 20. * Review and approval of presentation content. | * Submitted draft presentation. * Signed approval from the project manager. * Feedback notes from stakeholders. |

1. **Required expertise and profile**
   1. **Number of experts per assignment:**

Ateam of international and national experts (depending on the set-up to allow field visits for data collection). A concrete division of labor is expected to be made by the evaluators and attached to the letter of interest to be submitted as a part of the technical proposal.

* 1. **Profile of the designated expert(s) responsible for contract execution**

1. **Qualifications and experience**

* Advanced degree (Master’s or PhD) in economics, social sciences, education, or a related field, with specialized knowledge relevant to employability in digital, green and blue economy and financial sector, including SMEs and microfinance.
* One team leader with over 15 years of employability experience must dedicate at least 30% of the time to the mission, accompanied by a group of international and national experts with at least seven years of relevant experience in the above-mentioned sectors.
* Proven track record of leading and managing complex research projects, including project design, implementation, and evaluation.
* In-depth understanding of Libya's socio-economic and political context, including previous experience working in the country or similar contexts in the MENA region.
* Well-versed in the unique challenges and opportunities within the Libyan context, with a nuanced understanding of the cultural, social, and institutional dynamics.
* Strong analytical skills with the ability to synthesize information from diverse sources and generate actionable recommendations tailored to the Libyan context.
* Excellent communication and interpersonal skills, with the ability to engage effectively with government, academia, civil society, and private sector stakeholders.
* Fluency in English; proficiency in Arabic is essential for conducting field research, engaging with local stakeholders, and interpreting cultural nuances.
* Familiarity with working in fragile and post-conflict environments, with previous
* experience in Libya or the MENA region is highly desirable.
* Proven experience conducting gap analysis and needs assessments for financial institutions, particularly in SME finance, digital transformation, and green financing.

1. **Technical skills:**

* Proficiency in mixed-methods research methodologies as outlined in the ToRs, combining quantitative analysis and qualitative insights.
* Experience (minimum 10 years) in developing and implementing robust sampling strategies tailored to the context of the diagnosis, including surveys, interviews, and focus group discussions.
* Ability to conduct comprehensive data analysis, integrating quantitative data on project impact and stakeholder perceptions with qualitative insights from field visits and key informant interviews.
* Familiarity with digital data collection tools and software to ensure efficient data collection and analysis, adhering to the standards outlined in the ToRs.
* Expertise in conducting thorough field visits to validate data, gather firsthand insights, and foster stakeholder engagement in alignment with the mission’s scope.
* Capable of synthesizing complex findings from diverse sources and developing actionable recommendations, addressing the objectives and expected results specified in the ToRs.
* Proficiency in upholding ethical research practices, including obtaining informed consent, ensuring data privacy, and maintaining confidentiality throughout the evaluation process, as stipulated in the ToRs.

1. **Language skills:**

* Bilingual Proficiency: Strong command of both English and Arabic for effective communication with international and local stakeholders.
* Communication Skills: Ability to articulate complex ideas clearly in English and conduct interviews and discussions in Arabic, ensuring accurate interpretation and documentation.
* Interpretation and Translation: Skills in providing simultaneous or consecutive interpretation between English and Arabic during meetings and workshops, and proficiency in translating documents accurately.
* Stakeholder Engagement: Fluency in Arabic to facilitate communication with local stakeholders, including government officials, educators, and community members.

1. **Regional Experience**

* Prior experience in working with financial institutions in Libya or the MENA region is strongly preferred.

1. **Reporting and Coordination**

* The expert or institution will report to the Chief of Component. Regular progress reports will be required throughout the assignment, detailing milestones achieved, challenges encountered and proposed next steps.
* Coordination with the Institute of Banking and Financial Studies, the Central Bank of Libya, and other key financial institutions is crucial for the success of this assignment.
* The expert will be expected to provide regular updates to all key stakeholders and maintain open lines of communication.
* A report following the model provided must be forwarded by e-mail after the assignment; it must correspond with the deliverable summary analytical report.

1. **Tender Assessment Methods:**

Each proposal will be evaluated based on the following criteria. The total score is out of 70.

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| **Criteria** | **Score** |
| 1. **1. Understanding and Analysis of the Terms of Reference (ToR):** Relevance and depth of analysis of the ToR, including the consultant's understanding of the project's objectives, challenges, and expected outputs. This includes demonstrating comprehension of the Libyan financial sector, SME inclusion challenges, and the specific needs of the Institute of Banking and Financial Studies (IBFS). | ***10*** |
| 1. **Proposed Methodology:** Quality, relevance, and feasibility of the proposed methodologies for developing qualitative and quantitative indicators. The assessment will focus on the methodology's coherence with project goals, practicality and adaptability in the Libyan context, practical tools and techniques for gap analysis and needs assessment and the consideration of both qualitative and quantitative approaches**.** | ***18*** |
| 1. 3. **Detailed Work Plan and Timetable*:*** Clarity and practicality of the proposed work plan and timetable, ensuring alignment with the project's deadlines. This includes the feasibility of coordinating on-site activities in Libya and remote work to maximize efficiency and effectiveness. | ***10*** |
| 1. **Composition of the Consultant Team and Relevant Experience:** Expertise and qualifications of the consultant team, including the appropriateness of the team structure, roles, and responsibilities for the project's tasks. Previous relevant experience in conducting similar assessments, especially in the financial sector and SME inclusion, in Libya or similar contexts. Proficiency in English is essential; proficiency in Arabic is highly desirable. | ***14*** |
| 1. **Financial Offer**: Clarity and detail of the financial proposal, including a comprehensive breakdown of costs for all project activities, considering both on-site and remote components. Cost-effectiveness and value for money will be assessed. | **10** |
| 1. **6. Added Value and Innovation:** Demonstration of added value, such as innovative approaches, unique insights, or strategies that go beyond the standard requirements outlined in the ToR. This may include suggestions for capacity building, sustainability measures, or additional support mechanisms for IBFS and other stakeholders. | **8** |
| **Total** | **70** |

1. **8. Application Process**

Interested institutions or experts are invited to submit the following documents:

* **Technical Proposal:** A detailed proposal outlining the approach and methodology for the gap analysis and needs assessment.
* **Detailed Work Plan:** A comprehensive work plan detailing the timeline and steps to meet project deadlines, ensuring the feasibility of the proposed activities.
* **Financial Proposal:** A detailed budget breakdown for each activity. Please exclude travel and accommodation.
* **CV or/and Company Profile:** A detailed CV and company profile highlighting relevant experience and expertise, particularly in the financial sector and capacity building.

**All applications must be submitted by Friday, NOV 1st , 2024, before 00:00.**

1. **Data Protection Compliance**

Expertise France Libya operates under the stringent regulations of the General Data Protection Regulation (GDPR). All data collected, processed, or accessed during this mission must comply with GDPR standards, ensuring the protection of personal information. The consultants are required to implement robust data protection measures, ensuring confidentiality, integrity, and secure handling of all data.