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**Programme:** Private Sector Development South Caucasus (PSD SC): EU-Co-financing “Support to SME Development in Armenia” (SMEDA)

**PN:** 13.2144.7.010.00

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**TL:** Eva Maria Näher

**Activity:** Designer services for SMEDA Project

**Period:** **June 15, 2017 - May 30, 2018**

## **1. Brief Introduction**

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The private sector in Armenia faces several challenges such as the lack of cohesion and coordination of different small and medium-sized enterprises (SME) support programmes, inefficient steering mechanisms for the SME development process, a fragmented landscape of stakeholders, and an inefficient public private dialogue as well as an inefficient decision-making process. The donor coordination process in different intervention areas is currently not government-driven.

The involvement of the private sector in SME development strategies is not effective and interests of SMEs are in fact not reflected in decision-making processes. Supporting services are insufficiently available – both in quality and quantity. Underdeveloped capacities within the organised private sector are main obstacles and barriers to the envisaged development.

Innovative ideas are hardly developed and are rarely transferred into business cases. Research and development are limited, in particular in the SME sector with hardly any cooperation of businesses and research entities. The innovative and creative potential of young specialists is not employed.

Access to finance is another major challenge for SMEs. Due to high debts – accrued during the global financial crisis and an associated decline in GDP (estimated 14% in 2009) – many Armenian SMEs have only limited access to further credits and loans. In general, lending policies of most banks and financial institutions do not encourage investments in SMEs.

With this situation for the private sector in Armenia, the EU-co-financed, GIZ-implemented project “Support to SME Development in Armenia” (SMEDA) was initiated in 2016. The project is in line with the EU Single Support Framework 2014-2017 for Armenia. It is furthermore consistent with the strategic framework documents of Armenia (Armenia Development Strategy and SME State Support Strategy) in order to facilitate their implementation.

The objective of the project is to improve the national business and investment climate and support the creation and development of SMEs to enable broad based growth.

The SMEDA-Project is part of the Regional Private Sector Development in South Caucasus Programme, which is operating in the three countries of the South Caucasus, Armenia, Azerbaijan, and Georgia. This umbrella programme faces the challenge of generating broad based inclusive growth to reduce the urban-rural gap and poverty above all in rural regions. In view of the small domestic markets with low purchasing power, the primary aim is to strengthen private sector development.



The PSD SC Programme is currently divided into 4 components with a budget as follows:

- PSD SC Programme (regional programme): EUR 8.6 Mio for four years (2017-2020).
- Project “Economic Integration of Syrian Refugees in Armenia”: EUR 2.5 Mio EURO for two years (2015-2017).
- EU-co-funded Project “DCFTA and SME Development” in Georgia: EUR 5 Mio EURO for four years (2015-2019).
- **EU-co-funded Project “Support to SME Development in Armenia”: 6.4 Mio EURO for four years (2016-2019).**

The “Support to SME Development in Armenia” (SMEDA) Project is focusing on the following result areas:

- (1) Improved policy making process and coordination of supports to SME development for a conducive business development framework,
- (2) Strengthened private sector organisations to implement SME policies,
- (3) Improved process of commercialization of ideas linking research institutions and businesses via cooperation networks,
- (4) Improved design and management of economic clusters (business incubators, techno parks, and Free Economic Zones),
- (5) Diversified access to finance for innovative start-ups and small businesses.

The project is co-funded by the European Union and implemented by the GIZ Programme Private Sector Development South Caucasus (PSD SC) and its country component in Armenia. The PSDSC-Programme is commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ). The SMEDA-Project is designed for four years from 2016 to 2019 with a total budget of EUR 6.400.000.

### **SMEDA Overall Objective**

Create employment opportunities by enhancing private sector development in Armenia.

### **SMEDA Specific Objective**

The specific objective is to improve the national business and investment climate and support the creation and development of SMEs to enable broad based growth.

### **SMEDA Indicators**

1. Increase the proportion of SME within the overall economy: increase the share of SME from 7% to 15% in overall number of micro, small and medium enterprises in Armenia.
2. Increase share of SME in employment from 25% to 30%.
3. Increase share of SME in GDP from 27% to 35%.
4. Increase of added value created by SMEs.

### **Partner structure: executing agencies and intermediaries**

The project is guided in its implementation by a Technical Project Steering Committee (PSC), which is co-chaired by representatives of the EU Delegation and the Ministry of Economic



Development and Investments (MEDI).

### **Target Group and Implementing Partners**

The target group is composed of all relevant stakeholders involved in the development of SMEs in Armenia. This includes the political lead partner, the Ministry of Economic Development and Investments in Armenia, and the Small and Medium Entrepreneurship Development National Centre (SMEDNC), related sector associations, the Armenian Chambers of Commerce and designated SME support organisations.

An important project partner is the Armenian Enterprise Incubator Foundation (EIF), which implements parts of the project activities related to managing and monitoring of funds for start-ups and small businesses.

Another important target group is females and males, owners and employees of SMEs.

### **Planned Activities of SMEDA Project**

- Support to policy making by assisting the Armenian government to implement the SME strategy and to introduce a review mechanism for the SME development strategy and its action plans
- Support to policy implementation by strengthening the institutional capacities of the Ministry of Economic Development and Investments and the SMEDNC in terms of coordinating the implementation of the SME strategy and related action plans as well as developing an information portal to support business performance on foreign trade transactions
- Support to Public-Private Dialogue (PPD) by strengthening the capacities of the Ministry of Economic Development and Investments to manage the PPD process as well as to assess and recommend on dispute settlement mechanisms and platforms
- Provide technical assistance to private sector organisations to improve and expand services and to increase their network with European businesses
- Strengthening the capacities of private sector organisations to participate in PPD platforms and to utilize the opportunities of technology transfer as well as to promote entrepreneurial skills, clusters and value chain development
- Support to linking research institutions and the private sector to foster innovation
- Support to state bodies and the private sector to access EU innovation support resources and platforms such as the new EU Framework Programme for Research and Innovation (Horizon 2020)
- Strengthening capacities of the Ministry of Economic Development and Investments to design, implement and promote clusters
- Support to improving cluster management, linking clusters to European networks as well as developing and promoting new areas for business incubation
- Supporting the provision of grants to support technology start-ups and SMEs promoting new services/products
- Support to EIF and SMEDNC to design and implement business acceleration and coaching programmes for entrepreneurs and grant recipients



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## 2. Context and current situation in the field of assignment

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The “Support to SME development in Armenia” (SMEDA) project is actively engaged in different activities and events such as workshops, trainings, forums, study trips, preparation of booklets, information materials, visibility items, building and running of a project website, producing explanatory films on topics that are covered by the five main Result Areas (RA) of the project.

All these activities require preparation of design elements, which could be different topic-wise depending on RAs for which the item is designed, such as innovation, clusters, access to finance, networking events, support to startups, private sector organisations, etc.

SMEDA is planning to organise during the coming year the following major events among others, for which design works are required:

- Armenia StartUp Academy Berlin (ASAB) in September
- Support to Sevan StartUp Summit in July
- Cluster Academy in Europe
- Innovation Mapping
- Training on Creative Writing
- Development of a Creative Hub
- Demo Day including Crowdfunding Training in November
- SME Statistics
- Public Private Dialogue events
- Announcement of Call for Proposal for Business Membership Organisations

Hence, SMEDA periodically needs to engage designers for the above-mentioned designing services, who are highly qualified and reliable professionals in terms of accuracy and timing, understanding of what is expected and required, with creative mindsets and willing and open to a team-work.

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## 3. Conditions of the assignment

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### 3.1 Objective

The objective is to provide high quality design services to the SMEDA project supporting the projects key messages and approaches with different design elements and products for items such as:

Tasks	Examples	Expected Man Days
Design print material	books and booklets, flyers, leaflets, newsletters etc.	15
Design visibility material	rollups, banners, folders, notepads, bags, mugs, caps,	5



	shirts etc.	
Design conference material/ packages	invitations, signs, badges, give- aways etc.	10
Design graphical elements	icons for the website(s), graphic images to be used as identity signs for different components of the project etc.	5
Provide graphic recording	to graphically illustrate different events organised by the project such as workshops, conferences, or using the same techniques for explanatory videos	10
<b>Total (up to)</b>		<b>45</b>

### 3.2. Specific requirements

1. Draft and design the above listed items and products based on the set requirements and descriptions provided by SMEDA project
2. Present the deliverables in a timely manner and be willing to make modifications depending on the need
3. For above-mentioned tasks up to 45 man days are calculated during a one-year contract period (mid of June 2017 to end of May 2018)
4. The volume may be adjusted according to unforeseen additional needs of the project by an additional up to 15 man days.

### 4.3. Required skills

- Professional graphic designer with formal training in fine arts or graphic design, graphic recording.
- Sound experience in design, publishing, advertising and web building companies.
- Experienced to develop graphic design elements both for local and international clients.
- Ability to work under tight schedules, ability of team work (possible cooperation with content writers, web developers, film makers, as well as SMEDA team members).

### 3.4. Deliverables and resources

The design/graphic design items and products are expected to be delivered by the timeframe that would be set up by SMEDA project per each individual case.



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### 3.5. Conditions and payment terms

The Designer's/Contractor's offer for a one year contract must include:

- The **Financial/Price offer** that requires the Contractor to submit for consideration a summary of costs for a maximum total of up to 60 man days during the one-year time frame with respect to the above listed items/products.
- The **Technical offer** requires the Contractor to submit details pertaining to the Contractor's organisation; the Contractors' experience; comments/suggestions on the Terms of Reference, description of approach, methodology and work, CV's of proposed staff.

Payment terms:

- Payment will be done upon delivery of approved products and original work-files (.ai etc.).

### 3.4 Coordination and communication

The Contractor reports to the Team Leader of the EU SMEDA Project, Ms. Eva Maria Näher and closely collaborates with the communication expert, Ms. Nune Kochinyan, as well as with the project experts and the administrative support team in Armenia.

### 3.5 Submission Requirements

The Contractor must fulfil the following requirements:

- Strong proven expertise in the area of assignment with sound portfolio of professional graphic design work
- Flexibility and readiness to make adaptations/changes upon the request
- Proficiency in English and Armenian languages (written and spoken)