Programme: Private Sector Development and TVET in South Caucasus (PSDTVET SC)

PN: 16.2179.6-002.00

AV: Hannes Cassens DV: Wilhelm Hugo

Activity: Reduce the negative impact of corona pandemic and develop brand identity and promotional materials for 10 SME Wineries

Period: 06-10.2020

1. Brief information about the programme

The Private Sector Development and Technical Vocational Education and Training programme which has been developed jointly with the Public partners and private sector in the South Caucasus Countries, aims at promoting the private sector development with a high attention to employment impacts and a close integration of vocational education and training.

Due to the small domestic markets with limited purchasing power, the South Caucasus Countries have focused so far on expanding foreign trade to promote economic development. The export-dedicated strategy achieved only limited success in improving the employment situation and living conditions. Employment growth in sectors that afford the greatest potential for *pro-poor growth* and employment promotion in comparable economies and also in South Caucasus, such as tourism and agricultural, cannot be sustained, because businesses lack well-trained skilled labour.

The core challenge consists thus in the difficult framework conditions for sustainable economic development in the sectors relevant for employment. The capacities available are not yet sufficient to generate the envisaged employment and growth momentum.

Therefore, the programme **module objective** is: The conditions for sustainable economic development have improved in selected sectors relevant for employment.

The programme will adopt the integrated approach of German development cooperation in employment promotion. It will address both the supply and demand side of the labour market to lay a better foundation for employment. Development assistance will focus primarily on involving the private sector in vocational training.

To do this, the programme will operate in three intervention fields:

Intervention field 1 will aim to strengthen capacities for improving competitiveness in the sectors relevant for employment.

In **intervention field 2**, private and public actors will cooperate to improve the labourmarket relevance of selected training courses for these sectors.

Intervention field 3 will seek to strengthen the regional and international exchange of experience in sustainable private sector development and dual-oriented vocational training.

Improving the promotion of economic development will contribute to raising demand for labour. At the same time, supporting vocational training and qualification will increase the supply of qualified labour, i.e. trainees that have successfully completed initial and continuing education and training will be better prepared to cope with the requirements and their tasks in enterprises. In the medium and long term, this will make a contribution to reducing structural unemployment and underemployment and to social and sustainable economic development.

The programme is scheduled for a term of 6 years (from April 2017 to April 2023).

2. Context and current situation in the field of assignment

Driven by the imperative to increase economic competitiveness and ensure sustainable economic growth, the RA Government has identified priority sectors for development. Tourism, Wine and IT sectors have been considered by the Government of Armenia as priority areas. In order to increase competitiveness of these sectors the Government is implementing different programmes.

Over the past 7 years, the wine industry in Armenia has seen impressive growth. Since 2007 large investments have been made in the winemaking sector, especially for purchasing progressive technologies and modernisation of production processes.

An important framework condition to improve the situation in the wine sector is the already established Vine and Wine Foundation of Armenia (VWFA). VWFA is a governmental institution responsible for development of the sector. Another important institution is the EVN Wine Academy, which was established in 2014 as a modern education provider for the wine sector and has been strengthened through GIZ support.

However, the sector is still negatively impacted by unfavourable weather conditions and natural disasters. There are quite a few challenges in viticulture sector in Armenia. Among the most prominent challenges are the poor grape cultivation techniques, equipment, materials and infrastructure, which lead to inconsistent and low grape quality provided mainly by a very large number of small farmers with very small property plots with very low profitability. The inconsistent grape quality affects the wine quality that in turn creates problems in accessing export markets.

To ensure both their representation and growth in local and export markets, new technical knowledge on proper grape production and wine processing through trainings and practical demonstration is required. Development of respective trainings and service offers in the quality meeting the private sector needs can be one of the solutions of mentioned problems.

In the framework of "Wine Tourism Product" project more than 20 companies have been supported to introduce wine tourism as a new business model. 10 companies were successfully developinghave been successfully developing the wine tourism product and started hosting tourists in 2019. The small producers were not only supported by GIZ and other donors but thy also took loans in order to renovate the wine tasting rooms and by necessary equipment. The aim was to host minimum 500 tourists in 2020 against 200 in 2019.

Unfortunately, the Corona Pandemic affects the small winemakers and creates many problems such as:

- almost no demand for wine tourism products;
- interrupted supply chains;
- unstable financial situation due to lack of income;
- not being included in the governmental support schemes because of the small size

All these challenges affect the sustainability of the small producers and will eventually bring to the collapse of the established businesses.

Thus, a series of support measures have to be taken in order to support the small wine producers and save the new introduced wine tourism products. The first important step towards sustainability will be to create their own brand identity and strengthen it in order to be able to sell bottled wine. (Until now, the small producers were selling only bulk wine). Having a brand and wine label is also crucial to meet the local and international standards for selling bottled wine, have access to the wine bars, shops and online platforms for sales.

Conditions of the assignment

3.1 Objective and tasks

The objective is to reduce the negative impact of corona pandemic and support develop brand identity and promotional materials for 10 SME wine producers within Wine Tourism Product Project.

Tasks

The company's task is to develop brand identity design and promotional materials for each wine project (ten in total). Particularly, it includes:

- o develop a concept for a trademark of each wine
- develop wine label design for each wine
- o design a brand box, gift bag for each wine

3.2 Deliverables

Deliverables		Timeline
	Branding of 10 Wine varietals:	
≻	Trademark concept for a trademark of each wine	June – July 2020
-	Offer 3 initial versions of a trademark concept for each product.	
-	Provide one finalized trademark concept for each product.	
~	wine labels for each wine project. Wine labels should include one element which is equal for all companies	
-	and creates the identity with the project Develop and provide final pre-printing files of wine label within the final selected concept for each product	July – September 2020
-	Design of a brand box, gift bag for each wine project Offer 2 initial design concepts for each item within the respective concept of each wine product. Provide the finalized pre-printing files of the final selected items.	September 2020
>	Reporting Submission of progress report	July 2020
_	Final report by 30 October 2020	October 2020

For performance of tasks up to 100 expert days are foreseen.

3.3 Coordination and communication

- The hired company shall report to PSD TVET programme team leader and closely cooperate with the whole team. All the materials should be approved by the programme team leader before printing.
- The team shall closely cooperate with wine project beneficiaries for the branding of the wines.
- The hired company shall comply with GIZ regulations for procurement and/or service provision.

3.4 Payment terms

Payment shall be made following the performance of services, submission of reports, acceptance of services performed and invoicing. If travel to Yerevan or other places in Armenia is necessary, then the possibly required number and cost of travel should be clearly stated in the offer.

3.5 Submission Requirements

The hired company should meet the following requirements:

- Strong proven expertise in product branding. Prior experience in wine branding is a strong asset.
- Pool of experts: CVs of the experts who will be working on the project for the whole contracted period with work samples shall be submitted.
- Excellent understanding of and ability to meet the demands and standards of an institution of international development cooperation. Prior experience with international organizations is an asset.
- Fluency in English and Armenian

All documents should be submitted in English.