



Belgrade / Berne, March 15th, 2011

External Review
of the
“Private Sector Development in South-West Serbia” Project
(7F-05864.02)

Terms of Reference

1 CONTEXT OF THE REVIEW

The Regional Development Agency Zlatibor (RDA) has been implementing the “Private Sector Development in South-West Serbia Project” in the region of South Serbia with backstopping support of the Springfield Centre, since September 2008. The period of first 7 months was allocated for conducting preparatory activities, which has resulted in starting the implementation of Phase 1. Project implementation of Phase 1 started in May 2009, with the total budget of 1'850.000 CHF, and will end on 31 March 2012.

The project is applying a *Making markets work for the poor* approach (M4P), the project's specific objective is to lead to “improved economic opportunities and wellbeing of citizens” in 6 targeted municipalities of the Zlatibor district, as stated as the overall goal of the program logframe.

Phase 1 of the intervention (2009-2012) targets to achieve a) the increased performance of at least 3 sectors in the Zlatibor district, b) improve the business environment, and c) improve capacities of the implementing partner RDA.

RDA has been improving the performance of 3 chosen sectors: tourism, fruits and meat & dairy and is seeking to strengthen and scale up existing transactions between market players, rather than setting up and subsidizing new offer-driven services. For example, the planned outcome is that existing transactions between lead firms and smaller enterprises or producers, i.e. embedded services, are well linked with the formal business sector as carriers of important business information.

With regard to improving the business environment, RDA was facilitating dialogue and concrete solutions between the business community, represented by business associations and local authorities or enhancing the role of local and regional media for substantial public debate on such issues.

At the same time, the goal of this phase is to build the capacity of the implementing partner in to implementing the M4P approach, as this approach is new to Serbia and the Western Balkan in general. Previously, the development schemes were designed from a direct service delivery rather than a systemic and facilitative perspective.

The initial project proposal and logical framework for Phase 1 have been complemented by “M4P-like” result frameworks and intervention strategies during the implementation phase.

The private sector project in Southwest Serbia is twinned with a similar project in South Serbia, implemented by the Regional Development Agency VEEDA covering the target region in South Serbia. Both projects apply the M4P methodology and exchange experiences and lessons learnt. Regional Development agencies have been chosen to implement economic development projects due to their role in developing the local economy and also due to the future anticipated – not yet confirmed – perspective of channelling EU-Pre-Accession (IPA) funds for local development exactly through the RDAs.

2 PURPOSE AND OBJECTIVES OF THE REVIEW

In order to assess the achievements of the current project phase and lessons learnt hitherto, to support SDC and RDA in preparing the 2nd phase, allowing the project to consolidate and sustain its major achievements and to provide recommendations for the future, an external review will be conducted about one year before the end of the project phase.

More specifically, the objective of the review is 1) to assess the relevance of the project's approaches in the given development/transition context, 2) the appropriateness of the implementation set-up, including backstopping, with regard to a proper understanding of the facilitator role, the proper handling of M4P analytical frameworks and corresponding intervention strategies and the perception of the implementer by relevant stakeholders (public and private market players); 3) to assess the likelihood of significant scale, employment and income generation of the project interventions and 4) to provide recommendations on the 3 dimensions mentioned above for the remainder of the current and the following phase.

The following guiding questions will be addressed by the review team:

1) Relevance of the project's approaches in the given development/transition context, including perception of the implementer by relevant stakeholders (public and private market players)

- a) To what extent do the project strategies and interventions respond to national and regional policies and strategies, to identified needs and the regional context?
- b) How are the intervention strategies supported / facilitated by the project and its way of approaching developmental issues perceived by the private and public market players?
- c) How is the project positioned in its working area, i.e. to what extent is its approach conflicting or complementary with regard to other donor agencies' programmes in relevant fields of intervention?
- d) What have been the major challenges and potentials of the chosen sub-sectors in terms of market development? How has the project team addressed those challenges? What are the lessons learnt?
- e) Who are the main market players and value chain stakeholders that the project is currently working with? How does the project engage with them, and particularly how can the dialogue with the private sector be assessed?

- f) To what extent have the stakeholders (private sector, local institutions and other stakeholders) been taken into consideration, participated, or have become involved at the design stage of the strategies for intervention?

2) The appropriateness of the implementation set-up, including backstopping, with regard to a proper understanding of the facilitator role, the proper handling of M4P analytical frameworks and corresponding intervention strategies

- a) Is the management model (i.e. instruments; economic, human and technical resources; organizational structure; information flows; decision-making in management) adequate for achieving the set objectives?
- b) How has the implementer's facilitator role evolved over the past 2 years?
- c) To what extent is the implementer properly handling the main M4P analytical frameworks and how is the assessment of its capacity to translate systemic analysis into consistent and coherent intervention strategies, including M&E systems?
- d) How are the transversal themes mainstreamed by the project team in the project intervention (gender, governance)? How does the "pro poor" or "pro excluded" dimension translate into the analysis and from there into corresponding intervention strategies
- e) How does the overall dependency of the RDA to donor funding (primarily EU operational grant which expires in June 2011) influence the project in terms of institutional setup?

3) Assessment of the likelihood of significant scale, employment and income generation of the project interventions

- a) To which extent has the program contributed to the likelihood of achieving goals as set in the Credit Proposal and, Project Document which have been translated into result frameworks and intervention strategies throughout the entry phase?
- b) What is the likelihood and potential of strategies and approaches applied by the project for scaling up, employment and income generation?
- c) What are the main systemic changes the project is currently tackling or have already been achieved so far?
- d) Have interactions, transactions and communication between the private sector, governmental (local-self governments) and non-governmental organizations – facilitated by the project – changed in the targeted sectors in Southwest Serbia? If yes, in what way?

4) What are the recommendations with regard to findings under main questions 1-3?

Based on the review of the project, the team shall present **recommendations for the future/next phase of the project.**

3 SCOPE AND METHODS OF WORK

The review team will consist of an international consultant acting as team leader and a local expert.¹

The team will make use of information given by RDA Zlatibor and SDC staff, project staff in the field, beneficiaries, local authorities, international organizations, private businesses, and local NGO partners as well as other relevant market players.

The main tasks of the assignment can be summarized as follows:

a) Desk Research (information collection and analysis)

Relevant documentation includes:

- Credit proposal for phase I
- Project Document for Phase I
- RDA reports during Phase I
- Result frameworks and intervention strategies
- Mission reports of Springfield consultant
- Swiss Cooperation Strategy for 2010-2013
- National Strategies on Economic Development, i.e. Strategy for Development of Competitive and Innovative SMEs 2008-2013; National Tourism Strategy 2008-2013; National Strategy for Rural Development 2009-2013, etc.

b) A telephone briefing with the responsible program officer at SDC headquarters prior to mission departure

c) A briefing at Swiss Cooperation Office (SCO) in Serbia with the Senior Program Officer at the beginning of the mission to Zlatibor District.

d) Field trip to the Zlatibor District

Part 1) conducting interviews with management and key staff in charge of all program components

Part 2) conducting individual and/or group discussions with the key partners/beneficiaries from the private sector of each program component

Part 3) conducting interviews with representatives of the local self-government, partner organizations (i.e. tourism organizations on local and national level), and other development projects/agencies

¹ The present TOR are valid both for the International Consultant (team leader) and the Local Consultant.

- e) Discussions with national level - partners i.e. Tourism Organization of Serbia and stakeholders, i.e. EU Delegation to Serbia
- f) A telephone interview with Matthias Herr, the backstopper (Springfield Centre)
- g) A debriefing at Swiss Cooperation Office in Serbia with 3 parts:
 - Part 1) Self-reflection of RDA project team
 - Part 2) Presentation of the preliminary finding and recommendations of the review team
 - Part 3) Wrap up for lessons learned and discussion for project development up to the end of the project phase
- h) A debriefing at SDC headquarters in Bern (to be confirmed)

4 DELIVERABLES / REPORTING

The International Consultant is expected to produce the following deliverables:

- 1) Presentation of the findings and recommendations to be discussed during a debriefing session in the Swiss Cooperation Office Serbia and local debriefing with RDA Zlatibor.
- 2) Draft review report to be submitted electronically within 15 working days after the mission to Serbia to both the Cooperation Office in Serbia and SDC Headquarters in Berne (SDC HQ). The latter will invite the International Consultant for a discussion of the draft in Bern or will join the debriefing in Serbia, to be confirmed subsequently.
- 3) Final review report reflecting all aspects to be reviewed as mentioned in chapter II. It shall contain a brief description of the applied working methodology as well as separate chapters dedicated to the key findings and recommendations. The report shall be written in English (Arial 11) and not exceed 20 pages (without executive summary and annexes). This report is to be submitted not later than 14 working days after the debriefing at SDC HQ. Electronic copies of the final operational report must be submitted to SDC HQ and to the Cooperation Office. Two hardcopies must be sent to SDC HQ.

5 DURATION AND IMPLEMENTATION ARRANGEMENT

The external review will take place from May 1st – June 30th, 2011.

The following table gives an indicative overview of the work schedule and allocated time:

<i>Task / Activity</i>	<i>No. of days</i>
Research & analysis of relevant documents	3
Other preparatory activities	1
Field assessments and elaboration of draft findings	8
Briefing and debriefing at SDC Cooperation Office in Serbia	1
Report writing	4
International travel	2
Travel in Serbia	1
Total amount (maximum)	up to 20

The beginning of the mandate is scheduled for May 16th, 2011, with the field mission to be accomplished before the end of that month.

The exact work schedule and time allocation is subject to negotiations between SDC and the International Consultant when concluding the contract.

RDA Zlatibor and the Local Consultant in oversight by SDC will provide all logistical support for the mission in Serbia (hotel booking, transport, interpretation services, scheduling meetings in Serbia, etc).

Application Procedure:

The following are steps for on-line application:

- Submit the application through the e-mail arminio.rosic@sdc.net , together with a letter of interest including a price quotation indicating the lump sum (in CHF) requested for the work and travel envisaged in the section 5 - "Duration and implementation Arrangement".

Berne, Date: 4 April 2011