

Terms of Reference for the evaluation of three organizations' projects focusing on Economic Development through stimulating SME growth, enhancing the market economy, and empowering youth in the local communities of Bosnia and Herzegovina.

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1. Introduction

The Terms of Reference (TOR) are for the evaluation of three projects: "Lonac – Collective Impact for Youth, Phase II (implemented by Mozaik Foundation), Advanced Implementation of SBA Framework in Bosnia and Herzegovina (implemented by: Citizen's Association Enterprise Development Agency) and Challenge to Change 3.0 (implemented by Sarajevo Economic Region Development Agency) all financially supported by Sweden. This evaluation is commissioned by the Mozaik Foundation in the agreement with above mentioned implementing agencies. The evaluation will cover the period from 2022- 2025, respectively.

The above-mentioned projects are contracted in line with the Strategy for Sweden's Reform Cooperation with the Western Balkans and Turkey for 2021 – 2027 (hereinafter: the Strategy) . The overall is to meet two broad objectives stipulated by the Strategy:

- a) Improved Opportunities for productive employment with decent working conditions, and
- b) Better conditions for open economies integrated into regional, EU and international value chains.

The evaluation which is subject of this ToR shall assess the progress respective projects made towards meeting the planned objectives and outcomes through the assessment of impact and sustainability prospects. The evaluation will deploy qualitative and quantitative methods to provide sound analysis and recommendations. The intent is to have one consolidated, more elaborated and encompassing evaluation of respective project as well as providing comprehensive recommendations on how Sweden can continue supporting the work in this area. Moreover, striving to utilize resources more efficiently, achieve higher impact, improve results and overall effectiveness of the intervention, the evaluation should also provide an assessment of how these individual projects can be integrated into one meaningful and comprehensive programme.

2. Evaluation Rationale

In accordance with the requirements outlined in the cooperation agreement of cooperation partners, a Mid-term/End-term evaluation focusing on the specified dates shall be carried out by October 2024. This evaluation will comprehensively cover the contributions made under the "*Advanced Implementation of the SBA Framework in BiH*", "*Challenge to Change 3.0*", and "*Lonac - Collective Impact for Youth*". The Cooperation partners are mandated to actively participate in drafting the terms of reference for this evaluation.

The Foundation Mozaik is tasked with the responsibility of initiating and managing the evaluation process. This will be conducted in collaboration with other entities, including the Citizen Association Enterprise Development Agency, Banja Luka, and the Sarajevo Economic Region Development Agency, Sarajevo. These organizations will collectively procure, coordinate, and oversee the joint evaluation to ensure its thorough and effective execution.

Given that the organizations are now in the final stage of implementing all three projects, it is imperative to undertake this evaluation to assess progress, identify areas for improvement, and ensure alignment with the intended outcomes. Furthermore, it should be noted that the costs associated with this evaluation will be borne by Sida represented by the Embassy of Sweden.

3. Project/Program to be evaluated

Short project description of EDA - “Advanced Implementation of Small Business Act Framework in BiH2EU” (SBA in BiH2EU)

The project is a continuation of the project SBA in BiH and it is focused on efforts to accelerate economic integration with the EU in the field of SME strategic and policy framework, with the emphasis on implementation, monitoring and evaluation of SME strategies and policies.

Overall objective: Support institutions in BiH to accelerate economic integration with the EU in the field of SME strategic and policy framework, with a higher impact on the performance of SMEs in the country.

Specific objective: A fully functional and sustainable system of SME development management in BiH based on Small Business Act (SBA) framework and Building Back Better (BBB) approach ensuring continuous improvements of policies in all stages of the policy cycle (planning and design, implementation, monitoring and evaluation, reporting and revising).

Expected results: 1. Introduced new instruments with appropriate capacities built to improve operationalization and implementation of strategies and policies for SME competitiveness/innovation and entrepreneurship development; 2. Introduced new instruments with appropriate capacities built to improve monitoring, learning and reporting processes and effects related to SME development strategies, policies and SBA implementation, including capacity building/preparation for evaluation; 3. Introduced new instruments and structures to improve revision/ updating/planning/design of SME and entrepreneurship-related strategies, plans and policies with its integration into overall strategic and operational planning around the country; 4. Improved harmonisation of policies and coordination of strategies for SME and Entrepreneurship development; 5. Improved coordination of SME-related ministries with the EUD and other donors and increased support to SME and entrepreneurship development from both sides.

Target groups include key ministries/departments responsible for development, implementation, M&E of SME-related strategies and policies; other relevant ministries, educational institutions, institutes, development agencies and CSOs focused on SME and entrepreneurship development; formal Public-Private Dialogue promoting structures related to SME and entrepreneurship and business associations; export-oriented and innovative SMEs, women and youth entrepreneurs. Final beneficiaries are SMEs and entrepreneurs; business start-ups and new investors; business service providers; employees of SMEs (especially youth and women). Activity period is from January 2022 - April 2025.

Short project description of SERDA - “Challenge to Change 3.0”

The project is designed to promote and support the improvement of the entire society through the recognition of innovative potential in Bosnia and Herzegovina and its engagement for social progress and economic development. One of the main characteristics of the Challenge 3.0 project is its main support instrument "Challenge Fund" which, in an open, transparent, and competitive application manner, provides applicants with the opportunity to obtain one-time financial support for overcoming uncertainty and risks involving innovation, research and development, and investment

in new approaches in business. This is a financing mechanism for every business entity that is willing to solve a specific problem with innovative solutions. This three-and-a-half-year project is a continuation of the Challenge 2.0 project (2016-2022), which supported 179 grant beneficiaries.

Overall Objective: Contribution to the enhanced competitiveness and sustainable socio-economic development in Bosnia and Herzegovina.

Specific Objective: Improved risk sharing funding for innovative and/or inclusive businesses. This project as a risk sharing mechanism is supporting the initiatives such as new SMEs and innovative businesses entering the BiH market; new employment opportunities established through new business growth or start-ups, and engagement of innovative potential.

Expected Results: **1)** System of support to innovative changes with risk sharing fund upgraded; **2)** Innovation potential in SMEs stimulated for active participation in Challenge 3.0; **3)** Selected innovative business ideas co-funded by Challenged Fund for positive changes in BiH.

Target Groups include various organizational forms from the business community with the potential for achieving socio-economic change such as: start-ups, women Entrepreneurs, youth entrepreneurs, Innovative and other SMEs, crafts and cooperatives, and inclusive businesses. These business entities must be registered businesses at official courts and municipalities in BiH or Sweden. Final Beneficiaries are unemployed youth and women, other unemployed people, owners of innovative business ideas, population using and benefitting of the new products/services.

Short project description of MOZAIK Foundation - “Lonac - Collective Impact for Youth”

Mozaik is implementing a transformative project aimed at enabling the mass participation of young women and men across the country in the development of more perspective local communities for all. This initiative focuses on building skills, creating (self) employment opportunities, and improving the living conditions of citizens. The project aligns with Mozaik's overarching 10-year strategy, which you can explore in detail at [Mozaik Strategy](#).

This project's main objective is to strengthen sustainable, nation-wide, multi-stakeholder and value-driven ecosystem that provides ongoing and tailor-made opportunities for any young women and men, regardless of their identities or location, to succeed in the social and/or economic sector of BiH.

Strategic approach:

- ✓ Establishing partnerships with local municipalities: Forming strong and lasting collaborations with local municipalities is crucial. These partnerships will facilitate the implementation of community development projects through strategic [YouthBank program](#) and ensure local buy-in and sustainability.
- ✓ Strengthening the ecosystem for entrepreneurship and philanthropy: By enhancing the ecosystem, Mozaik is creating a supportive environment within the community [lonac.pro](#) (rebranded in [Rolify](#), February 2024) for young entrepreneurs and philanthropists. This involves providing resources, mentorship, and networking opportunities to foster innovation and community engagement.
- ✓ Providing support to young activists and entrepreneurs: Offering meaningful and tailor-made support to young activists and entrepreneurs is key to their success. This support includes

training, funding, and guidance tailored to the specific needs and aspirations of the youth through Youth Bank Startup Studio program.

- ✓ Long-term impact: By collaborating with other partners to systemically provide opportunities and remove obstacles to youth participation and professional development, Mozaik is building a critical mass of motivated and value-driven forces that create new social and economic value, create new jobs and serve as a role model to other youth in the region.

4. Evaluation Scope

The evaluation scope is limited to the conducted period of project implementation 2022 - 2025 respectively. The assignment will be executed mainly in Banja Luka and Sarajevo.

If needed, the scope of the evaluation may be further elaborated by the evaluator in the inception report.

5. Evaluation purpose: Intended use and intended users

The evaluation is part of the grant agreement between Sida, represented by the Embassy of Sweden in Sarajevo, and earlier mentioned organizations. This evaluation should highlight the key achievements and key shortcomings of the respective projects.

More specifically, the primary purpose or intended use of the evaluation is to help the Sida represented by the Embassy of Sweden and its partners, EDA, SERDA and Foundation Mozaik, assess the progress of the ongoing projects "Advanced Implementation of SBA Framework in BiH", "Challenge to Change 3.0", and Lonac - Collective Impact for Youth. This evaluation aims to identify what works well and what could be improved. The evaluation will be used to inform decisions on how project implementation may be adjusted and improved. This includes but is not limited to the following considerations:

- provide an independent assessment of individual projects and evaluate the extent to which the expected results were achieved with a particular emphasis on its impact on the intended beneficiaries and sustainability of results.
- identify a number of case studies which can be looked upon as best practices as well as any risk factors/hindrances/obstacles.
- identify relevant lessons learned and provide feedback with a view to informing the design and, implementation and results monitoring of future phases.
- provide a set of recommendations on the potential for improvement aimed at addressing the needs of targeted groups.

The secondary purpose of the evaluation is a desk study of cooperation partners undertaken in the area of Economic Development under the present Strategy for Sweden's reform cooperation with the Western Balkans and Turkey for 2021 – 2027 and a project identification field mission on the ground in BiH. Building on the specific insights gathered from the desk study and field missions, the evaluation aims to provide a consolidated, more comprehensive appraisal of each project, emphasizing a holistic view that extends beyond individual achievements. This is to help Sida represented by the Embassy of Sweden make a project identification analysis for interventions in the result area of Economic Development, Enhanced economic integration with the EU, and development of market economy with a particular focus on sustainable and inclusive economic development. This includes but is not limited to the following considerations:

- how Sweden can further its efforts in Economic Development sector, particularly by enhancing resource efficiency, maximizing impact, and ensuring sustained results.

- how these individual projects can be cohesively integrated into a broader, more effective programme relevant for Inclusive Economic Development.

Ultimately, the evaluation seeks to refine Sweden's strategic alignment and operational effectiveness in fostering economic development in Bosnia and Herzegovina under Sweden's reform cooperation with the Western Balkans and Turkey for 2021 – 2027.

6. Evaluation objective: Criteria and questions

The specific objectives of the assignment are:

- **To assess the relevance of the approach, methodology and design of each of the projects**

This entails an assessment of the objectives against the problems to be solved, and their physical and policy environment. The change of the context over time and how the project adapted should also be reviewed, particularly in projects working on politically sensitive questions (e.g. SBAinBiH2EU), as well as stakeholders (role, capacities, attitudes, actions) and consider social and technological challenges. Also, an assessment of the internal logic or coherence of the projects design.

- **Based on the design of the project, to assess the efficiency**

An assessment to what extent have the project results been achieved at reasonable cost, i.e. how well inputs/means have been converted into activities, in terms of quality, quantity and time, and the quality of the results achieved, to see whether the most efficient process has been adopted. Specific nature of each project is to be taken into account, with high political sensibility and need for participation of stakeholders whose attitudes on these issues are not easily aligned, as well as influences of changes in the environment, such as implementation of legal regulations related to strategic planning in FBiH and RS, international market turbulences, and similar.

- **Based on the design of the project, to assess the effectiveness**

An assessment of the contribution made by results to achievement of the specific objective, and how assumptions have affected project achievements, including specific assessment of the benefits for target groups. Again, specific nature of each project is to be taken into account, as above, taking into account influence of political and other relevant changes in the project environment. It should be taken into account that the projects are being implemented in a complex environment, where linear approach (activities – outputs – outcomes) has limitations, and attention should also be paid to results or effects – both positive and negative - not included in the intervention logic.

- **To assess the impact**

To observe the effect of the project on its wider environment, and its contribution to the wider policy or sector objectives, with focus on the project's Overall Objective and respective indicators, again, taking into account changes in the landscape in which the project is implemented.

- **To assess the sustainability**

An assessment of the likelihood of benefits produced by the project to continue after implementation of the project has ended, taking into account ownership by beneficiaries, policy support, economic and financial factors, socio-cultural aspects, technology, environmental aspects, and institutional and management capacity.

The standard evaluation criteria/questions are:

- Relevance:
 - Is the intervention doing the right thing? To what extent has the intervention objectives and design responded to beneficiaries, global, country, and partner/institution needs, policies, and priorities, and have they continued to do so if/when circumstances have changed? To what extent have lessons learned from what works well and less well been used to improve and adjust intervention implementation?
- Efficiency
 - Have the means of the project been efficiently transformed through the project's activities into the results? Could the same or similar results have been achieved at lower costs? Were the activities carried out on time, and what would have been the best time to perform the activities?
- Effectiveness:
 - Is the intervention achieving its objectives? To what extent has the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups? Has the M&E system delivered robust and useful information that could be used to assess progress towards outcomes and contribute to learning?
- Impact:
 - What difference does the intervention make? To what extent has the project generated, or is expected to generate, significant positive or negative, intended, or unintended, high-level effects? It should also take into account if the project creates a basis for future positive developments, e.g. in regard to EU accession.
- Sustainability:
 - Will the benefits last? To what extent will the net benefits of the intervention continue, or are likely to continue?
- Coordination (having in mind importance of activities of various stakeholders)
 - To what extent have the interventions of different actors been harmonized?

Questions may be further developed during the inception phase of the evaluation.

7. Evaluation approach and methods

The evaluation should be conducted in accordance with Sida's Evaluation Policy using a participatory approach, where possible, whereby all key parties associated with the project are kept informed and consulted throughout the process. Approach should be complexity and context sensitive.

Although it is generally the responsibility of the consultant to decide on the concrete review methodology to be used, the following elements should be taken into account for the gathering and analysis of data:

1. **Desk review** of relevant documents (project document with amendments made, progress reports, Meeting Minutes, work plans, any past evaluations, donor-specific reports, process documents relevant for gradual realisation of results having in mind specific nature of the project, etc.).

2. **Discussions/briefing with the Project Management** in Banja Luka and Sarajevo and programme officer of Embassy of Sweden in Sarajevo.
3. **Interviews** with and participation of partners and stakeholders, focusing on project activities on which information can be obtained from communication with stakeholders on gradual realisation of results having in mind specific nature of the project.
4. **Field visits** to key project stakeholders and sites.
5. **Consultation meetings**.
6. Continuous *communication with project implementing organisations*, to provide comprehensive and clear information on all aspects of project implementation, including changing environment.

The Evaluation Consultant will administrate the evaluation. The Consultant will lead the evaluation process and decide on planning and distribution of the evaluation workload and tasks. The Consultant is expected to creatively combine the standard and other evaluation tools and techniques to ensure maximum reliability of data and validity of the evaluation findings.

It is expected that the evaluator describes and justifies an appropriate evaluation approach/methodology and methods for data collection in the tender. The evaluation design, methodology and methods for data collection and analysis are expected to be fully developed and presented in the inception report. Limitations to the methodology and methods shall be made explicit and the consequences of these limitations discussed. A gender responsive methodology, methods and tools and data analysis techniques should be used, where possible. The evaluator should also identify limitations and constraints with the chosen approach and method and to the extent possible, present mitigation measures to address them.

The evaluators, in their tender, should present i) how intended users are to participate in and contribute to the evaluation process and ii) methodology and methods for data collection that create space for reflection, discussion and learning between the intended users of the evaluation.

8. Organization of evaluation management

This evaluation is commissioned by the Mozaik Foundation in Sarajevo.

An evaluation committee, formed from representatives of three organizations - Mozaik, Eda, and SERDA will be responsible for the selection of the Evaluator and coordination of the evaluation process. While the evaluation committee will manage the key aspects of the evaluation, including the approval of the methodology/workplan report and the final report, all partners will be provided with an opportunity to comment on these documents. The kick-off meeting and the debriefing sessions will involve the evaluation committee, ensuring a collaborative approach. Final reports will be reviewed and approved by the evaluation committee, integrating feedback from all partners before final submission to the Sida represented by the Embassy of Sweden.

9. Evaluation quality

The Evaluation will conform to OECD/DAC's Quality Standards for Development Evaluation. The evaluators will use the Sida OECD/DAC Glossary of Key Terms in Evaluation and the OECD/DAC Better Criteria for Better Evaluation. The evaluators will specify how they will handle quality assurance during the evaluation process.

10. Time schedule and deliverables

Deliverables	Participants	Tentative Deadlines (all in 2024)
1. Start-up meeting with Evaluation Committee	Evaluators, EDA, Mozaik and SERDA	Upon signing call off contract, estimated mid-July
2. Draft methodology and workplan for evaluation report (inception report)	Evaluators	End of July
3. Comments to evaluators	Embassy Sarajevo, MOZAIK, Eda, SERDA	Mid-August
4. Partners Meeting (project management team) – update info of the projects	Evaluator and partners organization	End of August
5. Data collection, analysis and report writing	Evaluators	End of September
6. Partner and stakeholder workshop (meeting)	Embassy Sarajevo, MOZAIK, Eda, SERDA	The first week of October
7. Draft evaluation report	Evaluators	Mid-October
8. Comments from intended users to evaluators	Embassy Sarajevo, MOZAIK, Eda, SERDA	The third week of October
9. Final evaluation report	Evaluators	End of October
10. Presentation of Final evaluation report	Evaluators (attended: Embassy Sarajevo, MOZAIK, Eda, SERDA)	First Week of November

Inception Report:

The inception report lays the groundwork for the evaluation process, reviewed and commented on by MOZAIK, Eda, SERDA, and approved by Embassy of Sweden before proceeding to implementation.

The report should detail:

- ✓ Evaluation approach/methodology.
- ✓ Data collection and analysis methods.
- ✓ Full evaluation design.
- ✓ Specific time and work plan, including hours/days for each team member.
- ✓ Engagement strategies with beneficiaries and stakeholders, e.g., focus groups, interviews.

These methods are crucial for optimizing data collection and should be integrated into the work plan for thorough preparation and effective execution.

Final report: The final report must be written in English and professionally proofread. It should adhere a structured format including:

- ✓ Executive Summary (max 3 pages).
- ✓ Introduction.
- ✓ Information about the Assessment.
- ✓ Description of the Projects.
- ✓ Methodology.
- ✓ Findings.
- ✓ Risk Assumption and Management.
- ✓ Lessons Learned.
- ✓ Conclusions and Recommendations.
- ✓ Annexes (field visits, interviews, documents reviewed, etc.).

The report should not exceed 35 pages excluding annexes, and recommendations should be specific and categorized by time frames (short, medium, and long-term).

Estimated level of effort is as follows:

Activity	Timeframe
Preparatory activities (e.g. methodology, review design and workplan) based upon desk study of project documentation	Office 12 days
Field visits and interviews with partners	30 days, BiH
Preparation of the evaluation report	Office 15 days

11. Criteria for Evaluator Qualification and Application Procedure

This invitation is open exclusively to **legal entities**.

1. Administrative Check

The administrative check will verify:

- ✓ Timeliness and completeness of the submission.
- ✓ Inclusion of all required documentation: registration documents, reference list, technical proposal, financial offer, and CVs of at least three experts.

2. Eligibility Criteria

Service providers must meet the following criteria:

- ✓ Operation for a minimum of five years, as evidenced by the registration document.
- ✓ Completion of at least three consultancies or assignments in the evaluation of internationally funded projects of a similar scope within the last five years. A reference list must be included in the application, and contact information for verification should be provided upon request of the Evaluation Committee.

3. Technical Evaluation

The technical proposal will be evaluated based on the following criteria, with a total possible score of 50 points:

- a) Approach and Methodology: Clearly presented and logically structured approach, with methodology appropriate for the defined tasks. Relevance and capability of the proposed experts, clear workflow aligned with the ToR milestones: 15 points.
- b) Context-Specific Methodology: Methodology tailored specifically to the project area: 20 points.
- c) Risk Identification and Mitigation: Identification of risks and critical issues with a proposed mitigation strategy: 5 points.
- d) Management and Quality Assurance: Clearly presented management, quality assurance, and reporting modalities: 5 points.
- e) Time Plan: Realistic and achievable time plan in line with the ToR: 5 points.

4. Expert Evaluation:

Each expert will be evaluated on the following scale, contributing to a total of 50 points:

- a) University degree in economics or related field: 10 points.
- b) One assignment in evaluation of a similar scope project: 5 points.
- c) Two assignments in evaluation of a similar scope project: 10 points.
- d) Three assignments in evaluation of a similar scope project: 20 points.
- e) Experience in evaluation of internationally funded development projects in BiH: 5 points.

Qualification for Financial Evaluation

Note: Only offerors who achieve a technical score and expert evaluation of at least 75 points will proceed to the financial evaluation.

The formula for the rating of the Proposals will be as follows:

Technical Proposal Rating (TP):
$$\frac{\text{Score Obtained by the Offer}}{\text{Highest Technical Score among Eligible Bids}} \times 100$$

Financial Offer Rating (FO):
$$\frac{\text{Lowest Priced Offer}}{\text{Price of the Offer Being Reviewed}} \times 100$$

Total Score: (TP Rating) x (Weight of TE 80%) + (FO Rating) x (Weight of FO 20%) = Total

Application Procedure

Interested service providers should submit the following documents as part of their application:

- a) Cover Letter: A brief overview of previous experiences that make you the most suitable candidate for the advertised position.
- b) Registration Documents: Legal registration documents demonstrating the entity's operation for a minimum of five years.
- c) Reference List: A list of completed consultancies or assignments in the evaluation of internationally funded projects, including contact information for verification.
- d) Technical Proposal: A detailed proposal of methodology and approach to the evaluation. The methodology should also include a proposed timetable for the assignment.
- e) Financial Offer: A detailed breakdown of fees on a per-day basis, including all costs associated with the implementation of this assignment.
- f) CVs of Experts: CVs of at least three experts in English, detailing relevant educational and professional experience with references.

Applications should be **submitted by 19. July 2024** to the email address info@mozaik.ba with the subject “Application for the Evaluation”. Incomplete applications will not be considered. Please ensure all requested materials are provided. Candidates should be prepared to quickly submit any other requested documents if they are shortlisted.