

TERMS OF REFERENCE CALL FOR PROJECTS

The United Nations migration agency - IOM in Tunisia is launching a call for projects as part of phase 2 of the "Mobi-TRE" project in close collaboration with institutional partners in Tunisia and funded by the Italian Agency for Development Cooperation (AICS). The aim of this call is to promote proposals for initiatives which contribute to Tunisia's economic development, with a particular focus on regions with high migration potential. Projects should target the creation of sustainable jobs, poverty reduction, and the promotion of the link between migration and development. Areas of intervention include local governance, awareness-raising among Tunisians living abroad, support for existing businesses, the creation of new businesses, and the marketing of products on national and international markets. Proposals must demonstrate their ability to contribute to the project's strategic axes, while ensuring an inclusive and sustainable approach. Interested project promoters are invited to submit their applications in accordance with the criteria set out in the Terms of Reference document.

1. Project presentation

Migration is recognized in the Sustainable Development Goals (SDGs) as a factor in development, both in migrants' countries of origin and destination. Migrants contribute to development, notably through the transfer of social, human, cultural and financial capital. Their remittances, for example, help to curb poverty and reduce inequalities in their countries of origin, while also promoting the achievement of the Sustainable Development Goals (SDGs), in particular SDGs 1.1, 5.5, 8.3, 8.5, 10.7, 12.2 and 17.5.

IOM supports the Tunisian government on diaspora issues, in line with IOM's Diaspora Engagement Strategy, which aims to engage and empower transnational communities. Building on the successes and lessons learned from the project's first phase, "Migration as a resource: mobilizing the Tunisian diaspora and stabilizing disadvantaged communities in Tunisia (Mobi-TRE)", this action aims to empower the diaspora to catalyze their contributions to development, facilitate investment and entrepreneurship among youth and women in regions with vulnerability factors and high migration mobility, and create sustainable jobs and decent work for all. As in phase 1, IOM will continue to facilitate investments in all sectors, based on the region's priority sectors.

Tunisia can count on a large diaspora, as Tunisians living abroad (TRE) represent nearly 14.7% of the total population, while their remittances amounted to 5727.4 MDT during the first nine months of 2023, compared with 5462.9 MDT during the same period in 2022, according to financial and monetary indicators published by the Central Bank of Tunisia (BCT).

Youth employment and regional development are at the heart of the challenges facing Tunisia. Due to the deteriorating economic and social conditions of rural populations in Tunisia, a growing number of Tunisians, particularly young people, are migrating to the cities on the Tunisian coast, deemed more attractive in terms of employment opportunities, or to other countries in the hope of a better future.

According to data published by the INS for the second quarter of 2023, the working population fell to 4096.0 thousand, compared with 4124.2 thousand in the fourth quarter of 2022, a drop of 28.2 thousand. The workforce is made up of 2861.2 thousand men and 1234.8 thousand women, representing 70% and 30% of the total workforce respectively. Among the factors explaining this high

unemployment rate, the main one is the lack of access to financial resources to start up and create small and medium-sized enterprises (SMEs), which are sources of job creation at a local level.

In this context, the International Organization for Migration - UN Migration is responsible for implementing the "Mobi-TRE Phase 2" project (Migration as a resource: mobilizing the Tunisian diaspora and stabilizing disadvantaged communities in Tunisia) in close collaboration with institutional partners in Tunisia, funded by the Italian Agency for Development Cooperation (AICS) and aimed at contributing to the economic development of Tunisia, particularly regions with high migration potential, through the mobilization and engagement of the Tunisian diaspora.

2. Financing arrangements

A total of 30 investment companies will benefit from substantial technical and financial support, establishing fruitful partnerships between young entrepreneurs in Tunisia and Tunisians living abroad (TRE), exclusively in France, Italy, Germany, The Kingdom of Saudi Arabia and Côte d'Ivoire. Each company will consist of a co-financing partnership wishing to invest in projects to expand or create businesses in Tunisia, between a Tunisian entrepreneur and a TRE investor in the regional development zones (Appendix 1). The selected projects will represent the actual realization of a Matching between a Tunisian entrepreneur and a TRE investor.

IOM will provide complementary funding to the TRE (in the form of a grant) of double the value of the investor, up to a maximum of **17,000 Euros**.

It is important to note that grant disbursements will be made in the form of specific purchases of goods, materials or equipment. These purchases will be made in accordance with IOM's internal procedures, which will be scrupulously respected throughout the disbursement process.

IOM is committed to following transparent and efficient protocols for these procurements, ensuring the efficiency and positive impact of the funds allocated, while maintaining compliance with IOM's internal procurement guidelines and the objectives set for the grant.

In the particular context of working capital, it is important to note that it will be allocated only after the purchase of the goods or materials requested (in the event of a residual). This condition ensures that working capital is used strategically to support the company's immediate operational activities once the necessary material investments have been made. IOM ensures that this allocation is in line with the overall objectives of the grant and contributes to the continued viability and growth of the beneficiary company, while ensuring responsible and transparent management of financial resources. P.S.: IOM reserves the right to request original supporting documents if necessary.

The aim of these grants is to support the finalist companies selected by the technical committee in their activities to ensure stability and continuity, and thus promote employability that favors regional development and limits irregular migration.

P.S.: IOM will put in place a mechanism to monitor the use of funds and the commitment of business partners for the benefit of the company, which will both ensure the monitoring of progress that is essential to the success of projects, and provide, if necessary, additional technical support to ensure that the project achieves the objectives set up in advance.

3. Eligibility criteria

The Mobi-TRE project is open to applicants who meet the following conditions:

- For entrepreneurs/project leaders in Tunisia:
 - 1. Be a Tunisian national;
 - 2. Hold a university degree or professional training such as:
 - BTS (Brevet de Technicien Supérieur);
 - BTP (Brevet de Technicien Professionnel);
 - CAP (Certificat d'Aptitude Professionnelle);
 - Certificate of competence;
 - Equivalent professional qualification.
 - 3. Have a project idea or a company operating in regional development zones.
- II. For Tunisians living abroad (TRE):
 - 1. Be legally residing in France, Italy, Germany, the Kingdom of Saudi Arabia or Côte d'Ivoire, and hold a valid residence permit;
 - 2. Be officially recognized in your country of residence as being in stable employment or possessing a valid professional status;
 - 3. Comply with local tax requirements.

Please note that projects/companies involving the manufacture and/or sale of weapons, alcoholic beverages and nuclear activities are not eligible for the Mobi-TRE project.

N.B.: projects/candidates who are simultaneously receiving other grants are not eligible.

4. Application form

To submit their application, applicants must use the <u>Hajti Bik web platform</u> and <u>Moubader.tn</u>. Initially, this involves filling in a form online, including all the required fields. Then, subsequently, they must upload electronic copies (in PDF format) of the documents listed below:

- I. For entrepreneurs residing in Tunisia
 - 1. A copy of the contractor's national identity card in Tunisia;
 - 2. A certified copy of the diploma or certificate obtained;
 - 3. The finalized project idea business plan;
- II. For Tunisians living abroad (TRE):
 - 1. A valid residence permit for the TRE investor in the company;
 - 2. A status report on companies/projects set up in Tunisia (fiscal, financial, social);
 - 3. Documents such as tax status certificates or equivalent issued by the competent authorities in the country of residence;
 - 4. Tax clearance certificate for companies.

However, if the application is based on the extension of an existing project, the pre-selection file must be completed by providing the following documents:

- 5. A declaration of the company's existence;
- 6. A certified copy of the patent (to be requested from the tax inspection office);
- 7. A recent extract from the commercial register (less than three months old);
- 8. A certificate of tax status (to be requested from the tax inspection office);
- 9. A sworn statement that the project owner's company's bank loans total "X" dinars and do not include any unpaid installments.

Applications must be submitted by visiting the <u>Hajti Bik website</u>, no later than midnight on February 29, 2024.

Applications without all the above-mentioned supporting documents will not be considered.

For any information concerning the call for projects, please send an e-mail to the project team no later than **February 26, 2024 at 5 pm** to the following e-mail address: mobitre@iom.int.

N.B.: Data collection will be carried out in strict accordance with IOM's data protection principles.

5. Selection criteria

To be eligible for the selection phase, the candidate's file must:

- 1. Meet eligibility criteria;
- 2. Provide all required documents (listed above).

During the selection phase, applicants' files will be evaluated on the basis of a set of criteria associated with the technical, financial and societal aspects of the proposed project. Each project will thus be assigned a "score". The list of evaluation criteria and the associated weightings used to calculate the score are presented in the table below:

Selection criteria	Score (/100 points)
Originality	5
 The proposed business project stands out in a genuinely innovative and substantial way from products or services already available in the target region. 	5
Employability	10
- The business project has a proven capacity to generate and promote employment;	7
- The company's project is aimed at youth's employability.	3
Feasibility	15
 Technical: mastery of business processes and methods / rapidly available hardware and/or software resources / available skilled human resources / compliance with current standards and regulations / patents to be obtained, etc.; 	10
- Financial: knowledge of the project's fixed and variable costs / estimate of the necessary budget / knowledge of working capital requirements, etc.	5
Profitability	15
- Ability to generate significant sales while keeping costs under control;	8
- Ability of the company to generate earnings to repay the investment (payback period).	7

Viability	10
- Technical: Durability of tangible and intangible resources and the know-how to use and maintain them;	5
 Financial: Future approach to covering operating, maintenance and development costs. 	5
Marketing	20
- The product or service proposed meets a real customer need;	5
 The associates have a good understanding of the market: knowledge of the competition, sales prices allowing a comfortable margin, identifiable and accessible sales target, known sales networks; 	5
- The business project has real commercial potential in terms of digital marketing;	5
- The business project has real potential for expansion into the international market (export).	5
Entrepreneurial profiles :	15
- The entrepreneur and/or investor have sufficient knowledge, skills or experience relevant to the company's field of activity;	5
 The entrepreneur and/or investor has the necessary training and/or experience to carry out entrepreneurial and/or managerial tasks effectively; 	5
- The entrepreneur and/or investor has the psychological characteristics, personality traits, attitude and values that enable him/her to adapt to entrepreneurial realities.	5
Impact	10
- The manager is a person who belongs to a vulnerable group:	
o is a woman;	2
o is a young person (18 to 40);	2
o Is a person with disability.	2
- The project generates an impact in favor of the environment thanks to a green economy approach;	2
- The project generates positive social and community impacts.	2

6. Selection process

• Checking eligibility criteria

Once the call for projects has closed, an initial rigorous check will be carried out against the eligibility criteria. Any applicant failing to provide the required documents, submitting incorrect documents, or failing to meet the established criteria will be automatically eliminated.

• File review

This step involves two sub-processes:

- For project initiators with an initial idea, an in-depth examination of the business plan will be carried out.
- For those requesting a project extension, an assessment of legal, administrative and financial documents will be carried out. Projects presenting erroneous documents, indicating financial difficulties (such as bankruptcy), or other major problems will not be accepted.

• Business Plan Evaluation

This phase focuses on the detailed examination of business plans. Any project that fails to provide essential elements such as purchase estimates, landfills, financial projections, locality etc., will be discarded.

Business Model Canvas (BMC) and Pitching

Projects that have successfully completed the previous stages will participate in a business plan consolidation and pitching training. Following this training, project leaders will have the opportunity to present their initiatives to the selection committee. Projects will be evaluated according to their viability, relevance and potential impact.

Final selection

At the end of this process, only 30 of the most promising projects will be selected for funding and support.

Appendix 1: Regional Development Areas

