



THE FEDERAL REPUBLIC OF NIGERIA

GROWTH AND EMPLOYMENT (GEM) PROJECT
(WORLD BANK ASSISTED, IDA CREDIT NO. 4882-NG)

FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT (FMITI)

CALL FOR PROPOSALS FOR THE IMPLEMENTATION OF 'ARTISANS SKILLS TRAINING TO JOB PLACEMENT INITIATIVE' IN THREE GEO-POLITICAL ZONES OF NIGERIA (South-East, North-Central and North-West) UNDER THE INSITUTIONAL GRANTS WINDOW.

The Growth and Employment (GEM) Project, a World Bank funded project implemented by the Federal Ministry of Industry, Trade and Investment (FMITI) is pleased to invite proposals from existing public or private institutions with innovative & viable business ideas that will guarantee continuous training, re-training and job placements for local artisans in three (3) geo-political zones of Nigeria (South-South, North-Central and North-West).

With the population of over 170 million people, Nigeria is said to have the largest construction industry in Africa, with the housing need estimated within the range of 5 to 17million units. By 2040, Nigeria is anticipated to be one of the largest construction markets in the world. Artisans constitute 30-35% of the Nigerian population and 70% of the construction industry work force. Given the estimated housing shortfall, about 5 to 10 million artisans will be needed to build at least one million housing units over the next 20 years. However, though the construction industry (Building sector) is growing, it seems from sufficient literatures that the stock of competent Nigeria skilled construction workers is dwindling. Expatriates from other neighboring West African countries have identified this gap and are taking advantage of it. These expatriates replace the poorly trained Nigerian artisans. Eneh (2010) in his publication on Artisanship Disconnect, revealed a palpable decrease in technical apprenticeship practice and artisanal products and services in Nigeria. Artisans in Nigeria are ageing, and younger people are not taking their places. This shortage of artisans in the Nigerian construction industry can be attributed to difficulties in filling vacancies, as those available do not possess the skills deemed necessary for the job. The insufficiency of technically qualified personnel in the face of increased demand has led to a situation where the big contractors are employing foreign artisans. Despite the important role they play in the construction value chain, the few Nigerians engaged in construction artisanship face many unaddressed challenges.

Apart from the urgent need for artisan skills training, these artisans have no designated place to market their expertise, even though they are part the huge informal sector of the economy. As a result, they

operate in an unstructured system, typically by the roadside or in unauthorized places. The unstructured system restricts them from access to loans and financial emolument, which can improve their trade or employ more hands to expand their trade. Most times, they operate from relatively inaccessible locations, making it difficult to access them. Consequently, members of the public resort to unskilled artisanal services that lead to structural defects, and oftentimes loss of lives and properties. Apparently, these dreadful events have drastically reduced public confidence towards engaging Nigerian artisans as the inefficiency of few rapidly shifts public preference to foreign artisans.

The objectives of this Call for proposals (CFP) is to:

- (a) connect, train, certify and setup more than 20,000 construction artisans in Nigeria;
- (b) Develop a pool of trained artisans in the proposed zone and connect more than 10,000 of these trained artisans with jobs (market);
- (c) set up an efficient and innovative communication channel that will guarantee security, attract formal employers and enable the public quickly access and connect with trained indigenous craftsmen;
- (d) create an innovative platform that will foster different players in the construction industry; including financial institutions to trade/interact (human and capital) under one roof and encourage sectoral interaction across existing job providers in different geo-political zones of Nigeria.

In view of the objectives, this proposal being solicited is expected to address the following thematic areas:

- a) One-stop-shop for construction artisans that will guarantee quick access (possibly through an innovative virtual call/physical facility) and render quality service to the unserved population.
- b) Up-scaling of technology for enhancing quality training and re-training of artisans on emerging construction techniques and procedures;
- c) Innovative models on the sustainability of the proposed project beyond the expiration of the GEM project

The Institution's business plan must seek to address the rapid shift of public preference from local artisans to foreign artisans and change the competition structure in the market. For this CFP, it means that the business plan and the budget should result in:

- (a) A substantial increase in the number of trained artisans
- (b) A substantial increase in the number job linkages and placement for local artisans in Nigeria
- (c) A notable demand changes from foreign artisans to local artisans
- (d) Complementing existing artisans centers/hubs and encourage sectoral interaction across existing job providers in different geo-political zones of Nigeria.

Interested firms should provide information required in the prescribed formats and as per the guidance provided below.

The submission deadline will be January 31, 2018 at mid-night West Africa Time (GMT+1 hour). Any applications received after this date shall not be processed.

Rules and Guidelines for participating firms

Please review carefully. Any application that does not follow the rules and guidelines presented below will NOT be considered.

1. Eligibility criteria for application under the GEM Institutional grant window:

Organization/Firms which GEM will consider for funding under this window must meet the following criteria:

- ✓ The lead institution is an academic institution, research institution, industrial center, business membership organization, private businesses, or non-governmental organization registered with the Corporate Affairs Commission of Nigeria or if a government institution must have a legislative act establishing it. Partnerships between private and public entities are strongly encouraged.
- ✓ The lead institution must be operating in Nigeria
- ✓ The lead institution must have been in operation for at least one financial year and must have financial statements for the years in operation;
- ✓ The lead institution and its partners must together provide matching cash or cash-equivalent funds of at least 30 percent of the total project budget. Allowable cash equivalent funds are as follows: existing equipment, structure and existing technologies (patented, trademarked or licensed) that will directly be used/contributed as part of the project;
- ✓ The lead institution must satisfy the requirements on Environmental and Social compliance as detailed in Section G of the application Form
- ✓ The GEM funding requested must be utilized within 15 months;
- ✓ The Lead Institution and none of its partners is insolvent, declared bankrupt, and is not in any pending legal court proceedings.
- ✓ The lead institution must operate in one of the following sectors:
 - ✓ Construction/civil engineering/Construction related fabrication industry,
- ✓ GEM funding must be requested for utilization on the following eligible costs or activities based on a business plan – to be submitted during the application:
 - (a) Technical assistance such as training, consulting services, outsourcing services, information dissemination, defining & implementing industry standards; and
 - (b) Works, Equipment and goods related to a specific business idea. However, funding of works will necessitate an environmental and social management plan as part of the proposal, done by an independent consultant.

Please note that the grant will be disbursed as follows:

- (1) first tranche disbursed upfront, subject to criteria previously agreed;
- (2) the subsequent tranches are done on a reimbursed basis;
- (3) A minimum of 3 payment tranches, spread as follows:
 - ✓ minimum twenty percent (20%) for the last tranche and
 - ✓ a maximum of thirty percent (30%) for the first tranche payment.

2. How to apply

Follow the steps given below:

- a) Log on to the Business Innovation and Growth (BIG) Portal at www.bigportal.org.ng and download the required forms under the innovation window link;
- b) Complete the Business Plan Application Form template and the Project Financial Modelling template;
- c) Submit the forms in section (b) above and other required documents to the email gem.project@ng.pwc.com with a subject title: Proposal for Artisans Skills Training to Job Placement Initiative' in three Geo-political Zones of Nigeria (South-East, North-Central and North-West) followed by your firm's name.

Please note that no submissions will be accepted on any other platform or a different email address. Handwritten submissions will not be accepted.

3. List of documents to provide to GEM

In addition to filling up the Business Plan Application Form and the Project Financial Modelling template, the firms must submit the following additional documents;

- ✓ Scanned copy of legal document establishing the institution, in the case of government establishment and copies of profile of senior officer that will be involved in implementing the activities for the lead firm and the main partners;
- ✓ Scanned original copy of business registration with the Corporate Affairs Commission (CAC) for the lead firm and the main partners;
- ✓ Scanned copies of Federal Government of Nigeria issued identification (such as international passport, National identity card or driver's license) of the business owner(s) of the lead firm and the main partners;
- ✓ Scanned copy of the annual financial statements of the immediate past year of the lead firm and the main partners;
- ✓ CVs of the business owner (s) and other key people involved in the project in line with staffing section in the application form;

- ✓ 12-month-implementation timeframe with key milestones and expected tranche disbursement, and
- ✓ The firm must provide evidence of dialogue of potential strategic fit with propose partners or articles of memorandum of association signed between collaborators of the propose project. This is to say that the firm should provide evidence of background check with its potential partners and the viability and willingness of its partners to comply with any agreement reach for the purpose of executing the activities proposed in the business plan.

4. Selection Criteria

- ✓ The rationale for the project: The lead Institution and its partner will be assessed on the capacity to (1) clearly define the construction value chain in Nigeria; (2) explain why there is shortage of skilled local artisans in the construction industry; (3) explain why there is a significant shift of public patronage from local artisans to foreign artisans; (4) explain why the market is currently not responding to this deficit; (5) describe how the proposed project will address the skills shortage and promote public patronage; (6) provide a clear rationale for the location of the project. The effectiveness of the business plan will be evaluated on aspects such as: How will the project recruit artisans, ensure future training and retraining of local artisans for the market, connect employers with skilled local artisans, guarantee quick access/quality service delivery and target markets not properly served.
- ✓ Clear Development Objective, Measurable Results and Effectiveness: The business plan must clearly demonstrate how its proposed activities will lead to the objectives of this CFP. The proposal must have clear and measurable results that will bring about (1) significant increase in the number of trained artisans, (2) significant increase in the number of job linkage and placement for local artisans.
- ✓ Technical/Market Viability and relevant support to Artisans. The proposal will be assessed for aspects such as: (1) knowledge of other existing artisan hubs and how it intends to leverage on similar platforms to achieve the objectives of this CFP, (2) strategies designed to market skilled local artisans. The application will also be assessed on the modalities of: business enquiry and addressing service complaints. In terms of post training support, the lead Institution should propose a clear list of activities that will assist trained artisan to (1) update their skills on new construction techniques and procedures (2) set up their own entrepreneurial channel etc.
- ✓ Financial & Commercial Viability: Financial viability of the proposed project must have a sound long-term financial plan that identifies potential funding sources (internal/external source). In order words, the proposal should present a robust business model that will cater for the project expansion needs including realistic assessment of revenue sources beyond the expiration of the GEM project. In view of this, the proposal will be assessed on aspects such as its short term, medium term and long term financial model, the extent and mode of counterpart funding, completeness and soundness of the financial model including capital cost outlay, fund utilization, P&L and Cash flow projections. Further, the financial plan of the proposal will be assessed on the feasibility and sustainability of proposed revenue models for the project.
- ✓ Implementation & Operational Viability: Proposals will be assessed on the following: (1) capacity of the lead institution and its partner's track record, (2) strong internal governance structure of the lead institution, (3) operational capabilities and proposed approach, (4) the viability of the propose implementation plan, (5) qualifications of key staff that will lead the

implementation of the project, (6) the proposed operational risk and mitigation plan(s) to address risks such as those arising from external systemic constraints that would limit the viability of the proposed project.

5. Selection Process

Selection of successful lead institution and its partners will occur in 4 stages:

1. Submission of proposals. Interested firms submit their applications through email by the closing date specified above.
2. Screening of applications. The applications will be screened for conformance to the eligibility criteria as described in the eligibility criteria section. Applications meeting the eligibility criteria will be further evaluated against the selection criteria described in the previous section. Unsuccessful applicants will be notified by email.
3. Panel presentation. Shortlisted firms will be contacted along with a formal request inviting them for a panel presentation. Firms will present their business case to a jury who will select viable projects for funding.
4. Site visit. A verification visit to the business location will be conducted. During this visit, information provided as part of the application will be verified.

IMPORTANT POINTS FOR APPLICANTS

- ✓ The application and required documents must be submitted through email. Hand delivery submissions will not be accepted.
- ✓ Business Plans and Financial Models must be submitted using the prescribed application format only. The templates for both the Business Plan Application Form and the Project Financial Modelling are available for downloading from the BIG Portal (www.bigportal.org.ng)
- ✓ The lead institution and its partners cannot submit more than one application.
- ✓ Submissions must be submitted in the English language only.
- ✓ Please note that all business information details provided in the application should be correct, or else the submission will be liable for disqualification.
- ✓ Incomplete applications will NOT be considered. Any missing document will flag the submission as incomplete, making it ineligible for consideration.
- ✓ Handwritten Business Plan forms or financial modelling templates will not be accepted.

For any further enquiries or clarifications interested firms can send their questions to the email gem.project@ng.pwc.com on or before January 15, 2018.