



Term of Reference

Towards more and better employment through enhanced support to private sectors in southern Iraq – with a focus on green business (PSD_GREEN)

TOR Title	A consulting company to develop Business Registration Manual for SMEs in Iraq			
Country	Iraq		Project Code	IRQ/22/03/ITA (109048)
Duration	From	21/01/2024	to	21/03/2024

PROJECT BACKGROUND

1. General background

Iraq faces significant challenges in unlocking its entrepreneurial potential due to heavy reliance on the oil sector and extensive government involvement in state-owned enterprises, hindering private-sector growth and diversification. This results in a small private sector struggling to compete against cheap imports and limited investments, compounded by a challenging business environment with complex registration processes, inadequate tax systems, and weak contract enforcement. Access to credit, especially for SMEs, is problematic, contributing to a prevalence of informal businesses. High unemployment rates, particularly among women and youth, worsen the situation. Iraq requires comprehensive structural reforms to address these issues, and the International Labour Organization (ILO) can play a vital role in supporting evidence-based policies, strengthening business and finance capacities, promoting formalization, and providing essential support to startups, ultimately aiming to boost job quantity and quality while diversifying the Iraqi economy.

In response to these challenges, the International Labour Organization (ILO), with support from the Italian Agency for Development Cooperation (AICS), is implementing a project in Southern Iraq. The project focuses on enhancing private sector development and creating decent jobs, emphasising sustainable green businesses and support for startups. The project operates on three levels: at the macro level, it supports evidence-based policy options for micro, small, and medium-sized enterprises (MSMEs) through business environment assessments. At the meso level, it builds the capacities of financial institutions to better serve their clients' needs and provides training to intermediary organizations. At the micro level, it offers training to youth, small business owners, and startups, focusing on business management and financial literacy, while facilitating their access to financial services. The project collaborates with various ministries, employers' and workers' organizations, and financial institutions, ultimately benefiting vulnerable workers in Iraq. This initiative aligns with the Iraq Decent Work Country Programme and the government's 'Riyada' initiative for development and employment, with a focus on the green economy, improving MSME capacities, enhancing financial inclusion, and providing essential support to startups. It includes enterprise assessments, identification of constraints in green business development, and training and support for trainers, financial institutions, and businesses.

Assignment background:

The International Labour Organization (ILO), in collaboration with the Ministry of Trade (MOT) and other partner entities, seeks the services of a qualified company to develop a comprehensive Business Registration Manual for Small and Medium-sized Enterprises (SMEs) in Iraq. The objective is to streamline and simplify the business registration process, ensuring transparency, efficiency, and inclusivity.

OBJECTIVES

The company is expected to achieve the following objectives:

- Conduct a thorough review of existing business registration processes and regulations in Iraq.
- Engage with key stakeholders, including government officials, SME representatives, and relevant agencies, to gather insights and feedback.
- Develop a detailed and user-friendly manual that outlines step-by-step procedures, required documentation, and associated costs for SME business registration, including an annex specific to Basra and Muthanna governorates.
- Ensure the manual aligns with national regulations and incorporates international best practices.



SCOPE OF WORK

The company will undertake the following tasks:

- a) Review existing business registration processes, laws, and regulations in Iraq.
- b) Conduct interviews and consultations with key stakeholders to gather insights and feedback including all related ministries, employers and workers organizations who involve in the SMEs registration process.
- c) Develop a draft version of the Business Registration Manual based on the gathered information.
- d) Incorporate feedback from ILO, MOT, and other stakeholders to finalize the manual.
- e) Ensure the manual is user-friendly, accessible, and available in Arabic.

DELIVERABLES

The company is expected to produce the following deliverables:

- a) A comprehensive draft version of the Business Registration Manual.
- b) Lead a validation workshop with the related stakeholders for final comments.
- c) Finalized version of the manual in Arabic with friendly design to be easy untestable.
- d) Presentation materials for training sessions on manual utilization.
- e) Awareness Animation video that summarizes the objectives of the manual for social media.

SELECTION CRITERIA: Qualifications and Expertise:

The company should possess the following qualifications:

- a) Registered company.
- b) Extensive experience in legal or business consulting, particularly in the context of SMEs.
- c) In-depth knowledge of business registration processes and regulations in Iraq.
- d) Strong communication and collaboration skills to engage effectively with stakeholders.
- e) Previous experience in developing manuals or guides for similar purposes is highly desirable.
- f) Familiarity with international best practices in business registration and regulatory frameworks.

SUPERVISION

The company will conduct the assignment under the overall supervision of the PSD-GREEN project manager, with direct technical support from the senior national project officer at ILO Basra.

TIME FRAME AND PROPOSAL SUBMISSION

The assignment will take place from **30 January 2024** to **30 March 2024**.

Proposal Submission:

Please submit the following, by maximum 23 January 2024 at COB 17:00 Baghdad time to : bgw-procurement@ilo.org, Baniawwad@ilo.org , al-hashamat@ilo.org, abdulameer@ilo.org

please indicate the title of the consultancy in the subject of the email (A consulting company to develop **Business Registration Manual for SMEs in Iraq_PSD_GREEN**))

- Technical Proposal: including company profile, previous experience in the similar works, and implementation methodology.
- Detailed Financial proposal.