

# Terms of Reference (TOR): Assessment of Rural Enterprise Hubs (REH)

## 1. ASSIGNMENT SUMMARY

Job Title	Assessment of Rural Enterprise Hubs (REH)
Location of assignment	Eastern, Western, Central and Southern Provinces
Sector	Business Services
Reports to	Sector Lead- Business Services
Duration of contract	6 weeks

## 2. ABOUT PROSPERO

Prospero is an independent not-for-profit organization implementing the second phase of the UKaid-funded Private Enterprise Programme Zambia (PEPZ II). The programme is designed to incentivise investment in innovation that will change the way market systems work and create new growth opportunities for MSMEs. PEP II is focused on the following high-growth potential sectors:

- **Food and Agriculture:** To increase the competitiveness and value of Zambian food products in end consumer markets.
- **Manufacturing and Mining Services:** To increase the sustainable and inclusive economic impact of mining in Zambia.
- **Tourism and Biotrade:** To increase value creation and inclusive economic benefit from Zambia's non-extractive natural assets.
- **Investment Services:** To increase MSME access to appropriate financial services by strengthening the Zambian finance and investment ecosystem
- **Business Services:** To increase MSME access to appropriate non-financial business services to stimulate innovation, market access and growth.

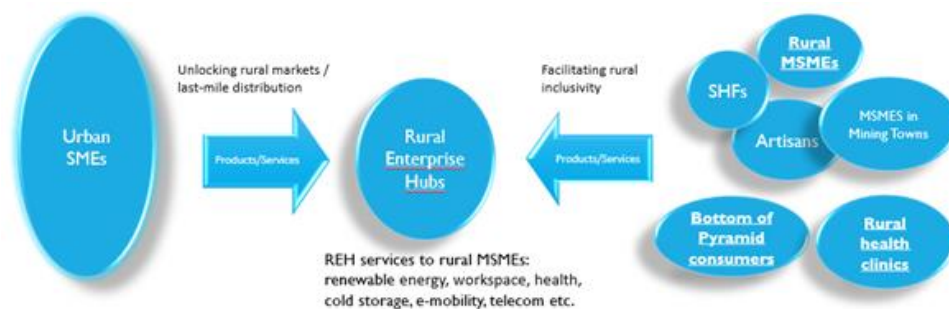
We partner with private sector businesses, government agencies and business organisations to support the design and implementation of initiatives that promote innovation (new products, services or business models), investment and job creation. We work at the intersection of market system development and the impact investment ecosystem, recognizing that enterprise growth at scale requires access to substantial and sustainable sources of commercial finance.

## 3. CONTEXT OF THE ASSIGNMENT

The specific context for this role is:

The Rural Enterprise Hub initiative supports the scale-up of commercial hubs in rural areas. These Hubs increase access to diverse products and services for rural communities, stimulating economic activity and creating commercial opportunities for urban and rural SMEs.

The long-term vision is to see the REH model (illustrated below) being adopted as an effective and sustainable model for penetration or expansion of urban MSMEs into rural markets by lowering their risk to pilot the roll-out of new products, services or delivery mechanisms, as well as to improve access of rural MSMEs to urban markets through first-mile aggregation and offerings of new business opportunities.



Since the inception of the REH concept, 17 solar mini-grid hubs have been constructed across Eastern, Central, Southern and Western provinces through various intervention partners. The hubs provide off-grid power supply at a fee as well as infrastructure that is rented out as shops.

The hub model has been successful in some areas, but more information is required to refine the model further.

#### 4. OBJECTIVE OF THE ASSIGNMENT

The primary objective of the assignment is to assess the commercial performance and technical design of the existing 17 rural enterprise hubs. The assessment results will inform Prospero's future interventions toward enterprise development and increasing access to solar energy supply in rural areas.

#### 5. SCOPE OF WORK

The scope of work for this assignment is:

- Conduct a commercial assessment of the 17 existing hubs in Eastern, Southern, Western and Central provinces. To understand the viability of the REH, detailing what financial models have worked to sustain the businesses found in and around the hubs.
- Carry out a technical assessment of the hubs to evaluate the design efficiency and the cost of the different hub designs.
- Carry out a gap analysis of products and services provided at the hubs to identify service delivery gaps and understand the various service offerings at the different REH.
- Assess the economic impact of the REH on the surrounding community. For example, detailing what sort of businesses are around the hubs, what jobs have been created by the hubs and which businesses use the solar electricity that is being provided by the hubs.

- Evaluate the social impact of the REH on the people that live around the hubs, specifying the impact of the hubs and the perception of the hubs by the people in the surrounding areas.
- Develop report and recommendations based on the rural enterprise hubs assessment findings, clearly outlining success stories, best practices, and lessons learnt.

## 6. PROFILE OF THE SERVICE PROVIDER

### REQUIRED/DESIRABLE EXPERIENCE

The consultant/consultancy firm should have the following technical expertise and experience required for the respective role:

- Relevant academic qualifications
- Demonstrate relevant expertise and understanding of the solar energy sector in Zambia.
- Experience in implementing development projects that support microenterprise development in rural areas.
- Proven expertise in carrying out similar tasks research, with a background in Monitoring and Evaluation of commercial projects
- Basic understanding of Energy Regulation Board (ERB) requirements to operate a mini solar grid
- Have a basic knowledge of the Rural Enterprise Hub model

## 7. REPORTING TIMELINES

The reporting timelines associated with this assignment and the timing for submissions are:

Tasks	Due for submission
Workplan and Methodology	27 <sup>th</sup> May 2022
Draft assessment report	22 <sup>nd</sup> June 2022
Final assessment report	27 <sup>th</sup> June 2022

## 8. APPLICATION GUIDELINES

1. Any request for clarifications shall be submitted in writing by e-mail to Prospero Limited Procurement and Compliance department using the following e-mail address: [procurement@prospero.co.zm](mailto:procurement@prospero.co.zm)
2. A three paged concept submission should be made **ELECTRONICALLY ONLY** and marked “Assessment of Rural Enterprise Hubs” in the subject of the e-mail to: [procurement@prospero.co.zm](mailto:procurement@prospero.co.zm) Deadline for submission: **6<sup>th</sup> May 2022**.