



## Enterprise Development Support to Small and Medium Enterprises

### Enterprise Development Fund: Najaf

#### Call for Expressions of Interest

##### Background

The International Organization for Migration is rolling out a coordinated approach at post-war development, aimed at encouraging private sector investment and returns across the country and in areas with high rates of displacement. This includes, in Najaf city centre, an initiative to support primary and secondary economic sectors that were successful prior to 2014 but suffered loss, damages or disruption to supply chains in the previous 5 years. Assisting these enterprises provides a clear path for the resumption of economic activities, the creation of additional jobs that can promote return and reintegration, and opportunities for businesses to support reconstruction in the surrounding areas around Najaf city.

Within this framework, IOM is launching a call for Expressions of Interest for an Enterprise Development Fund (EDF) to support the economic recovery of Small and Medium-sized enterprises (SMEs) in Najaf. IOM intends to provide small business grants to SMEs. The financial grant will be based on an evaluation of needs, the potential for job creation of the selected businesses, and a business plan. The EDF aims to provide practical and relevant capital support to SMEs in Baiji. Support to selected SMEs should improve the growth capacity of the private sector and their ability to meaningfully create jobs.

Applicants will receive individual attention to their Expressions of Interest and, in some instances, feedback on the feasibility of their proposal. Successful applicants will be invited to submit a full proposal should their EOI show significant potential. All applicants should provide the information requested in the Expression of Interest and meet the minimum Eligibility Criteria, below, or their application will not be considered.

##### Eligibility

This call for proposals is open to SMEs that meet the following criteria:

- Must have between 3 and 30 employees;
- Must operate within Najaf city, Najaf Governorate;
- Must operate in one of the following sectors: **Food, Textiles, Carpentry, and Agriculture**
- Must have been operational prior to 2017 and can demonstrate a clear need associated with the political events of 2014-2017; and
- Must be owned and managed by an Iraqi.

##### Selection criteria

Preference will be given to SMEs that integrate one or more of the following components:

- Potential for the number of jobs created, relative to the grant request.
- Social impact including the participation of vulnerable groups, including displaced persons, returnees and women.

- Innovative and creative projects
- Are registered with the Najaf Chamber of Commerce / Najaf Chamber of Industry/Ministry of Health and are up to date in the maintenance of their registration;

The EDF will use a multi-stage selection process to review and deliberate on the potential for full time job creation by any applicant, and the sustainability of the business. In the first stage, applicants will fill and submit an expression of interest. Successful candidates will then be invited to develop a full proposal in an application form. The investment committee will select investments based on the selection criteria and used across all applications.

To be successfully chosen, SMEs will complete the following steps:

### **Expressions of Interest**

1. Fill in the Expression of Interest, providing overall information on the business and the amount requested.
2. Provide a copy of valid registration certification and other related documentation (desired but not required).

Applicants must disclose outstanding personal and business debts at the time of applying.

### **Full Application**

A selection of the most promising Expressions of Interest will be invited to be developed into full applications. Full applications will require a submission of the following:

Required:

1. A complete list of co-owners and contact information, if applicable
2. A complete list of shareholders and their equity amount, if applicable
3. A copy of financial justification for your contribution
4. A salary verification of a reference
5. A supplier certificate or equivalent

Desired:

1. Proof of registration
2. Tax number and tax clearance letter issued by the tax office
3. Last audited financial statements
4. Company Social security number
5. Proof of social security and personal income tax payment, including a list of employees and their salaries against receipts paid to the government

Applicants will also submit a:

1. Business plan, including details on a marketing strategy, competition, and a financial plan

Where funding is available, a training may be held to provide assistance in completing business plans. Attending the business plan training is optional and is not a requirement to submit a full application.

To verify the information provided in the applications and in the accompanying business plans, IOM staff will conduct field visits to all the applicants who have been invited to submit a full application.

IOM and the SME will meet to discuss the type of business development support they will receive through the grant, based on the information gathered through the questionnaires, site visits, interviews, and the preferences of the applicant.

### **How to apply**

1. Please read the full Expression of Interest carefully
2. Download the Expression of Interest Questionnaire (.xls), complete it in all its parts, sign it and send it to [IRAQEDF@iom.int](mailto:IRAQEDF@iom.int) by no later than 30<sup>th</sup> of May 2019
3. Hard copies of the Expression of Interest will also be available from Najaf - Aden neighborhood (the street between the neighborhood of Aden and teachers) - Scientific care forum. Copies can be filled there or returned to there.
4. If short-listed, you will be sent and asked to fill in the Full Application Form. You will have 14 days after reception of first feedback from IOM to send application form filled in all its parts to [IRAQEDF@iom.int](mailto:IRAQEDF@iom.int). Applicants who do not respect this deadline, will be automatically excluded from the selection process.
5. IOM staff will follow-up with successful applicants to schedule field visits and interviews and will provide instructions on how the selection process will proceed.