UGANDA COMMUNICATIONS COMMISSION

CALL FOR PROPOSALS FOR THE UCC/UCUSAF GRANT FOR ENHANCING DIGITAL LITERACY AND SKILLING FOR MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES (INCLUDING THE INFORMAL SECTOR/JUA-KALI)

STATEMENT OF REQUIREMENTS

1.0   Introduction

The Uganda Communications Commission (UCC) through the Uganda Communications Universal Service Access Fund (UCUSAF) has launched a call for proposals to establish a collaboration in the implementation of key activities under a general thematic area of enhancing ICT adoption by Micro, Small and Medium-Sized Enterprises in Uganda for FY 2024/25-2026/27.

UCUSAF, in line with its 5-year Strategic Plan 2023/24 – 2027/28, set aside financial resources to be utilized under a collaborative grant framework between UCC/UCUSAF and a suitable partner to implement the project: "***Enhancing digital literacy and skilling for Micro, Small and Medium sized Enterprises (including the informal sector/jua-kali***." Some of these funds are available within the operational budget of Financial Year 2024/25 to implement the project in the districts of Kampala, Wakiso, Mukono, Jinja and Masaka.

This is a continuation of a similar initiative in the past 6 years in which over 9,000 MSMEs from 24 districts across the country underwent digital literacy and skilling. The districts were: Kampala, Mbale, Gulu, Mbarara, Kabarole, Arua, Soroti, Kabale, Jinja, Masaka, Lira, Hoima, Luwero, Kasese, Kotido, Bukedea, Moroto, Tororo, Kanungu, Iganga, Kitgum, Nebbi, Kamuli and Sembabule.

2.0   Background

Micro, Small and Medium Enterprises (MSMEs) in Uganda are said to employ an excess of 3 million people, account for more than 90% of the private sector and contribute more than 70% to our national Gross Domestic Product (GDP). Approximately 45% are sole proprietorships, 30% are private limited liability companies, 20% are partnerships and the rest are associations, cooperatives or NGOs.[1]In this way, they play a

catalytic role in creating low-cost jobs, alleviating poverty, rapid industrialization and fostering economic growth. This finding was further confirmed by the 2011 census of business establishments, which revealed that there are 458,106 small and medium businesses countrywide, with the majority (61%) in the trade sector, followed by accommodation and food services (14%), manufacturing (9%), agriculture (2%). ICT, finance, insurance and transport only accounted for the remaining 2% of all businesses surveyed.

Unfortunately, MSMEs are faced with numerous challenges, which cause up to 50% running out of business annually (Uganda Small Scales Industry Report) and between 70 to 80% of them failing within two (2) years of establishment. Some of these obstacles include; the inability to harness and leverage Information and Communication Technologies (ICT) sufficiently to improve their operational performance and profitability.

A study carried out by Uganda Communications Commission titled "ICT Adoption by Micro, Small and Medium size Enterprises (MSMEs)" in December 2022 observed the following regarding the level and usage of ICTs, including those associated with 4IR:

  i.   MSMEs have not fully appreciated the importance of ICT in business/enterprise development, manifesting in the low prioritization of ICT in their budgets.
 ii.   Acquisition of advanced technologies is very low with MSMEs thus limiting usage of ICTs to cheap basic technologies such as feature phones, printers, cash registers and the like.
iii.   There is apparent appreciation of the Internet among MSMEs, though its full potential and opportunities are not widely known.
 iv.   COVID-19 lockdown and the resultant "innovation" of "work from home" woke up a number of enterprises to the relevance of ICTs.
  v.   MSMEs and their employees' lack of ICT skills, lack of exposure to ICTs, lack of training, and lack of confidence were found to be among the highest contributors to barriers to accessing and using ICTs by MSMEs.

The study further indicated that in Uganda, only 9% of the 2,123 businesses interviewed had their contacts listed online, only 6% said that they advertised online, only 22% admitted to having basic computer knowledge, only 14% confirmed that they are benefiting from their online engagement, while 73% recognized that digital illiteracy is hindering

them from running their businesses effectively and digitalizing their operations is important for their future growth.

In addition, the following two major challenges were identified by a study on "Harnessing technology for business recovery and survival in times of COVID-19" conducted by the Economic Policy Research Centre in November 2020:

- The majority of MSMEs have inadequate capacity or technical competence to use ICT technology, especially those at the micro and small-scale level.
- MSMEs in Uganda are strikingly constrained in digitalization due to the cost of the internet (e.g. data cost and taxes).

Based on the above facts, UCC/UCUSAF is seeking to further extend its intervention in the ICTs for MSMEs space by collaborating with a suitably qualified non-profit stakeholder with the requisite qualifications, resources, competencies and experience as per the eligibility criteria and statement of requirements presented in this call. The partner shall implement initiatives aimed at addressing the challenges identified above and other emerging sector challenges. This planned collaboration will see UCUSAF offer technical and financial support subject to availability of funds and partner performance.

3.0   Project Objectives

3.1   General Objective

The general objective of the scheme is to encourage and assist the MSMEs and the potential MSME clusters to adopt ICT tools and applications in their business process value chains to improve their productivity and competitiveness in national and international markets. The focus will be on supporting MSMEs, traders and the informal sector to appreciate and start using the Electronic Fiscal Receipting and Invoicing System (EFRIS).

3.2   Specific Objective

(i)   To implement a digital literacy and skilling campaign targeting both MSMEs and potential MSMEs in Uganda.

(ii)   To educate the beneficiary MSMEs and potential MSMEs on the opportunities of ICT and subsequently stimulate participation in E-Government and E-Commerce services.

(iii) To introduce the MSMEs and potential MSMEs and conduct demonstrations on ICT business tools.

(iv) To introduce MSMEs to the EFRIS system and other e-Government services.

4.0   Project Actions

(i) UCC will provide financial support in the form of a grant to facilitate successful proposals. Grant payments will be milestone based to ensure commitment and adherence to the proposal plans, as agreed with the organisations from the onset.

(ii) Needs Assessment and Gap Analysis prior to the training.

(iii) Stakeholder engagement and mobilization.

(iv) Curriculum development/customization.

(v) Training delivery/implementation for a minimum of 10 days per location (see Annex 2).

(vi) Popularise and conduct awareness sessions on the Electronic Fiscal Receipting and Invoicing System (EFRIS) in order to encourage formalization and tax compliance.

(vii) Monitoring, evaluation, and sustainability.

5.0   Target Group

This initiative targets MSMEs engaged in the following trades or sectors: Mechanics, Market Vendors, Boda boda riders, Handicrafts, Carpentry, Metal fabrication, Agro-processing, Tailoring, Hairdressing, small restaurant owners, small lodge owners, tour guides, small retail and wholesale shops, and Cottage industry owners, among others. Also targeted are potential MSMEs.

6.0   Eligibility of Applicants

6.1   General Criteria

1. The applicant (individual organization or consortium of organizations) must be each a legally established non-profit entity in Uganda.

2. The applicant must demonstrate extensive experience in supporting the MSME sector and the ability to mobilize MSMEs in the targeted districts.

3. The applicant must be in satisfactory financial health and have adequate financial systems to report to UCC/UCUSAF as shall be required.

4. In case of a consortium, partners must demonstrate a formal working relationship.
5. The applicant/partner or consortium partner should provide proof of more than 3 years' experience in the field of digital literacy training.
6. The applicant has documented experience in mobilizing, coordinating, and delivering similar initiatives at national level, especially working in rural areas.
7. The applicant has demonstrated capacity to network and mobilize complimentary resources to sustain the initiative.
8. The applicant/lead applicant must have a clear Strategic Plan with a budgetary provision for digital literacy programmes.

6.2   Preference

The Fund will give preference to applicants whose Business Plan proposals highlight the following:

1. Well presented, clear, logical, well-conceived and reflect a good understanding of the relevant issues in the subject matter.
2. Make linkages of UCUSAF/UCC Strategic Objectives to National and International Development agenda.
3. Show evidence of being innovative, possessing the capacity for effective implementation to achieve programme objectives, and present a practical approach to attaining the stated goals.
4. Demonstrate ability to establish baselines, indicators, and methodologies for measuring progress.
5. Recognize potential project risks and present corresponding strong mitigation strategies.
6. Clear financial and/or material contribution towards the implementation of the project.
7. Proposals that demonstrate higher value for money.

7.0   Assessment Criteria

The grant applications will be assessed based on a 3-stage process (Administrative, Technical and Financial):

1. Administrative- focus on assessment of eligibility.
2. Technical –focus on clarity of the motivation, smartness of goals, appropriateness of methodology and project management, feasibility of work plans, impact of the project, ability to meet project priorities, addressing of crosscutting issues and project sustainability capacity to deliver.

3. Financial –focus on value for money, sustainability, and ability to mobilize more resources to scale the initiative.

7.1 Required Applicant's Legal Documents

1. Applicant or Consortium partners' Certificate of incorporation or registration providing a legal name – the name that identifies the applicant for legal, administrative and other official purposes.
2. Applicant or Consortium partners' Memorandum and Articles of Association (confirming its non-profit status).
3. Applicant or Consortium partners' address (physical, postal, email, and web site where applicable).
4. Applicant or Consortium partners' Contact person details – the name, position, phone and email contact for an authorized representative of the Applicant.
5. Applicant or Consortium Affiliated entities.
6. Applicant or Lead Applicant's Audited Financial Account statements for the last 2 successive years.
7. Applicant or Consortium partners' Signed Code of Ethical Conduct in Business for Grant applicants and Providers (template to be provided by UCC/UCUSAF).
8. Applicant /Lead Applicant's Strategic Plan.
9. Applicant or Consortium partners' proof of experience in conducting digital literacy campaigns targeting MSMEs.

7.2 Proposal Requirements

1. Project understanding
2. Project linkage to UCC/UCUSAF strategy, national and international development agenda
3. Experience managing similar projects (Organization & Staff)
4. Project implementation methodology
5. Project management framework
6. Project sustainability approach
7. Risk management framework
8. Integration of cross-cutting issues
9. Monitoring and evaluation approach
10. Project implementation budget

Note

Due diligence may be conducted on the applicant organization(s) at any point of the process to ascertain demonstrated capability to execute the assignment.

8.0   Risk Assessment

The UCUSAF Assessment Team will carry out a risk assessment of the indicated and non-indicated risks. The assessment based on the risks assessed will consider the totality of an applicant's submission in assessing whether a potential engagement would involve low, medium, high, or extreme risk to UCC/UCUSAF.

9.0   Application Timeline

The grant application is open from **26th^d July to 13th August 2024.**

A pre-grant application meeting will be held online on **6th August 2024 at 12.00 pm.** Participants should register in advance for this meeting:

https://events.teams.microsoft.com/event/ca45dfeb-476f-43c2-baa5-8ff0032c126e@f7ffcd5e-44c0-4686-8452-78ea57432de7

For further clarification or guidance on the grant application process, please contact +256 412 339000; or +256 312 339000 or email ucusaf@ucc.co.ug.

Applications should be submitted in triplicate hard copies (3 copies) by **4.00 pm on 13th August 2024** to:

The Executive Director
Uganda Communications Commission
Plot 42 - 44, Spring Road Bugolobi
P O Box 7376,
KAMPALA

A soft copy of the proposal should also be sent to the following email addresses by the deadline: registry@ucc.co.ug; ucusaf@ucc.co.ug

Disclaimer
Personal information supplied in an application will be used by UCC in accordance with the Laws of Uganda.

CODE OF ETHICAL CONDUCT IN BUSINESS FOR GRANT APPLICANTS

1. Ethical Principles

Applicants shall always-

(a) maintain integrity and independence in their professional judgment and conduct.

(b) comply with both the letter and the spirit of-
  i. the laws of Uganda; and
  ii. any contract awarded.

(c) avoid associations with businesses and organisations which conflict with this code.

2. Standards

Applicants shall-

  (a) strive to provide works, services and supplies of high quality and accept full responsibility for all works, services, or supplies provided.

  (b) comply with the professional standards of their industry or of any professional body of which they are members.

3. Conflict of Interest

  (a) Applicants shall not accept contracts that would constitute a conflict of interest with any prior or current contract with the Uganda Communications Commission.

  (b) Applicants shall disclose to all concerned parties those conflicts of interest that cannot reasonably be avoided or escaped.

4. Confidentiality and Accuracy of Information

  (a) Information given by Applicants during the grant processes, or the performance of contracts shall be true, fair and not designed to mislead.

  (b) Providers shall respect the confidentiality of information received during the performance of a contract and shall not use such information for personal gain.

5. Gifts and Hospitality

Applicants shall not offer gifts or hospitality directly or indirectly, to staff of the Uganda Communications Commission that might be viewed by others as influencing a grant decision.

6. Inducements

(a) Applicants shall not offer or give anything of value to influence the action of a public official in the grant process or in contract execution.

(b) Applicants shall not ask a public official to do anything inconsistent with the Code of Ethical Conduct in Business.

7. Fraudulent Practices
Applicants shall not:

(a) collude with other businesses and organisations to deprive the Uganda Communications Commission of the benefits of free and open competition.

(b) enter business arrangements that might prevent the effective operation of fair competition.

(c) engage in deceptive financial practices, such as bribery, double billing or other improper financial practices.

(d) misrepresent facts to influence a grant process or the execution of a contract to the detriment of the Uganda Communications Commission, or utter false documents.

(e) unlawfully obtain information relating to a grant process to influence the process or execution of a contract to the detriment of the Uganda Communications Commission.

(f) Withhold information from the Uganda Communications Commission during contract execution to the detriment of the Uganda Communications Commission.

I **---------------------------------------** agree to comply with the above code of ethical conduct in business.

AUTHORISED SIGNATORY   **---------------------------------------**
                                                  NAME OF APPLICANT

ANNEX 2

ENHANCING DIGITAL LITERACY AND SKILLING FOR MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES (INCLUDING THE INFORMAL SECTOR/JUA-KALI)

SN	District	No. of Participants
1.	Kampala	500
2.	Wakiso	250
3.	Jinja	250
4.	Mukono	250
5.	Masaka	250