



Terms of Reference

Small Business Innovation Research (SBIR) Chad

Background

Over the past years, the Government of the Netherlands has been increasingly engaged in activities supporting the private sector in Chad. The Dutch private sector development (PSD) portfolio in the country has so far grown organically, with an array of initiatives funded, coordinated and implemented by various actors, including different departments of the Dutch foreign ministry (most notably the Department for Sustainable Economic Development, DDE, as well as the diplomatic office in N'Djamena), the Netherlands Enterprise Agency (RVO), and Invest International.

Chad is one of the lowest ranking countries on the Human Development Index. Private sector Development in this context is difficult. Basic infrastructure and enabling environment pre-conditions are lacking. Private sector development is largely donor dependent, and local organisations are easily captured as donor darlings within the available – and also rather limited (compared to the needs) – donor community. Designing and developing of impactful project interventions requires integration of Chadian partners. Strengthening of Chadian BSOs as interlocutors is required, at the same time reaching truly entrepreneurial youth has been challenging. Target group sometimes have other expectations of PSD initiatives.

Private Sector Development is considered an enabling environment for stability and security. The broader entrepreneurship ecosystem requires more structural support in terms of low formalisation of businesses, low trust between private and public sector, and the strengthening of the wider enabling business environment.

Currently in Chad there is momentum for economic diversification in the agricultural value chain as this was recognised by the diplomatic office of The Netherlands as a priority area. Combined with pressing challenges for climate change adaptation this forms a rich foundation for innovative social enterprises.

The core problem addressed by this project is the absence of a structured and locally embedded system to identify, develop and scale social enterprises that address pressing challenges in agriculture and water management. As a result:

1. Promising innovations fail to progress beyond early-stage ideas
2. Entrepreneurs lack the capacity to develop viable business models
3. Access to appropriate financing remains limited
4. Solutions are insufficiently embedded in local communities, reducing adoption and sustainability

The proposed intervention responds directly to these challenges by applying RVO's Small Business Innovation Research (SBIR) methodology to the context of Chad.

Through an innovation challenge, the project identifies promising locally driven solutions in agriculture and water management. These are subsequently supported through a structured process including feasibility assessment, business development, and mentorship. The intervention further

facilitates connections to relevant ecosystem actors and financial institutions to enable scaling and long-term sustainability.

Objective

SBIR (Small Business Innovation Research) is a phased innovation competition approach used by RVO. PSD toolkit identifies a specific challenge and makes a budget available. The entrepreneurs that submit the most promising feasibility studies (phase 1) solving this challenge are then commissioned to carry out further research and develop their product (phase 2). After that, the entrepreneur can launch the innovation on the market

Similar methodology will be used to stimulate social enterprises in Chad tackling pressing challenges related to agriculture and water management. The project guides social entrepreneurs in agriculture and water management to research and establish innovative business ideas through a business innovation contest, particularly addressing youth and women.

Results/Deliverables

Expected results:

- Embassy office/RVO have five feasibility studies of five commercial and innovative solutions on a defined challenge related to agriculture and water management (to be detailed during inception)
- Depending on feasibility, Investment-ready proposals are developed. entrepreneurs receive coaching and mentoring during the feasibility study and the implementation of their business activities.
- Three business cases are selected to be funded by PSD Toolkit funding to support implementation (funding of the actual implementation of the business cases by selected entrepreneurs is not part of this assignment and the budget made available). Coaching and mentoring during the implementation are part of the assignment.

To achieve these objectives, following result areas are identified:

Result Area 1: Social Innovation Challenge organised and implemented. Five commercial and innovative business concepts selected. Shortlisted candidates are assisted in feasibility study and further developing their concepts into full business plans and investment-ready proposals.

Result Area 2: a six months Business Innovation Mentorship Track for three selected business plans, a tailored mentorship and capacity strengthening programme is implemented

Result Area 3: Financial sustainability and post-programme continuity is ensured that supported ventures are connected to relevant financial and market actors.

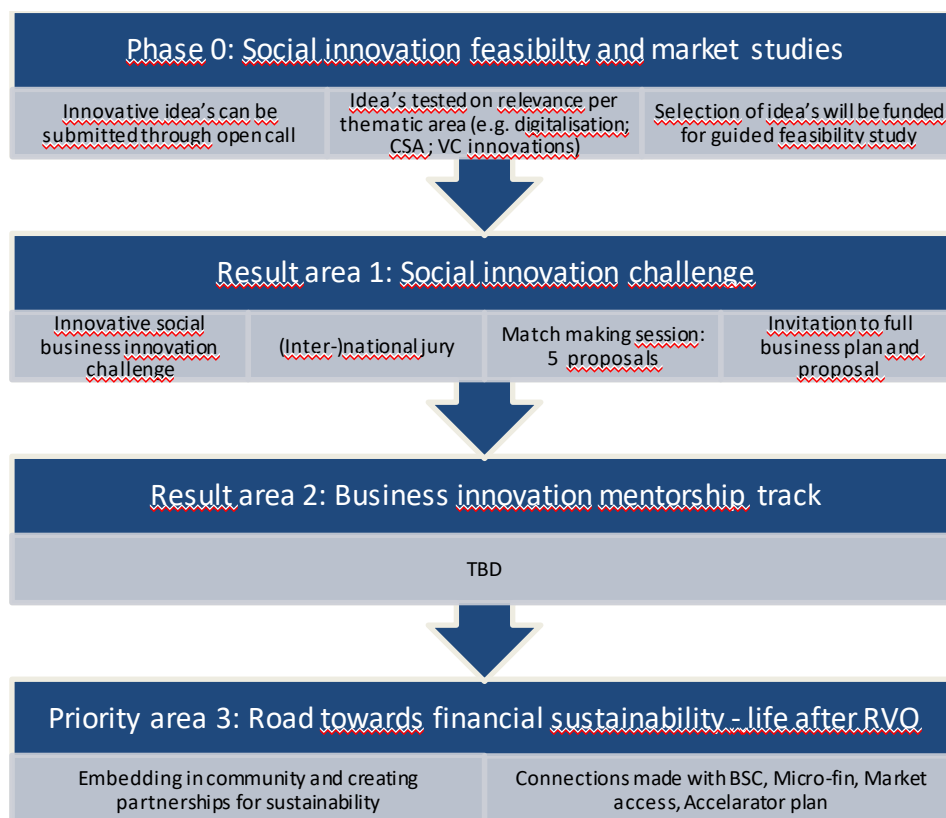
Result Area 4: communication plan elaborated and at least 1 news item published every month.

Activities

Proposed activities include:

- 1). Innovation challenge prepared, organised and implemented.
 - Rolling out an innovation contest targeting innovative young (social) entrepreneurs in Chad.
 - Five selected innovation business ideas selected and elaborated, feasibility study conducted.

The assignment follows a phased activity flow through which the service provider is expected to identify, develop and support scalable social innovations. The flow chart below describes the project's logic.



In Phase 0: Social innovation feasibility and market studies, the service provider will design and operationalise an open call mechanism (e.g. via a digital platform) to source innovative ideas related to agriculture and water management. The service provider, jointly with embassy office and RVO, will assess submissions against predefined thematic priorities (e.g. digitalisation, climate-smart agriculture, value chain innovations) and conduct a structured selection process. Selected applicants will be supported in conducting guided feasibility studies, including validation of technical, market and financial viability. In addition, the service provider ensures that proposed innovations are firmly embedded in the local cultural and socio-economic and community context, by engaging relevant local stakeholders (e.g. community representatives, local authorities, sector organisations) and integrating local needs, practices and constraints into the feasibility assessments.

Under **Result Area 1:** Social Innovation Challenge, the service provider will organise and implement an innovation challenge. This includes the establishment of an (inter)national jury, facilitation of evaluation processes in cooperation with EKN, and organisation of matchmaking sessions between innovators and relevant ecosystem actors in cooperation with EKN. The service provider will support shortlisted candidates in further developing their concepts into full business plans and investment-ready proposals.

For **Result Area 2:** Business Innovation Mentorship Track, the service provider will design and deliver a tailored mentorship and capacity strengthening programme. This should aim to enhance business models, operational capacity, and market readiness of selected ventures, building on the outcomes of the innovation challenge.

Finally, under **Result Area 3:** Financial sustainability and post-programme continuity, the service provider will ensure that supported ventures are connected to relevant financial and market actors. This includes facilitating linkages with business support centres, microfinance institutions, accelerators and market access opportunities. The objective is to ensure continuity, scaling potential, and reduced dependency on programme funding beyond RVO support, using the available PSD Toolkit funding as leverage. RVO funding is used to conduct feasibility study and in second phase to develop the innovation to be market-ready.

Suggested timeframe, key activities and deliverables:

Period	Key activities	Deliverables
Q1 2027	Project inception and design of Innovation Contest Joint decision (embassy office, RVO and implementing partner) on specific challenge set as base for the innovation contest	- Inception report (methodology, workplan) - Design of open call mechanism and selection criteria - Outreach and communication strategy launched
Q1 2027	Launch of open call and pipeline development	- Open call operationalised and implemented - Initial screening and selection of ideas
Q2 2027	First pitch event and initial selection. Criteria include: Social impact, Sustainability (economic, financial and environmental) and system change.	- Organisation of pitch event - Selection of shortlisted concepts (minimum of 5) - Start of feasibility studies
Q2 2027	Development and selection of full proposals	- Support to shortlisted candidates in developing full business plans - Feasibility studies completed - Evaluation and selection of final entrepreneurs (3) - Investment-ready proposals developed - Mid-term report with feasibility studies and implementation proposals

Q3 2027	Start of implementation and mentorship track	- Launch of mentorship programme - Tailored coaching provided to selected entrepreneurs
Q4 2027	Continued implementation and pathway to financial sustainability.	- Continued mentorship and business development support - Organisation of investor/demo day events - Evidence of partnerships with local stakeholders - Progress reports on business development
Q1 2028	Reporting, consolidation and closure	- Final report (results, lessons learned, recommendations) - Evidence of financial linkages and sustainability pathways - Endline assessment of supported ventures - Closing ceremony with EKN and RVO
continued	Communication plan and publication of articles at least once per month.	

KPI's

The PSD Toolkit includes a number of obligatory indicators for the implementing team in order to aggregate project results at programme level. In addition, project specific monitoring and evaluation criteria can be included in your offer.

- A1 Number of companies with a supported plan to invest, trade or provide services
- A2 Number of direct jobs supported in individually supported MSME's
- A3 Amount of mobilized private finance (in thousand EUR)
- A6 Number of people trained or skills developed
- A7 The extent to which local MSMEs use increased resources and capacity to perform better (more inclusive, social, sustainable and profitable)
- C3 Number of people trained or skills developed

Specific project targets:

- Innovation contest organised
- Pitch event organised
- 5 selected entrepreneurs
- 5 feasibility studies
- 5 innovations pitched, 3 selected
- 3 business innovations implemented and piloted.

The business proposals will be assessed on the level of innovation, contribution to solving a local challenge, social-economic value, creation of jobs, climate smart and sustainability.

Corporate Social Responsibility

One chapter of the final report has to deal with corporate social responsibility (CSR) issues (e.g. gender, land rights etc.) and a description to which Social Development Goals (SDGs) the project contributes and how.

Communication

The project will start with a kick off discussion (live or conference call) with the counterparts in the embassy office in Chad and with RVO to align expectations of parties involved, to scope the already present information and to discuss monitoring of the project.

Regular contact with the representative of the Dutch embassy and key partners is requisite. As part of the assignment the consultant will provide the client and RVO a two pager on the project and the results (if possible, with a photo, free of rights) which can be used for communication purposes.

Implementation

The assignment should start as soon as the contract has been awarded and is expected to last till 31 March 2028.

The consultant will submit the following report(s) according to the given timeline:

- Inception report covering the first findings;
- A draft final report to be submitted to all parties involved for comments within 1 month before the deadline of the project. These comments should be taken into consideration when finalising the report. The report will be submitted to the Dutch embassy office and RVO.

About RVO

The Netherlands Enterprise Agency (Rijksdienst voor Ondernemend Nederland, RVO) is an executive body of the Dutch Ministry of Economic Affairs. RVO helps business owners run sustainable, agricultural, innovative or international businesses. RVO operates in the Netherlands and abroad in partnership with governments, knowledge centres, international organisations and numerous other bodies. The Netherlands Enterprise Agency's overall aim is to improve opportunities for business owners and help them become more competitive. As part of the Sustainable Development Department, several RVO teams work on development cooperation.

About PSD Toolkit

PSD Toolkit contributes to local private sector development by creating an enabling environment for sustainable economic growth and strengthening local MSMEs. It furthermore aims to strengthen the impact of other programmes (with a link to private sector development). The PSD Toolkit interventions are tailored to address local challenges by leveraging Dutch knowledge and expertise wherever possible."

The PSD Toolkit empowers NL embassies in the PSD countries to contribute to private sector development in 'their' countries, both through tailor-made interventions and long-term programming (where possible with other PSD interventions and programmes).