Ministry of Digital Economy and Entrepreneurship

Youth, Technology, and Jobs Project (YTJ)

Professional Intermediaries Grants to Support Growth Stage Startups

GrowJo (Intermediaries)

Request for Application (RFA) 1.0

Please read this document thoroughly

Contents

About the Youth, Technology, and Jobs Project (YTJ) 3

1. The Objective 5
2. Scope of Work 5

Qualified intermediaries **Error! Bookmark not defined.**

Eligible interventions/activities **Error! Bookmark not defined.**

Ineligible activities/expenses **Error! Bookmark not defined.**

3. Deliverables 7
4. Application Submission and Administration 8
5. Evaluation Process 9
6. Due Diligence Phase 9
7. Inclusion 10
8. Reimbursement Conditions 10

About the Youth, Technology, and Jobs Project (YTJ)

The Ministry of Digital Economy & Entrepreneurship (MoDEE), Jordan, is the implementing agency of the Youth, Technology, and Jobs (YTJ) project, which aims to improve digitally-enabled income opportunities and expand digitized government services in Jordan. Over the five-year lifetime of the project, YTJ aims to build an impetus for private sector-led growth of the digital sector by: (i) deepening the pool of quality digital skills; and (ii) leveraging the government's ambitious agenda of digitizing government services to create a demand for digital services and jobs. The project is structured around interventions that address constraints to both the supply and demand side of digitally skilled labor in Jordan, with Component 1 focusing on strengthening the supply of digital skills and Component 2 boosting demand in the digital economy, and hence jobs and income opportunities. Component 3 supports project management.

The structure of the project is as follows:

Component 1 – Support the supply of digital skills in Jordan

- Sub-component 1.1: Support private sector-led digital skills development. Support the establishment of the National Skills Council for Information and Communication Technology (NSC-ICT), as an independent (financially and administratively) legal entity, with a majority private sector board membership and representation from key public sector stakeholders, and with the mandate to: (a) conduct demand and supply side assessments; (b) establish national occupational standards; (c) qualify training service providers; (d) select and contract training service providers; (e) create, accredit, and disseminate online training materials; (f) conduct national awareness activities; (g) engage in monitoring and evaluation; and (h) establish comprehensive customer relationship management (CRM) system for the beneficiaries. The activities of the NSC-ICT will be coordinated with and, when required by vocational training law and regulations, approved by the Vocational and Technical Skills Development Corporation.

- Sub-component 1.2: Enhance digital skills competencies for public school students. Introduce quality technology courses in public classrooms G7-12. The activities under this sub-component will aim to identify gaps in the existing information technology courses in schools, develop context-relevant technology learning assets, train teachers on the new courses, and roll-out in a systematic way across public classrooms.

- Sub-component 1.3: Provide working spaces in underserved communities through Tech Hubs. Support upgrading and equipping three to five technology hubs (Tech Hubs) as "for fee" venues for skilling programs, networking, and co-working spaces for trainers, entrepreneurs, freelancers, Civil Society Organizations (CSOs), and Business Process Outsourcing (BPO) businesses in nearby communities.

Component 2 – Support the expansion of the digital sector and digital government services in Jordan

- Sub-component 2.1: This sub-component will provide incentive packages to support the growth plans of digital firms (focusing on ITO/BPO businesses) in underserved communities, help build and scale up their activities, and generate local job opportunities. The project will provide employment subsidies following a results-Support the expansion and access to markets for digital firms and digital platforms. Provide incentive packages to support digital firms' growth plans to help build and scale their activities, and generate local job opportunities. Additionally, this sub-component will support the growth of digital entrepreneurs in Jordan through procuring the services of professional intermediaries in key markets such as the USA and Europe that boost vibrant tech ecosystem that can be a catalyst for global scaling, attracting international funding, and developing exit pathways, as well as impactful commercial partnerships. Furthermore, this sub-component will provide access to income opportunities in various tech and non-tech economic activities for individuals in the gig economy by increasing the adoption of digital platforms.

- Sub-component 2.2: Support digital transformation of service delivery to citizens and businesses. Support activities designed to improve access to and quality of selected e-government services. In addition to enhancing the quality and cost-efficiency of service, the government's commitment to adopt a private sector-based delivery model for government e-services is expected to create business opportunities for local digital firms, which will provide an impetus for employment growth in the digital sector.

- Sub-component 2.3: Support digitization of payments. Support the government commitment to advance penetration of digital payments in Jordan, supporting e-payments for all applicable government services, focusing on front-end services.

Component 3 - Project Management & Implementation Support

MoDEE established a Project Management Unit (PMU) at MoDEE, which includes focal points for the Ministry of Labor and Ministry of Education. The PMU (within MoDEE) has the overall fiduciary responsibility for the project and implementation of its activities.

1. The Objective

The goal of this sub-grant is to empower professional local and international intermediaries, such as incubators and accelerators, consultants and consulting firms, in supporting Jordanian digital entrepreneurs as they venture into the GCC, EU, and US markets. These intermediaries will work on behalf of selected digital entrepreneurs (Startups); assisting them in securing investment and establishing B2B connections with clients, partners, and investors in these key markets. Through discussions with industry experts, we've identified critical gaps and needs that intermediaries must address to help their startups thrive, secure funding, and expand internationally.

The Ministry of Digital Economy and Entrepreneurship (MoDEE) is pleased to invite professional intermediaries to apply for a sub-grant of up to $300,000 to support growth-stage startups (Post MVP). This RFA is designed to empower intermediaries with the flexibility to tailor programs that specifically address the unique challenges and opportunities that hinder their portfolio startups growth. Intermediaries are encouraged to design customized interventions for each startup, enhancing their potential to increase revenue (e.g. getting new clients), secure funding, expand into new markets, and exits.

2. Scope of Work

The intermediaries will build on their experience, reach, and network to develop an effective approach to help tech and tech-enabled high-potential startups increase revenue (e.g. getting new clients), secure funding, expand into new markets, and exits, including women, and Syrians owned or led startups. This should include, but not limited to, the following activities:

- Identify and choose a pool of high-potential startups that have the potential to succeed in increase revenue (e.g. getting new clients), secure funding, expand into new markets, and exits when specific interventions/activities are applied. MoDEE will have to agree to the final list through providing a ‘no objection’ to the intermediaries.
- Conduct an in-depth assessment of the investment readiness level for the selected startups and outline the specific interventions/activities required for each of them
- Implement those interventions/activities
- Report on the progress as it relates to implementation and amounts of additional funds raised
- Take corrective action as needed in consultation with MoDEE

Qualified intermediaries

The intermediary shall have the below criteria:

- Proven record of in investing in startups as well as helping them secure follow on funding, and supporting access to market for SMEs/ startups for at least one year.
- Experience in assessing the export or investment readiness of startups and advising them on building their business models to fit with foreign market expansion objectives.
- Evidence that the Professional Intermediary has a portfolio of startups.
- Existence of capacity in conducting business development activities (e.g., training, mentorship, coaching, networking, other business support activities) for cohorts of SMEs/startups.
- Proven ability to identify prospective investors, buyers, partners who are interested in investing in or doing business with firms from emerging markets like Jordan.

Eligible interventions/activities

Below, is a list of eligible interventions/activities that the program would cover to increase startups' investment/market access readiness. This list is not inclusive and other activities may be considered depending on the rationale presented by the intermediary.

Those interventions/activities can be at the startups level and can be executed directly by the intermediary and/or experts that they identify. Some of those interventions/activities may also be executed through providing the startups with bespoke capacity building that will enable them to undertake the execution themselves. Furthermore, some interventions/activities may be at the intermediary level including but not limited to, increasing their organizational capabilities to execute some of the startups' level interventions.

List of eligible interventions/activities

- Go-to-market strategies, e.g., digital marketing, PR and promotions
- Business development, Lead and sales generation activities and or upskilling
- Grants consultation
- Pitching and negotiation skills and requirements
- Participating in targeted regional/global investment and business development events
- Investment consultation
- Financial modelling

Ineligible activities/expenses

1. Asset Items: Purchases of items or services that are not essential for startup operations, such as office furniture, decorations, or lavish company outings, laptops, cars for both startups and intermediaries.
2. A traditional group training program (boot camp)
3. Any software tools that go beyond the duration of the program.
4. Paying salaries for newly hired full time staff for the startups.
5. Commissions for investment brokers

3. Deliverables

The following are the deliverables:

- The selection methodology that the intermediary will adopt to identify and choose the high-potential startups that they will support including a breakdown of the selection process.

- The implementation plan that covers all aspects related to building the startups' investment/market access readiness and helping them increase revenue (e.g. getting new clients), secure funding, expand into new markets, and exits. The plan should include, but not limited to, the following components:

    - The types of interventions/activities needed for each startup to increase investment readiness and how they will be executed
    - The fundraising / match-making approach per startup
    - Key Performance Indicators (KPIs) for monitoring and measuring progress against achieving the target outcome (targeted funding, clients/deals or exits/mergers for each startup:
        - Revenue Growth: Percentage increase in startup revenue post intervention.
        - Capital Raising: Funds raised from investors or donors (Grants) during or after the completion of the program.
        - Market Expansion: Entry into new markets or significant increase in market share.
        - Strategic Exits: Successful exits executed as a result of the program.
    - The implementation budget/cost broken down by startup and timelines

- Monitoring and Evaluation process that will cover how the project will be monitored and evaluated to ensure that the project is on track and that the results are being achieved.
- The duration of this grant is 12 months. A schedule outlining the activities planned within this timeframe is needed, and to be submitted at the kick off.
- Bi-Monthly reports to be submitted to MoDEE that outline the progress made against the implementation plan and Key Performance Indicators (KPIs) that will be agreed upon in the agreement that will be signed between MoDEE and the intermediary. Those reports should include, but not limited to:

    - Summary of progress achieved during the reporting period including a description of activities completed, issues/challenges/ risks that may hinder securing the follow-on funding targets and results against the KPIs above.
    - Lessons learned and suggested modifications (if any) as it relates to the program design
    - Financial progress report detailed expenses and eligible interventions/activities
    - Results against the KPIs above

- Closing report that should include, but not limited to:
    - An executive summary of the results against the KPIs above, actions, key findings, and key issues (if any) that have hindered securing the follow-on funding
    - Lessons learned including the most/least effective interventions/activities as it relates to enhancing investment/market access readiness, and suggested modifications (if any) as it relates to the program design
    - Financial closure report of detailed expenses and eligible interventions/activities
    - Results against the KPIs above

4. Application Submission and Administration

Submission Instructions

Interested intermediaries can apply through the Grow.jo Portal (www.grow.jo). The firm can also track its application status and submit programmatic and financial reporting through the same portal.

Applicants can apply in Arabic or English. The applying intermediary should first create a username and password, log in, and then start the application process.

The applying firm should fill all required relevant fields before submitting the Application; otherwise, the Application will be rejected due to incompletion.

Questions and Inquiries

We invite all eligible intermediaries to seize this opportunity to enhance the success of your startup portfolio through customized, impactful interventions.

Administration Cycle

The application administration cycle will go through the following phases;

- Application submission
- Eligibility check; this will result in either eligible or not eligible, and companies will be informed accordingly with the reasons in case of not eligible.
- Shortlisting; this is done internally by the technical team and will result to either the application is shortlisted or not shortlisted, and intermediaries will be informed accordingly with the reasons in case of not shortlisting
- In case the intermediary is shortlisted, a private sector committee will be assigned for external evaluation. The winning the grant will be based on the highest score (Minimum of 75%) and more than one can win.
- After the due diligence phase (And once all submitted documents and information are verified), next will be the awarding phase where the agreements will be signed by both parties.

The duration of processing the applications is contingent upon the volume of received Applications.

5. Evaluation Process

The PMU will conduct a competitive selection process and invite intermediaries to apply and submit their proposals. YTJ will select intermediaries based on the following criteria:

Demonstrated experience and / or network of contacts in the targeted market(s)

1. Demonstrated experience in designing and implementing similar assignments;
2. Experience in working with startups and entrepreneurs in Jordan including women and Syrian refugees owned or led is preferable;
3. Understanding of the objectives and scope of the proposal
4. The quality of the design of the matchmaking program
5. The qualifications of the proposed project team
6. Cost: Determination of best value may not result in the lower cost being accepted.

Applications that receive the highest scores (with minimum 75%) will be shortlisted and therefore considered for funding after passing the due diligence phase. Possible evaluation decisions include: fully fund the request, partially fund the request, not to fund the request.

Applicants not shortlisted for the incentive will be informed at the initial stage of evaluation and the reasons behind the decision. However, firms can resubmit their Application when they address the grounds for disqualification.
The closure of applications is contingent upon funding availability.

6. Due Diligence Phase

As part of the evaluation process, the YTJ team will carry out a due diligence process for each of the shortlisted intermediary to review and audit the following:

- The ability of the intermediary to carry out its respective activities with due diligence and efficiency. This shall be in accordance with sound technical, financial, and managerial standards and practices and should abide by provisions of the Anti-Corruption Guidelines and labor law, certifying that the firm is not engaged in any illegal or excluded activity. If the due diligence and assessment of applicant capability result in any findings, additional documentation may be requested, i.e., audit reports, revenue, and expense statements, organizational chart, etc.

- The ability of the intermediary to record and keep its financial records and the systems in place
- The ability of the intermediary to maintain adequate records to be able to monitor and evaluate, in accordance with indicators acceptable to YTJ, the progress of its activities and the achievement of its objectives under the grant's agreement.

The intermediary should promptly inform YTJ of any condition that interferes or threatens to interfere with implementing the business development plan and the achievement of its objectives agreed upon in the agreement.

The intermediary should promptly permit YTJ staff to inspect its operations, including the payments made, and any relevant records and documents, and should quickly prepare and furnish to YTJ, all such information relating to the implementation of the activities, and the performance of its obligations under the agreement.

7. Inclusion

The intermediaries should ensure the inclusion of women-led entrepreneurs in the pool of startups that they will support through the programs/activities and offer tailored support to them, if necessary, to address any constraints disproportionately facing women entrepreneurs.

The intermediaries should also ensure the inclusion of Syrian refugee-owned or led startups in the pool of startups that they will support through the programs/activities and offer tailored support to them, if necessary, to address any constraints disproportionately facing Syrian entrepreneurs.

8. Reimbursement Conditions

The awarded professional intermediary will enter into a Sub-Grant Agreement with the Ministry of Digital Economy and Entrepreneurship (MoDEE) which will stipulate the grant amount the firm will receive, the milestones to be achieved, and the payments associated with each milestone (payment terms). The reimbursed amount **must not exceed USD 300,000, and it will cover up to 100% of the total eligible costs.** The intermediary is required to provide the ministry and/or the Independent Verification Agent (IVA) hired by the ministry, with all the supporting documents needed such as; Invoices, contracts, proof of payments, etc… that support all the expenses paid by the intermediary in order to achieve the specific milestone, and will be reimbursed to the limit of each milestone.

Payments will be disbursed according to the milestone payment table below and upon the submission of a comprehensive progress report by the intermediary. Each report should include an updated work plan, staff mobilization details, report templates, and an assessment of each startup's progress in key areas such as revenue growth, market expansion, matchmaking activities, and investments secured.

The company must pay the value of the import stamps, which equals 6 per thousand of the grant value, directly starting from the grant’s validity date, in order to avoid the required penalties.
If the company is foreign or a non-operating Jordanian company, a 10% income tax and a 1% national contribution will be deducted from the total agreement amount.

Milestone payment table:

Phase	Milestone	Payment
1	**Submission of the inception report**, including a detailed work plan and approved selection criteria.	5%
2	**Submission of the implementation plan,** covering all aspects related to building the startups' investment and market access readiness as well as supporting them in increasing revenue (e.g. acquiring new clients), securing funding, expanding into new markets, and achieving successful exits. The plan should include, but is not limited to, the following components: - list of startups - In-depth assessments to evaluate each startup's market expansion and investment readiness - Detailed intervention plans including: • The types of interventions and/or activities required for each startup to enhance investment readiness and their execution strategies • The fundraising and/or matchmaking approach tailored to each startup. • Key Performance Indicators (KPIs) for tracking progress toward target outcomes for each startup, such as securing funding, acquiring clients or deals, and achieving exits or mergers. These KPIs include: ○ **Revenue Growth**: Percentage increase in startup revenue post-intervention. ○ **Capital Raising**: Funds raised from investors or donors (Grants) during or after the completion of the program. ○ **Market Expansion**: Entry into new markets or significant increase in market share. ○ **Strategic Exits**: Successful exits resulting from the program.	20%
3	**Startup Preparation**; Implementing the interventions as outlined in the implementation plan and based on eligible activities	15%
4	**Proof of actual business matchmaking and linkages for at least 50% of the selected startups** (4–5 organizations per startup)	20%
5	**Proof of actual business matchmaking and linkages for the remaining startups** (4–5 organizations per startup), along with **the final closing report** that includes findings, recommendations, lessons learned, and results of the matchmaking. The report should also demonstrate progress toward or proof of achievement of commercial KPIs, including investments, deals, grants, exits, and market expansion.	40%