
Expression of Interest

**Establishment of E-commerce Marketplace for Non-farm
Products**

Mission Shakti Living Labs, Odisha India

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1. Summary

The United Nations Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 47 least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF's Centre for financial health (CFH) has partnered with the Government of Odisha to further strengthen the financial lives of women entrepreneurs under the aegis of Mission Shakti Programme- an initiative to empower women through credit and market linkages by organizing them in self-help groups (SHGs). Nearly 70 lakh women, organized into 6 lakh SHGs throughout Odisha, benefit socially and economically through affordable financing, income-generating opportunities, and skill development.

Under the partnership, CFH has set up the Mission Shakti Living Lab in the state, which aims to understand and improve the financial health of women entrepreneurs by designing and rolling out a suite of financial health-centric (digital) products and tools. The two main digital enabled services to be rolled out under the Mission Shakti Living Lab are E-commerce Marketplace for Self Help Groups/Producer Groups/Micro-enterprises and Financial Service Marketplace for SHG women/ low and moderate income households in the state. Through the establishment of these digital platform, project aims to achieve wider access to financial opportunities for SHG women and improved marketing outreach of SHG products and improved access to financial services and financial for SHG women and low-moderate income households.

The purpose of this Expression of Interest (EOI) is to invite firms or a consortium of firms working in tech providers, e-commerce organizations, marketplaces, technical advisory organizations etc. space to establish the E-commerce marketplace for non-farm products of the Self Help Groups /Micro-enterprises with a self-sustainable revenue generating model in Odisha. The scope of work for the selected partner would cover development, deployment and execution of the digital platform in the state. It is proposed that the selected partner would assist with deploying the platform and related infrastructure (e.g. business partnerships, back-end system, customer service, front-end resources for driving demand fulfilment, integration with other platforms of Mission Shakti Living Labs, etc). The selected applicant (s) will be supported by the Programme Management Unit (PMU) of CHF, the PMU will be based out of Odisha and will work alongside the applicant(s). Additionally, it will provide support on liaisoning with Mission Shakti, facilitate exchange of data, documents, clarifications, share insights from other interventions on-going in the state and support on execution. Through a separate engagement with the Govt. of Odisha, CFH will extend support toward product skilling for the SHG and enterprises.

In particular, the applicant(s) for establishing the E-commerce platform will be responsible to carry out the following activities:

- Development of the E-commerce Marketplace implementation blueprint with timelines and responsibility of its team
- Undertake the development/white label set-up of the E-commerce platform for the SHGs and enterprises ensuring a simple, rural aligned and easy to use interface using human centered approach
- Setting up logistic management hubs/ models by deploying and building capacity of field cadre for ensuring smooth supply chain management from the point of product creation (SHG enterprises to buyer)
- Ensure field readiness for the deployment of the E-commerce platform by undertaking capacity building of the SHGs/enterprises and field cadre for order fulfilment
- Undertaking marketing activities to ensure awareness and promotion of the platform and SHG enterprises. Creating awareness amongst local buyers and connecting them to SHG enterprises through the platform
- Development of SOPs and training material, marketing set-up for rollout of the platform
- Effectively deploy the E-commerce Marketplace in the state of Odisha and demonstrate the self-sustainable revenue generation model. The work will start in Sambalpur and Ganjam where the initial roll-out will take place and tested for working of supply chain, demand creation and fulfilment services etc. and would subsequently be scaled across the state. The PMU will support and work alongside the

applicant in Sambalpur and Ganjam and will provide support limited to facilitation of data, documents, clarifications with Mission Shakti in all other districts

- Enable marketplace transactions, by onboarding producers and buyers
- Ensure rigorous processes for data privacy, data security and consent of all users

The applicant/ lead applicant must be a registered entity with a local presence in India either through a registered entity or a branch office. The ideal firm will have demonstrated experience in working in any of the following areas e-commerce, marketplace, technology platforms, logistics management, rural markets, marketing, collective building or SHG enterprises.

Applicants may apply independently or in a consortium. The selected applicant/ lead applicant will sign a commercial agreement with a producer company identified by CHF based in Bhubaneswar. CHF will provide oversight support, insights on planning, monitoring of roll-outs, project management support through its PMU. The PMU will work closely with the partners and support the applicant in coordination and engagement under the project.

The applicant/ lead applicant will work together with CFH in a joint effort to establish E-commerce Marketplace for the SHG women and their institutions in Odisha.

Inquiries to this request for applications may be submitted by email to financial.health@uncdf.org and uncdf.rfa@uncdf.org by 6th May 2022.

All applications must be submitted by 23:59 hours (IST) on 16th May 2022 using the UNCDF e-investment platform: https://apply.uncdf.org/prog/establishment_of_e-commerce_marketplace_for_non-farm_products_under_mission_shakti_living_labs

2. Introduction- Mission Shakti

State Government of Odisha has mobilised 70 lakh women into more than 6 lakh women Self Help Groups in all 30 districts under Mission Shakti Programme, the main purpose of the programme is to increase incomes and ultimately, the quality of life of rural, low-and-moderate income women in the state. The programme aims to empower women entrepreneurs socially and economically through better credit and market linkages by organizing them in self-help groups (SHGs). Economic activities through SHGs significantly supplement women's incomes, subsistence farming or other activities, and this has led to an increase in monthly income Mission Shakti SHG women.

Through joining their local SHGs there are several benefits that are provided to these women under the programme. Being part of the women SHGs and through SHG-bank linkage initiatives, almost all women members have access to a bank account in the nearest bank branch. Furthermore, to ease access to financial services, SHG leaders are encouraged and supported to take the role of business correspondents. To support and undertake the mission activities at the grassroot level several community cadres (Bank Mitra, Master Book keepers, Community Resource Persons, Active women, Krishi Mitra, Prani Mitra etc.) are created under the mission, most of these community cadre are existing members of women SHGs who are further trained on specific subjects. There have been initiatives undertaken on skilling of products and marketing provided to these women by Mission shakti through government convergence with several departments.

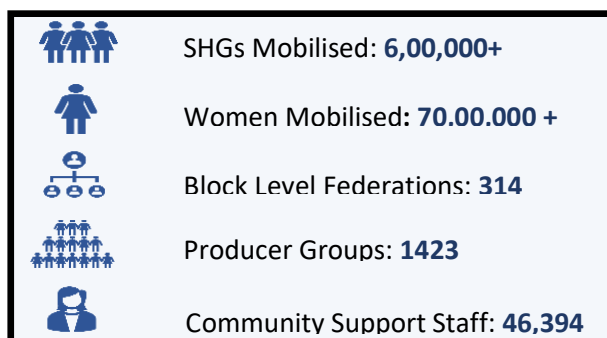


Figure 1: Mission Shakti coverage

The mission provides handholding support to the SHGs for mobilising credit from their local bank to enhance their existing livelihoods or taking new livelihoods activities. Most of these women are engaged in production of several farm and non-farm products which are sold by them at local level but have high potential of better price realisation if marketed effectively.

Credit Mobilised (For FY 2020-21)

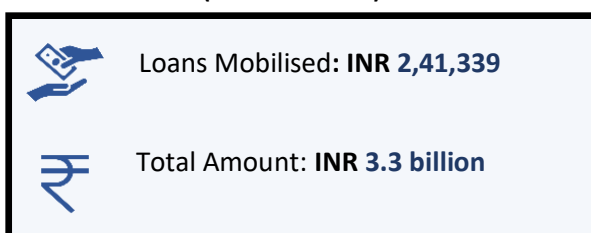


Figure 2: SHG bank linkage programme coverage

The above list of major non-farm activities is indicative¹, and the applicant can choose to use a value chain-based approach to focus on selected value chains with most potential. Further details provided in Annexure-I.²

Looking at the coverage, SHG membership and diversity of non-farm products, there lies vast potential in developing the enterprises, scaling them and connecting them locally in the state, domestically across the country and internationally. With setting up of effective marketing channels, aggregation model and logistic network, a sustainable business model can be established.

Odisha is one of the prominent states in the Handloom and Handicrafts map of the country providing livelihood to weavers, farmers, artisans and craftsmen in the state.

Odisha is well renowned for its tribal artforms and their distinguished design patterns which are highly appreciated and sought after by buyers nationally and internationally. In handicrafts, Odisha is famous for Pattachitra paintings, palm leaf paintings, horn work, bamboo craft, papier mache, applique work, lacquer work, bell metal and brass handicrafts, silver filigree work, stone and wood carving, terracotta pottery, golden grass and clay work, tribal jewellery and in Handloom products Sambalpuri Ikat, Bomkai cotton, Berhampuri patta, Khandua patta, Kotpad cotton, Habaspuri cotton, Saktapar/Pasapalli, Dongaria sarees and Sambalpuri sarees are some prominent products of Odisha.

Major Non-Farm Livelihood Activities

- ❖ Dhokra craft
- ❖ Coir
- ❖ Incense sticks
- ❖ Hill broom
- ❖ Sabai grass
- ❖ Jute Craft
- ❖ Terracotta
- ❖ Wood Craft
- ❖ Golden Grass
- ❖ Applique
- ❖ Palm leaves painting
- ❖ Pattachitra

Figure 3: Non-Farm Livelihoods

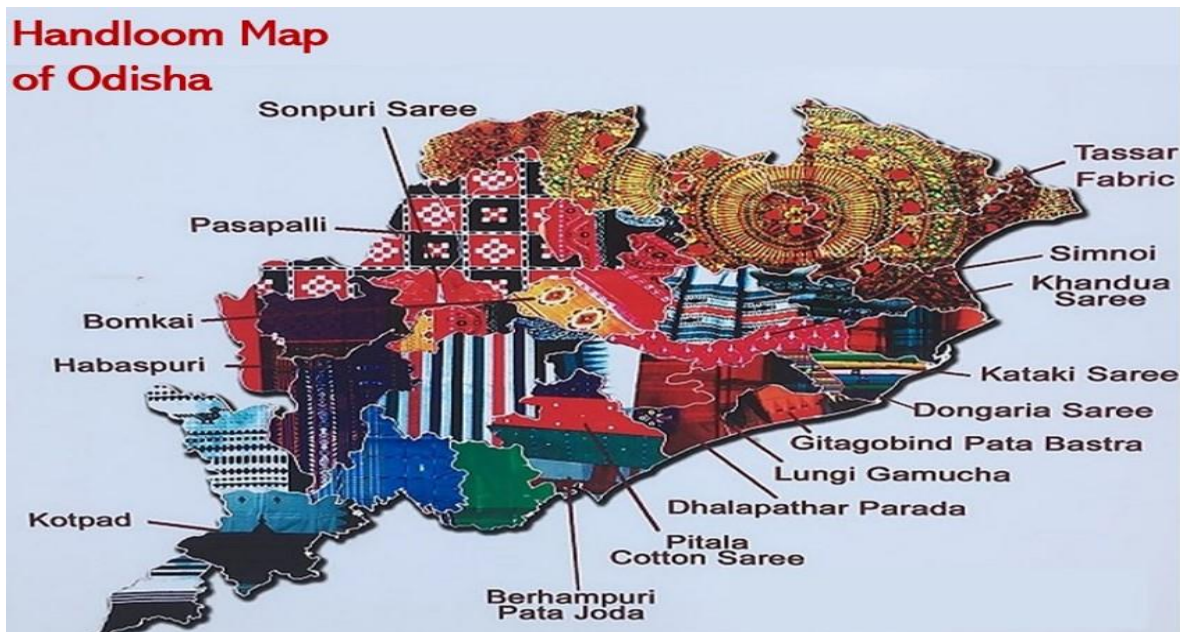


Figure 4: Handloom map Odisha (Source: official website - Handlooms, Textiles & Handicraft department, Government of Odisha)

¹ Mission Shakti programme data : The data provided in the Annexure is indicative in nature and is subjected to change as per the data analysis over the course of the programme

² Mission Shakti programme data : The data provided is indicative in nature and is subjected to change as per the data analysis over the course of the programme

HANDICRAFTS MAP OF ORISSA (MAJOR CRAFTS)



Figure 5: Handicraft map Odisha (Source: official website - Handlooms, Textiles & Handicraft department, Government of Odisha)

The diversity of unique artforms in Odisha express tremendous opportunities in creating market linkages through E-commerce platform which shall lead into a sustainable business model. Marketing plays very crucial role in non-farm products and with consumer segment targeted marketing strategies high profit margins can be realised for these products. All these products are hand made which also adds to the value of the product.

However, there exist significant barriers hindering women SHGs to pursue business expansion, potentially these will be addressed through a marketplace:

- Lack of access to digital Marketing channels to increase the outreach of their produce/products.
- Women's limited digital literacy to access technology for migrating businesses to digital marketplace platforms
- Limited understanding of marketing activities and marketing research
- Inadequate storage infrastructure and supply chain management knowledge for regular and timely logistics of products
- Lack of aggregation of produce which can enable collective bargain strength
- Lack of basic value addition facilities, skill and knowledge
- Lack of confidence in one's entrepreneurial abilities due to gender-biased societal and institutional attitudes

The selected partner for this EoI would be provided comprehensive support by different project stakeholders for establishment of the E-commerce marketplace in the state. CFH will provide oversight, supervision, and monitoring support for the project. The PMU will provide governmental coordination, liaisoning, secondary data and information, documentation and knowledge management support for the project. Mission shakti will provide infrastructure support for establishment of aggregation centre at block/district level as required under the project. All these supports systems are established to provide conducive environment for the selected agency to establish a sustainable business model for E-commerce Marketplace in Ganjam and Sambalpur. The partner can then scale-up these interventions across all relevant districts of the state to achieve the programme milestones.

3. E-commerce Marketplace

The selected partner for this EOI would be provided comprehensive support by different project stakeholders for establishment of the E-commerce marketplace in the state. CFH will provide oversight, supervision and monitoring support for the project. The PMU will provide governmental coordination, liaisoning, secondary data and information, documentation and knowledge management support for the project. Mission Shakti will provide infrastructure support for establishment of aggregation centre at block/district level as required under the project. All these support systems are established to provide conducive environment for the selected agency to establish the sustainable business model for E-commerce Marketplace in Ganjam and Sambalpur. The partner can then scale-up these interventions across all relevant districts of the state to achieve the programme milestones.

The purpose of this Expression of Interest (EOI) is to invite the tech providers, e-commerce organizations, marketplaces, technical advisory organizations etc. to establish the Non-farm E-commerce marketplace for the Self Help Groups /micro-enterprises with a self-sustainable revenue generating model in Odisha. The scope of work for the selected partner would cover development, deployment and execution of the digital platform in Odisha. It is proposed that the selected partner would assist with deploying the platform, related infrastructure (eg. Business partnerships, back-end system, customer service, front-end resources for driving demand fulfilment, etc) in a way that all of this infrastructure could be anchored under the producer company at state level. The partner has to propose a model that would sustain itself through the transactions that are driven on the platform and also cover the cost for implementation towards maintaining the infrastructure as part of this engagement. It is proposed that the partner proposes an investment model where the upfront cost of shaping the infrastructure is covered. For the sustainability of the marketplace most optimal profit distribution model has to be established. The partner can propose physical infrastructure required to kick-start the operations (eg: fulfilment centres in districts/blocks, etc). On part of CFH the partner would be eligible to participate in an outcome-based fund that would be triggered basis the achievement of different outcomes like (increase income for women micro-enterprises, sales value/volume, etc). The selected partner under this engagement would sign an agreement with the Producer Company (selected by Mission Shakti Programme Team), CFH will facilitate the partnership by providing overall supervision and guidance on the project through its project management unit. The PMU will also provide support to the selected applicant to liaison with Mission Shakti and facilitate exchange of data, documents, clarifications etc. Through a separate engagement with the Govt. of Odisha, CFH will provide support on product skilling to the enterprises so that the products are market ready. In addition to the Non-farm products E-commerce marketplace, a farm products E-commerce marketplace will also be developed under the Mission Shakti Living Labs programme through a separate partnership. It is envisaged that platforms that will be created under the programme over the course of the programme period are able to integrate with one another.

The marketplace is envisaged to provide a wider marketing outreach to SHG products which shall translate into profit maximization and risk reduction. In the initial phase of the Project, the Marketplace is to be rolled out in Ganjam and Sambalpur districts of Odisha to test and establish the most comprehensive model(s) for sustainable revenue generation and operational management. In this phase, the selected organization/firm will deploy the E-commerce Model on the ground to test its viability and feasibility and shall make course corrections in the model for ensuring its sustainability. Once the model is established with sustainable revenue systems in place, the E-marketplace would be scaled to all the districts in the state. The PMU established by CFH will support and work along with the applicant's team in the districts of Ganjam and Sambalpur only. Once the model is stabilized, towards the end of year 1, the applicant is expected to scale up the interventions in a phase wise manner to all other districts of the state. The PMU will provide facilitation support in the scale-up.

The marketplace will cater to both B2B and B2C transactions, but before moving to B2C modality it is suggested that B2B modality shall be established. Once the functionality of B2B transactions is stabilized and streamlined then B2C modality shall be undertaken under the project. The marketplace will also overtime create a digital footprint of the SHGs/PGs/micro-enterprises which will enable data driven decision making for better business outcomes. Though this is not mandatory, and the applicant can provide an alternate strategy as part of their proposal.

In addition to the digital infrastructure, there are several systems and processes which are to be ensured for the deployment of the E-commerce Marketplace at the ground. The applicant must also provide an approach for the entire value chain and order cycle to ensure satisfactory order fulfilment i.e. (i) identification of enterprises (ii) Order management (iii) Order communication to enterprises (iii) Order fulfilment (iv) quality check (v) standard branding and packaging (vi) return policy and management (vii) order logistics (enterprise to buyer) and (viii) Customer support and feedback mechanism.

Additionally, the applicant must also provide a marketing strategy to (i) create awareness about the product (ii) connect buyers and sellers (iii) analysis of buyer needs and requirements. Details on the major components of the E-commerce Marketplace are mentioned below:

a. Aggregation point

Aggregation point would be physical infrastructure established at the district/block/cluster level as per viability and feasibility of the model to provide essential services for demand fulfilment. The aggregation model will serve as a point of aggregation where the products would be accumulated from the seller before dispatching to the buyers. Essential services such as inventory management, final quality check, packaging, dispatch of orders etc. would be performed at the aggregation point. The applicant(s) through their proposal can indicate in what manner and where they would be setting up a singular or multiple points of aggregation for the programme.

b. Quality Assurance

For Quality assurance of the dispatched orders, the applicant's team will play a vital role in undertaking the quality checks for the products. It is ideal if the quality check is done at least two levels. One when order is picked from the enterprise and second when the quality assurance team/ expert receives it before its ready for dispatch to the consumer. The expert or team for quality assurance will undertake thorough quality and standardization checks of the products and deem them either “pass” or “fail” to be further processed against the order. The expert or team will also check the necessary certifications as mentioned by the buyer as the case may be. Quality check would be conducted as per the Quality and Standardizations SOPs.

Managing Returns: In case the product fails to pass the quality assurance by quality assurance personnel, there should be a defined policy on whether the items will be returned to the seller or any other action will be taken.

c. Logistics Management

The applicant will propose a structure (expert or team) that will undertake management of necessary logistics for the orders placed on the marketplace. Transport of goods from the seller to a common point (if any) and then to the buyer. For ensuring the logistic services, the logistic team shall identify and foster formal partnership with the logistic service providers by establishing the optimal costs with timely service for the transport of the orders. Coordination support for the logistic services would be provided by the structure identified

d. Portal Management

A team would be responsible for the management of e-commerce marketplace portal. The scope of work would involve updating the order details such as order dispatch details, Order tracking details, order returns, receiving of the payment, inventory/stock management etc. they would also create regular data reports based on the performance of the transactions undertaken through for reviews and course correction.

e. Field Cadre

A network of field cadre at the grassroot level shall be established to provide handholding support to the seller on operating the E-commerce Marketplace, facilitating buyer connect, logistic services, understanding and coordinating order requirements, performing primary quality check at the seller location etc. The field cadre shall play a vital role in providing constant comprehensive support to aggregation point for coordinating all the activities for demand fulfilment and seller-buyer connect. The Field cadre would work as a pivotal point for aggregation model, sellers and buyer to facilitate engagements for demand fulfilment. The applicant(s) can indicate in their proposal whether they have existing cadres, will be utilising the various cadres that exist with government or private agencies or will establish a new cadre to carry out field operations.

f. Marketing and Outreach

Marketing plays a key role in the project success. For the Marketing of the platform at the state and national level a Marketing team/expert shall be placed under the project to ensure effective marketing and outreach of the E-commerce marketplace. The main objectives and activities of the marketing and outreach team would be as follows:

Objective 1: Perform periodic assessment of the key marketing aspects for enterprise products to provide data-driven insights which shall lead to profit maximization and

❖ *Activities*

- **Demand and Trend Analysis:** Assessment of demand and its trend for key SHG products in different markets, geographies, and seasons. This assessment will also cover the identification of prevalent quality standards being used in the open markets for different products being produced by the SHGs in the State. Based on the demand and market study, SOPs shall be defined for conducting quality checks that are performed for non-farm products.
- **Product Diversification:** Based on the present/current market trend identifies products that can be produced with minimal processing and additional upgrading of existing SHG products and suggest the scope of product improvement, diversification for better profit margins.
- **Product Pricing:** Based on the market analysis of prices of products produced by SHGs, suggested the suitable prices for achieving maximum sales with optimal profit margin
- **Competitive Assessment:** Undertake an assessment of the competitors of the SHG products in the market and provide key insights to leverage the strengths and overcome the weakness of the SHG products
- **Consumer Insights:** Assess the key aspects (quality, price, utility, brand value, certifications etc) which motivates the consumer to buy a particular product, what are the target consumer segments (income, age, gender, profession etc) for different products, these insights shall be essential for advertisement and awareness building regarding the products.
- **Customer Satisfaction:** This is a vital aspect of marketing research to collect feedback from the customers on sold products and translate feedback into actionable tasks/activities to improve customer experience and trust.

Objective 2: Ensure the outreach of SHG products in state and national level markets to facilitate market linkages and sales

❖ *Activities*

- **Branding:** For the branding, the marketing team will use standard branding templates pre-approved by mission shakti as the umbrella brand for all the products sold through the E-commerce market, it will also identify a theme (colour palette, font, formatting etc) for the brand for standardization
- **Packaging Material:** For each product, based on the competitive advantages of the SHG products marketing team will identify product-wise USPs which makes the SHG products stand out from its competitors which will be mentioned in the product packaging.
- **Marketing Outreach:** The Marketing team will undertake awareness generation and advertisement activities at the different state and national level events and forums, identify and reach out to potential buyers (superstore chains, clothing brands, handicraft bands etc.) for establishing market linkages, identify the demand of SHG products in the government works and facilitate governmental convergence (i.e. notepads, files/folders, stationaries, refreshment snacks for Workshops and Meetings can be sourced form SHG products).
- **Advertisement:** For the wider exposure of the E-commerce Marketplace, marketing team will undertake advertisement through Newspapers, governmental newsletters, community and FM radio, television ads(cost-intensive), banners and hoarding etc. E-commerce Marketplace social media handles will also post seller stories to the development social welfare and humanity aspects linked with the SHG products and brand
- **Social Media/Internet Marketing:** Social media handles in all the major platforms would be created and managed for E-commerce Marketplace with regular updates on discounts and offers. Targeted Paid Advertisement in Social Media Marketing will be done based on the products-wise consumer profiling done through marketing research

g. *Capacity building for E-commerce Marketplace*

Capacity building is a quintessential component of the project. The deployment of the E-commerce marketplace requires building the capacities of the sellers (SHGs/micro-enterprises) so that they acquire the competencies required for using the digital platform and managing all the aspects of the undertaking orders and transactions

on the e-commerce platform. The stakeholder-wise capacity building/training to be undertaken under the project are as mentioned below:

i. SHG women

- Basic training on digital literacy to make them understand how to use the e-commerce platforms and its applications
- Training on mobile photography for taking good pictures of the products
- Training on Social Media Marketing (Facebook, Instagram, WhatsApp, etc)
- Training on online payment systems (mode of payment defined for the e-commerce platform)

ii. Field Cadre

- Training on E-commerce platform on how to use the field cadre interface of the application
- Training how to ensure the quality and standards of the products
- Training on supporting the producers and providing handholding support

iii. Digital Training Material

In addition to the training of different stakeholders, digital training material would also be developed so it can be revisited by the different stakeholders as and when required. The training material can be developed by the applicant. The content needs to be customized so that it is understood by the target audience (language and dialects) some of the suggestions are as below:

- Short video clips on how to use different features of the e-commerce marketplace
- Flyers showcasing the features of the application with QR code to the digital training material links
- Flyer targeted for on-boarding the buyer with USPs of the platform and benefits for buyers
- Development of Digital training material for the Buyers (Flyers, video clips etc.) on E-commerce platform

3.1 Non-farm-based Products

Looking at the diversity and demand of the non-farm livelihoods products in the state, presently 22,942 SHG member households are involved in non-farm livelihoods under Mission Shakti with an annual net income of 33.3 Cr³. Presently most of these members are selling their products to local shops, vendors or supplier with minimal profit margins. The uniqueness and exclusivity of these non-farm products creates high business potential for these products at national and international markets which gives them clear market edge over other non-farm products.

Role of stakeholders

The main stakeholder who would be responsible for ensuring the functionality of the non-farm supply chain for undertaking the transactions on the E-commerce Marketplace are Seller (SHGs/PGs/SHG enterprises), Field cadre, point of aggregation and buyer. Each stakeholder will play an essential role in the supply chain as follows:

i. Seller (SHGs/ micro-enterprises)

The seller would be responsible for ensuring the quantum and the quality of the placed order as per the buyers' requirements. The main functions of the seller in the supply chain are as follows:

- Production of products as per quality and quantity within the decided timelines
- Ensuring the quality and standard of the product as mentioned by the buyer
- Uploading the images and other product details on the E-commerce marketplace
- Responding to the queries raised by the buyers and the platform team(s)

³ Mission Shakti programme data: The data provided is indicative in nature and is subjected to change as per the data analysis over the course of the programme

ii. *Field cadre*

Field cadre will play a vital role in providing grassroots level support to both seller and aggregation points in the realization of the order. The main functions of the field cadre are as follows:

- Provide onboarding support to the seller on the platform
- Connect with buyers to understand their requirements and conditions
- Coordinate with sellers and make them understand the buyer's requirement and quality expectations
- Information dissemination to the sellers as per the guidance of the platform
- Conduct primary quality check of the order at the seller location
- Coordinate transportation options to the sellers for transportation of the order to the point of aggregation

iii. *Point of aggregation*

The point of aggregation will play the pivotal role of coordinating with all the stakeholders in the transaction and ensuring the demand fulfillment of the order placed in the E-commerce marketplace. The main functions of the are as follows:

- Ensure the quality and standardization of the orders
- Provide logistical support for processing the order as required
- Assigns the field cadre to respond to the queries and clarification sought by the buyers
- Monitors the order timeliness and requirement against the requirement of the buyers
- Inventory/stock management of the orders received from sellers and dispatch to the buyers
- Process payment of the field cadre and other administrative task for functionality
- Receive and payment against the order and after successful completion of order pays to the seller

iv. *Buyer*

Buyer also plays an important role in the product transaction. The main functions of the buyer are as follows:

- Places order on the marketplace with all the key specifications
- Makes advance payment against the order (to be decided)
- Provide feedback on orders and products

3.2 Resource Mobilization

The PMU will provide support to the applicant on liaisoning with Mission Shakti, facilitate exchange of data, documents, clarifications, share insights from other interventions on-going in the state and support on execution of project activities. The PMU will work closely with the all the programme partners and support the applicant in coordination and engagements under the project. The PMU established by CFH will support and work along with the applicant's team in the districts of Ganjam and Sambalpur only. Once the model is stabilized, towards the end of year 1, the applicant is expected to scale up the interventions in a phase wise manner to all other districts of the state. The PMU will provide support limited to facilitation of data, documents, clarifications with Mission Shakti in the scale up in other 28 districts. The applicant will be expected to roll out of the E-commerce Marketplace to other districts in the state. The applicant is expected to provide CFH with a budget template for undertaking each activity in Ganjam and Sambalpur and for the scale up. The applicants are encouraged to contribute towards the cost and can get additional donors or funding partners as part of their consortium. The selected firm/organisation is expected to mobilised funds/resources and/or foster partnerships as required for scaling the E-commerce Marketplace to other districts in the state.

4. Scope of Work

Activity 1: Undertake the development/customization of a white label set-up of the E-commerce platform for the SHGs and micro- enterprises ensuring a simple and easy to use interface using human centred approach

- i. The platform should be able to carry out processes that will be indicated in the applicant(s) technical proposal. The applicant(s) can detail out the features of their platform in the technical proposal and provide additionality. But the platform should at least provide the following:-

- SHG/ micro-enterprise profiles and products they sell with a mechanism to keep the quantity updated
- The buyer profiles
- Mechanism for buyer and seller interaction, query resolution and a mechanism to see open queries
- Mechanism to create orders and fulfill orders within system
- Mechanism for buyer and seller ratings
- Ability to conduct payments through the platform
- Ability to integrate with any other mission Shakti platforms being created as a part of the Mission Shakti Living Labs programme
- Mechanism for data privacy, security and consent from users
- Management dashboard showcasing various customizable data reports for decision making
- ii. Work with the PMU to understand the landscape and create a blue print of the interventions
- iii. Based on the blueprint of the E-commerce Marketplace develop the prototype of the mobile application
- iv. Undertake beta testing of the prototype of the application for capturing information and insights from the users in terms of User Interface (UI) and User experience (UX)
- v. Based on the user testing information and insights, development of the first version of the E-commerce marketplace application for testing in phase 1 geographies
- vi. Rollout of pilot version of the application and capture critical inputs in terms of processing of transactions, payment gateway, demand fulfilment for development of final mobile and web application
- vii. Development of the final version of E-commerce marketplace mobile application (with website version) and admin dashboard
- viii. Creation of mechanisms for portal management. Defining and executing who will manage the portal, how it will be accessed by suppliers and buyers and the role the applicant's team will play

Activity 2: Creation of processes for effective and quality supply chain management

This could include an aggregation model, logistic management hubs or models by deploying field cadre and existing cadres.

- i. Creation of an organogram and structure for effectively undertaking the activities. This can be phased out keeping in mind the initial phase and scale-up
- ii. Create process SOP for the supply chain management from the producer to the end buyer. Development of tool kit for ensuring the effective backward linkages for steady demand fulfilment. SOPs for the functional modalities for the aggregation point shall be developed. SOPs for product quality check to be developed shall be developed.
- iii. Deploy or create a cadre of cadre that will undertake the activities on ground
- iv. Establishment a point of aggregation model for ensuring demand fulfilment. The human resource placed at the aggregation point may undertake quality checks, certification checks, dispatch and returns (warehousing, logistics), packaging and other required services
- v. Establish mechanisms for effective quality check of the products from the point of collection from producer to final delivery to buyer
- vi. Set up mechanisms for effective delivery to the buyer

Activity 3: Ensure field readiness for the deployment of the E-commerce platform by undertaking capacity building of the SHGs/ micro- enterprises and other field cadre for order fulfilment

- i. The selected agency can on their own or by getting an external partner develop the training material for building understanding of the marketplace for the user and the cadre on field. The applicant(s) can

provide their plan for capacity building including suggestive frequency, types and modes as a part of their technical proposal

- ii. Undertake the training program for sellers, field cadre, programme staff on the E-commerce marketplace
- iii. Undertake training of the members of selected producer company on key functions to be undertaken for management and running of E-commerce Marketplace
- iv. Establishment and provide training to the field cadre network will undertake activities for new lead generation and order fulfilment
- v. Over the programme period build the capabilities of the stakeholders to effectively use the marketplace

Activity 4: Creation of a marketing-set up for product selection, awareness and brand development

- i. Conduct market research for development of marketing strategy covering key components of the e-commerce platform such as product placement, product pricing, sharing of revenues between different stakeholders, competitive assessment, demand analysis etc.
- ii. Identification and outreach to individual and institutional buyers at local and national level for facilitation market linkages
- iii. Development of branding, packaging and label material and processes
- iv. Strategy for awareness creation on the E-commerce Platform through advertisement campaigns in print media, social media or physical spaces

5. Expected outputs

1. Blueprint for the e-commerce marketplace along with its interventions to be prepared and approved by CFH and Mission Shakti. Phase wise approach is recommended. It's critical that transactions occur within the platform
2. SOPs for each activity and sub-activity of the programme and establishing due processes and capacity within the organization
3. Providing dashboard for management decision making with focus on data security, privacy and consent
4. On-boarding 500 SHG/ micro-enterprises on e-commerce/marketplace platform by Dec 2022
5. On-boarding cumulatively 2,000 SHGs/micro-enterprises on-boarded on e-commerce/marketplace platform by Oct. 2023
6. On-boarding cumulatively, 4,000 SHGs/micro-enterprises on-boarded on e-commerce/marketplace platform by May 2024
7. On-boarding cumulatively, 7,000 SHGs/micro-enterprises on-boarded on e-commerce/marketplace platform by August 2024
8. Cumulatively, 10,000 SHGs/micro-enterprises on-boarded on e-commerce/marketplace platform by Jan 2025
9. Ensuring the SHG/ micro-enterprises are able to connect with buyers, create the products required and supply as per need
10. Ensuring that the onboarded SHGs are actively transacting within the programme period and have mechanisms of support to use the platform post the programme period

6. How UNCDF works with partners

UNCDF takes a tailored approach to engagement with partners, working with each throughout to identify business and customer needs, and helping to design, pilot and scale up the solution along the way. Some examples of the ways in which UNCDF works with partners include:

- **Product Research:** Sharing market research and knowledge to deepen partners' understanding of customers' behaviours, needs, constraints and aspirations. This also includes providing transaction

data analysis and training to the business teams

- **Product design:** Providing human-centred design expertise to better understand the customer journey - physical and financial – for better product design and use-case development tailored to the needs of low-income customers and their families. The efforts may also involve analysing the transaction data from a customer lens
- **Provisioning:** Providing technical assistance to help design, pilot, deploy, and scale up solutions for impact. Technical assistance is provided by digital finance experts who are experienced in product design, business model development and go-to-market strategies in some of the most challenging markets in Africa and Asia
- **Partnerships:** Facilitating strategic partnerships with stakeholders – including cross-border payment hubs, mobile network operators, financial institutions, and non-bank financial institutions – to enable partners to reach last-mile customers, and to grow sustainably. UNCDF is uniquely positioned to be a neutral broker of partnerships and has a record of building strong relationships with private and public organizations across Africa, Asia, and Pacific
- **Policy and Advocacy:** Convening efforts to support an enabling environment and build policy and advocacy capacity for human-centred products and services to be piloted and potentially scaled

In the EOI applicants may identify and suggest areas where the technical support from UNCDF and its network of expertise is sought.

7. Eligibility and Evaluation Criteria

Only applications that meet the eligibility requirements and the minimum criteria for submission will be considered:

7.1 Eligibility Requirements

1. The applicant/lead applicant must be a registered organization (includes for-profit firms, universities, think tanks and non-profit organizations).
2. The applicant/lead applicant must have a local presence in India either through a registered entity or a branch office.
3. Applicants may apply independently or in a consortium.
4. The applicant/lead applicant must have been in operations for at least three years and must be able to furnish statutory accounts and audited financial statements for at least three years.
5. Applicants shall not have been the subject of bankruptcy, liquidation, judicial settlement, safeguarding, and cessation of activity or any other analogous situation resulting from a similar procedure.
6. Applicants, any of their staff members or their board of directors shall not be included in the United Nations financial sanctions lists⁴, particularly in the fight against the financing of terrorism and against attacks on international peace and security.
7. Applicants must not be involved in any of the following activities(cite):
 - Manufacture, sale or distribution of controversial weapons or their components, including cluster bombs, anti-personnel mines, biological or chemical weapons, and nuclear weapons
 - Manufacture, sale, or distribution of armaments and/or weapons or their components, including military supplies and equipment
 - Replica weapons marketed to children
 - Manufacture, sale or distribution of tobacco or tobacco products
 - Involvement in the manufacture, sale, and distribution of pornography

⁴ <https://www.un.org/securitycouncil/sanctions/information>

- Manufacture, sale, or distribution of substances subject to international bans or phase-outs, or wildlife or products regulated under the CITES
- Gambling, including casinos, betting, etc. (excluding lotteries with charitable objectives)
- Violation of human rights or complicity in human rights violations
- Use or toleration of forced or compulsory labour
- Use or toleration of child labour
- Applicants shall have fulfilled all the obligations relating to the payment of social security contributions or obligations relating to the payment of taxes in accordance with legal provisions in force in the country of incorporation

UNCDF will conduct due diligence on selected applicants. Applicants must have documents ready for confirmation that they meet the eligibility criteria, including certificates of compliance with the tax authorities and any other documentary evidence that might be requested by UNCDF besides the application form.

7.2 Evaluation Criteria

The Evaluation Committee will score the applications according to the below evaluation criteria. The evaluation will follow the combined scoring method:

Rating the Technical Capability (TC):

Criteria: Demonstrated experience and team capabilities in	Maximum score
Working with SHGs/ forms of collectives/non-farm clusters and communities/ e-commerce in rural areas	10
Creation of technology platforms or digital marketplace that work in Mobile application and website mode and work in rural context	10
Demonstrated ability to manage logistics and supply chain in the programme context	10
Commercial sustainability of the proposal	10
Mechanisms for data privacy, security and consent of users and ability to integrate with other platforms that will be developed under the Mission Shakti Living Labs	10

TC score = total score obtained from above technical evaluation

Rating the Organization's capacity (OC):

Organization's capacity to undertake the programme	Maximum score
Applicant/ lead applicant human resource capabilities and suitability of the team members to the project demonstrating experience in areas of the technical capability, rural or Odisha	10

OC score = total score obtained from above organization capacity evaluation

Rating the Financial Proposal (FP):

Organization's capacity to undertake the programme	Maximum score
Financial offer/cost to complete the project	10
Applicant/ consortium's co- contributing resources towards the project research cost	20

FP score = (offer price/lowest offer) x20 + (% cost contribution/% maximum contribution bid) x10

Total score: TC score + OC score + FP score

Due diligence on the applications and applicants that receive the minimum qualifying technical and organization capacity score of 70 of 100 will be conducted by the review panel. Applicant obtaining the highest Total Score will be selected for the next stage of the process that will lead to a Request for application (RFA)

7.3 Eligible costs

The criteria for eligible expenditure determine whether a cost qualifies for funding under UNCDF rules and procedures. The general criteria for eligibility of costs under UNCDF funding include the following:

- Eligible costs must be incurred by the applicant during the project (after the signature of the Performance-based Agreement and up to the end of the Grant period)
- Eligible costs should be indicated in the estimated overall budget of the action attached to the Performance-based Agreement
- Costs must be identifiable and verifiable, in particular being recorded in the accounting records of the applicant and determined according to the applicable accounting standards of the country where the lead applicant is established
- Costs must comply with the requirements of applicable tax and social legislation
- Costs must be reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency
- Consultancy costs – under studies, technical assistance and other advisory services under the programme carried out by international and national consultants – are eligible as follows. Professional and consultancy services are services rendered by people with a special skill, and who are not officers or employees of the organization applying for the grant. Consulting services must be justified, with information provided on their expertise, primary organizational affiliation, normal daily fee, and number of days of expected service. Consultants' travel costs, including for subsistence, are to be shown as travel expenditure. The applicant may be required to justify the daily fee
- Workshop costs are eligible, for the workshop venue, food and beverages, and publication material
- Training expenditure (financial education, digital education, soft skills) for the project's final beneficiaries is eligible. If applicable, this will include all related expenditure, such as the cost of the venue, participant travel, and so on. Training for the employees of the institution applying for the grant is also eligible as long as it has been demonstrated that it will link directly to the project output
- Investment costs directly attributable to the project, relating to research and innovation, are allowable

7.4 Ineligible costs

The following costs are ineligible and not accepted:

- Returns on capital and dividends paid by a beneficiary
- Debt and debt service charges
- Provisions for losses or debts
- Interest owed
- Costs declared by the applicant in the framework of another action receiving a grant financed from another donor

Indirect costs, also called overheads

8. Agreement Parameters

8.1 Applicants

Eligible candidates can apply alone or as lead applicant in a consortium of firms, if they comply with the eligibility requirements set forth in the preceding section. In the case of a consortium of entities applying to the EoI, the lead applicant shall comply with the eligibility requirements. The lead applicant will be responsible for:

- Submitting the application form on behalf of the consortium
- Ensuring that each partner is fully aware of the composition of the partnership and of the contents of the Application Form
- Signing the Performance-based Agreement with UNCDF and commercial agreement with the Producer Company identified under the Programme
- Fulfilling all obligations set out in the Performance-based Agreement
- Ensuring the allocation and the fulfilment of the funds amongst the partners in the consortium in compliance with the Performance-based Agreement
- Ensuring the allocation and the fulfilment of the tasks amongst the partner in the consortium in compliance with the Performance-based Agreement

8.2 Target segment and geographical scope

- The target segment of this EoI are women SHGs and micro-entrepreneurs under in the Mission Shakti Programme in Odisha, India
- The geography spreads across 30 districts of Odisha, India

8.3 Programme duration

- The programme activities are expected to be terminated no later January 2025. Final and assessment report will have to be submitted no later than April 2025.

8.3 Language

- The deliverables and any correspondence between the applicant organization and UNCDF must be in English

9. Application Requirements and Timeline

9.1 Structure of the application

- The applicant must submit a complete application form according to Annex 1 (Submission Letter), Annex 2 (Technical Proposal) and Annex 3 (Budget of the Action).
- In Annex 2 or the technical proposal, applicants are expected to include the following:
 - Detailed research design and methodologies for all three Activities including research questions outlined in the learning agenda and that includes sampling plan, survey methods, data sources, data handling protocols, and ethical considerations
 - Risks and mitigation strategies
 - Resourcing requirements and a workplan/roadmap for the full duration of the programme
- In addition to the 'Submission Format' the applicant must supplement the submission with:
 - Audited financial statements for the past three years;
 - Certificate of incorporation of the applicant/lead applicant;
 - Detailed budget;
 - CVs of the team involved highlighting research-related experience;

- List of the similar research projects completed by the applicant

All submissions must be completed in English.

Only applications that follow the Submission Format and include all the necessary documentation will be considered for further evaluation.

9.2 Submission of the application

Inquiries to this request for applications may be submitted by email to financial.health@uncdf.org and uncdf.rfa@uncdf.org by 2nd May 2022. The subject line of the email should be: EoI – Establishment of E-commerce Marketplace for Non-farm Products

All applications must be submitted by 23:59 hours (IST) on 16th May 2022 to UNCDF using the UNCDF e-investment platform: <https://apply.uncdf.org/prog/establishment-of-e-commerce-marketplace-for-non-farm-products-under-mission-shakti-living-labs>

The submission shall include the following documents duly completed:

- Annex 1: Submission Letter
- Annex 2: Technical Proposal
- Annex 3: Budget Action
- Other attachments

9.3 Application Timeline

15 April-2022	Application window opens
6-May-2022	Deadline to seek clarification
16-May-2022	Submission deadline
May 2022	Announcement of results

9.4 Real-time assistance from UNCDF

For requests and queries, send an email to financial.health@uncdf.org and uncdf.rfa@uncdf.org.

A document answering frequently asked questions will be continually updated at

<https://www.uncdf.org/article/7641/establishment-of-e-commerce-marketplace-for-non-farm-products>

10. Selection Process

The evaluation committee will follow the following steps to select the partner research entity for this EoI:

Step 1: Eligibility Screening	Eligibility will be assessed by the CFH review team members according to the eligibility requirements as set forth in eligibility section.
Step 2: Evaluation of eligible applications by the Evaluation Committee	The evaluation Committee will evaluate the applications based on the evaluation criteria set out.
Step 3: Due diligence	Due diligence on the applications and their applicants will be conducted by the review team on applications that receive the minimum qualifying score (70/100).
Step 4: Notification of applications	All applicants will be notified of the status of their applications.
Step 5: Next steps	The next steps will be announced for the selected applicants. This may include undertaking the RFA process

Annexure -I : District-wise non-farm Livelihood activities

S. No.	Districts	Product Category
1	Anugul	Handloom
		Brass & Bell Metal
		Terracotta
		Footwear (Slipper Unit)
2	Balasore	Coir craft
		Sabai
		Terracotta
		Bamboo & Cane craft
		Macrame
		Areca
3	Balangir	Handloom
		Terracotta
		Bamboo craft
4	Bargarh	Handloom Silk/Cotton Sarees
		Terracotta
		Bamboo craft
5	Bhadrak	Golden Grass
		Terracotta
6	Boudh	Handloom
		Bamboo craft
		Copper Craft
7	Cuttack	Handloom Sarees & Dress Material (Specially Khandua)
		Jute Craft
		Silver Filigree
8	Deogarh	Dhokra Casting
		Bamboo craft
9	Dhenkanal	Dhokra Casting
		Tribal Jewellery
		Straw Craft
10	Ganjam	Coir craft
		Handloom
		Straw Craft
11	Gajapati	Horn Craft
		Hill Broom
12	Jagatsinghpur	Terracotta
		Jute Craft

		Golden Grass
13	Jharsuguda	Bamboo craft
		Hill Broom
14	Jajpur	Handloom (Tassar)
		Golden Grass
		Terracotta
15	Kendrapada	Golden Grass
		Terracotta
		Bamboo craft
16	Kalahandi	Terracotta
		Wood craft
		Bamboo craft
17	Keonjhar	Papier-Mache
		Terracotta
18	Koraput	Bamboo craft
		Kotpad Handlooms
		Terracotta
19	Khordha	Brass & Bell Metal
		Power loom/Handloom
20	Kandhamal	Apparel Making
		Wood craft
		Bamboo craft
		Sal Leaves Plates
		Aggarbati
21	Mayurbhanj	Sabai
		Bamboo craft
22	Malkangiri	Terracotta
		Bamboo craft
23	Nabarangpur	Terracotta
		Tribal Jewellery
		Handloom (Nabrangi Saree)
		Paddy craft
24	Nuapada	Wood craft
		Handloom
		Woollen
25	Nayagarh	Terracotta
		Bamboo craft
		Wood craft
		Coir craft
26	Puri	Applique
		Pattachitra
		Coir craft
27	Rayagada	Hill Broom
		Bamboo craft

		Phenyl
28	Sonepur	Terracotta
		Handloom (Silk Sarees)
29	Sambalpur	Handloom
		Terracotta
		Bamboo craft
		Apparel Making
		Sal Leaves Plates
30	Sundergarh	Terracotta
		Bamboo craft