



Ministry of Digital Economy and Entrepreneurship  
Youth, Technology, and Jobs Project (YTJ)

Expanding the Digital Sector and Digital Government  
Services in Jordan

Business Development Grants to Digital Firms

GrowJo (Expansion)

Request for Application (RFA)

Issue Date: November 15, 2020

Please read this document thoroughly

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## 1. 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. The YTJ project will build an impetus for private sector-led growth of the digital economy and make interventions to address the economy's supply and demand sides. The project duration is five years.

YTJ aims to motivate 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.

YTJ structure involves two main components that aim to address the constraints in both the supply and demand side of digitally-skilled labor in Jordan. **The first component focuses on strengthening and increasing the supply of digitally-skilled youth in Jordan by:**

- Enhancing digital skills competencies of public-school students
- Establishing a digital skills training ecosystem by involving the private sector
- Providing working spaces in underserved communities through Tech Hubs

**The second component of YTJ involves boosting the growth of the digital economy and digital government services in Jordan that will enable job and income opportunities by:**

- Expanding access to markets for digital firms <sup>1</sup>
  - *Support expansion and access to business opportunities*
  - *Improve access to global markets and investment opportunities for digital entrepreneurs*
  - *Support inclusive job opportunity creation through digital platforms and the gig economy by facilitating access to women, youth, and under-served communities*
- Supporting the digital transformation of service delivery to citizens and businesses
- Digitization of government payments

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<sup>1</sup> "Digital firms" refer to technology or *technology-enabled* companies and digital marketplace platforms incorporated or organized in Jordan that work on:

- a. The development of information technology products or services, and/or
- b. The provision of IT or IT-enabled business processes for third parties – also known as IT outsourcing, business process outsourcing, and IT-enabled services (ITO/BPO/ITeS)

## 2. GrowJo (Market Expansion) Information

### 2.1 Objective

**GrowJo (Market Expansion)** aims to support the business development efforts of digital and digitally-enabled firms (focusing on ITO/BPO Businesses) seeking to expand and secure new contracts in new local, regional and international markets (GCC countries, Europe, China, India, and the USA, etc.) through providing **matching grants<sup>2</sup> (up to USD 100,000)** to cover **up to 50%** of the cost of business development plans. GrowJo (Market Expansion) is a performance-based program, where matching grants will be provided against achieved milestones included in firm's business plan.

**GrowJO (Market Expansion)** aims to build linkages between Jordanian digital firms and potential buyers in regional/global markets in order to provide access to new business opportunities that lead to increased revenues and subsequently job creation.

International digital firms that are willing to expand to Jordan and hire Jordanians are also eligible for this grant opportunity

### Eligible Costs

- Cost items covered include, but not limited to:
  - Costs associated with attending conferences/trade shows, Investor/supplier visits, acceleration programs, and promotional / networking events.
  - Introduction of marketing and sales pipeline management processes and tools, marketing and communication strategies, including branding strategies and social media/digital strategies
  - Capacity building (technical assistance) on marketing and market penetration strategy and implementation;
  - Retainers/success fees for intermediaries (e.g., brokers) that can help digital firms secure new contracts
  - Production process improvement and technology upgrade;
  - Strategic intellectual property plans, diversification and product/service innovation and development, and research and development planning;
  - Identification of new markets, sector analysis and market development, export strategy, including compliance with foreign laws and regulations;
  - Salaries of new business development staff
  - Costs associated with establishing a sales office in other countries including registration and licensing, rent and equipment

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<sup>2</sup> "Matching grants" refer to a type of grant where the granter matches what the grantee is willing to invest in its business development plans and activities.

- Costs associated with expanding the firm's operations into new areas in Jordan (areas of high agglomeration potential) including rent, furniture and devices as long as it does not exceed 30% of the grant amount, if it comes as an important factor for a successful business expansion and part of the business development plan

Generally, this incentive will not award grants that will cover the cost of such activities:

- Purchasing vehicles, buildings and land
- Construction and civil work
- Salaries of non-business development staff
- Any activities requiring costs that cannot be directly linked to expansion plans

## 2.2 Incentive Details

**GrowJO (Market Expansion)** aims to support the digital firms to materialize their business development and growth plans by providing matching grants that will cover up to 50% of the eligible costs associated with the implementation of these plans.

### Application submission

This will be an on-going opportunity. This first round will be open from November 15, 2020 until December 15, 2020, 4:00 PM Jordan time. For each round, the firms' applications will be filtered, assessed against the eligibility criteria and then awarded. The opportunity closure is contingent upon funding availability.

## 2.3 Eligibility Criteria

To be eligible for the grant, the applying firm must meet the criteria below:

- ✓ Be a digital or digitally-enabled firm that has been established and operating for at least one year in Jordan
- ✓ Has contracted work and sales opportunities for the next 3-6 months
- ✓ Has a training/onboarding program for newly hired employees
- ✓ Has a proven track record in generating new business.

Each applying firm needs to highlight the business development plans and the costs associated with each development plan's activities. Preferably, the activities should result in securing contracts with clients from outside Jordan

## 2.4 Awarding Conditions & Process

The awarded digital firm will enter into a Sub-Grant Agreement with 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 amount awarded **must not exceed USD 100,000 and it can only cover up to 50% of the total eligible costs** associated with the implementation the business development plan.

***The matching grant will be paid in installments linked to the pre-determined milestones and each installment will only be paid upon the verification of achievement of each milestone.***

## **2.5 Gender Equality and Inclusion**

YTJ supports inclusion, non-discrimination, and equal opportunity and will, therefore, seek to incentivize female employment. For example, the applying firm will receive higher scores, if it demonstrates any or all of the following:

- The firm is woman-owned or woman-led
- The firm has a high percentage of female employees (equals or more than 30% of total employees)
- The firm has an inclusive HR policy that addresses non-discrimination and gender equity practices, including but not limited to, women-empowerment initiatives and zero-harassment policies
- The firm applies measures that focus on minimizing constraints on women's employment (such as flexible work), Inclusive layout and accessibility of the physical space, and availability of safe transport and childcare

## **3. Application Submission and Information**

### **3.1 Submission Instructions**

Interested digital firms are requested to submit their applications, including all the required documents, to the following email:

[growjo-expansion@modee.gov.io](mailto:growjo-expansion@modee.gov.io).

The applicants can submit their applications in Arabic or English.

The applying firm should submit all the required documents and information; otherwise, the application will be rejected due to incompleteness. The following are the required documents and information:

1. The GrowJo Market Expansion Application form
2. Business Development Plan (based on the provided template)
3. A recent firm registration certificate that includes the firm's, registration date, objectives (غايات الشركة) and ownership
4. Last year audited financial statements

### **3.2 Questions and Inquiries**

Questions regarding the RFA are to be sent, **at least 5 days** in advance of the RFA closing date to the following email:

[growjo-expansion@modee.gov.io](mailto:growjo-expansion@modee.gov.io).

Where feasible, the questions and answers will be provided to all Bidders without identifying the origin of the enquiries.

### **3.3 Administration Cycle**

The application administration cycle will go through the phases below; the duration of processing the applications is contingent upon the volume of received applications.

- Opportunity opens from November 15, 2020 through December 15, 2020
- Applications filtering and eligibility check
- Further documentation might be requested from firms to support their submitted applications
- Shortlisting of firms that successfully submit the requested documentation
- Due diligence phase to ensure sound technical, financial, and managerial standards and practices
- Shortlisted applications' evaluation by evaluation committee
- Work with firms, that successfully complete the due diligence, on agreement terms and milestones to finalize sub-grant agreement
- Signing of the sub-grant agreement
- Implementation and follow up
- Milestone achievement and payment
- Agreement closure
- M&E reporting

## 4. Application Review and Evaluation Criteria

**4.1 Evaluation Committee:** Only the applications that pass the due diligence phase will be recommended for evaluation by an evaluation committee comprising of public and private sector representation, who have been selected for their impartiality and experience related to the incentives program.

**4.2 Evaluation Criteria:** The evaluation of the applications will be based on the following criteria:

Evaluation Criteria Topic	Evaluation Criteria	Scoring Assigned
Products/Services	<p>The application reflects:</p> <ul style="list-style-type: none"><li>The firm's current and new products and services offerings and it's competitive advantage</li></ul> <p>The applying firm will receive higher scores in this section if it demonstrates the following:</p> <ul style="list-style-type: none"><li>Its core products and services are of high value to its targeted segments, i.e., the firm owns the products' IP or offers advanced solutions including technologies such as Ai, IoT and Blockchain, etc.</li><li>Its offerings include ITO/BPO services that indicate a higher potential for job creation</li></ul>	30
Firm's Performance	<p>The Application reflects:</p> <ul style="list-style-type: none"><li>The firm's stability including core team, financial standing, client base</li><li>The firm's financial growth including revenues, profit and exports</li><li>The firm's employment growth</li></ul>	20
Business Development Plan	<p>The application reflects:</p> <ul style="list-style-type: none"><li>A clear, mature, and sizable opportunity in the market</li><li>A clear and sound business development plan that fits within the firm's vision and expansion strategy</li><li>A clear action plan with clear milestones and specific targets (including but not limited to increased sales, client base, revenue, and profit) that the firm will achieve using the grant</li></ul> <p>The applying firm will receive higher scores in this section if it demonstrates the following:</p> <ul style="list-style-type: none"><li>The business development plan targets new regional or international markets (export-oriented)</li></ul>	40



	<ul style="list-style-type: none"> <li>• The business development plan includes expanding its operation in areas of high agglomeration potential in Jordan, i.e., East Amman, Irbid, Zarqa, etc.</li> <li>• The business development plan demonstrates the creation of new jobs</li> <li>• The business plan is data-driven, i.e. market insights</li> </ul>	
Inclusivity	<p>The firm has</p> <ul style="list-style-type: none"> <li>• An HR policy that supports inclusivity, non-discrimination, and equal opportunity that incentivizes female employment</li> </ul> <p>The applying firm will receive higher scores in this section if it demonstrates the following:</p> <ul style="list-style-type: none"> <li>• A 30% ratio or more of female to male employees</li> <li>• Measures that focus on minimizing constraints on women's participation (such as flexible work), inclusive layout and accessibility of the physical space, availability of, safe transport and childcare</li> </ul>	10
Total		100

**Applications that receive a scoring of 80% and above will be shortlisted** and considered for funding. Those receiving the highest scores will be prioritized for awarding. Applications receiving lower scores will remain as shortlisted, but the awarding decision would be dependent on the scoring of following rounds and funding availability.

The evaluation committee will discuss the applications and score them and subsequently comes to an agreement on the shortlisted applicants. Possible evaluation outcomes include: *Fully fund the request, partially fund the request or not-to-fund the request.*

Applicants not shortlisted for the opportunity will be informed at the initial stage of evaluation along with the reasoning behind the decision. Any application not awarded under one RFA round may be resubmitted for consideration in available following rounds, if relevant.

### 4.3 Due Diligence and Audit Requirements

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

- The ability of the firm 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 firm to record and keep its financial records and the systems in place

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

## 5. Monitoring & Evaluation Plan

The awarded digital firm will be subject to continuous monitoring and evaluation after receiving the award whereby it is required to submit programmatic reports and gather data on specific indicators on a monthly basis or as deemed appropriate for the scope of the agreement. The program is looking to track the increase in sales, client base, conversion rate, profit, numbers of new employees, employment position types & levels, sex and age disaggregated information, geographical expansion, etc. The firm will also be requested to provide narrative reports highlighting key challenges and results achieved during the implementation of the business development plan, and for 3 years following the end of the agreement.

## 6. Disclaimers

- Applicants will not be reimbursed for any costs incurred in the preparation and submission of an application. All preparation and submission costs are at the applicant's expense.
- Issuance of this matching grant opportunity does not constitute an award commitment on the part of MODEE.
- MODEE reserves the right to independently negotiate with any applicant, or to make an award without conducting discussions based solely on the written applications if it decides it is in its best interest to do so.
- MODEE reserves the right to fund any or none of the applications received.
- MODEE may cancel the RFA and not award.
- MODEE may reject any or all applications received.
- MODEE reserves the right to disqualify any application based on applicant failure to follow RFA instructions.
- MODEE may choose to award only part of the activities in the opportunity, or issue multiple awards based on the opportunity activities.
- MODEE reserves the right to waive minor proposal deficiencies that can be corrected prior to award determination to promote competition.
- These Instructions to applicants will not form part of the application or of the award agreement. They are intended solely to aid applicants in the preparation of their applications.
- An applicant may not submit more than one application under this matching grant

opportunity at the same time.

- Applicable Social Safeguards provisions will be implemented.

## 7. Annexes

- Application form Template 1.0
- Business Plan Template 1.0