

Terms of Reference

Contract Title:	Feasibility research study and facilitation of internal discussion to identify potential areas of engagement and business models for income generation for KCSF
Program:	Inspires

ABOUT KCSF

The Kosovar Civil Society Foundation (KCSF) is an independent, not-for-profit organisation focused in supporting local civil initiatives leading to a strong civil society movement that will promote a democratic culture and will be responsive to the socio-economic needs of Kosovo, with a strong focus on supporting and contributing to the European Union integration Process. KCSF provides support to civil through re-granting mechanisms and systems, capacities and knowledge for the sector through the Resource Center, as well as advocates for and defends civic space and the environment of operation for civil society in Kosovo and beyond, through policy research and mobilization.

For more than two decades of operation, KCSF has supported financially hundreds of civic initiatives and organizations, built knowledge and capacities of thousands of civil society activists from Kosovo and the Western Balkans through basic and advanced trainings, undertook extensive research and published reports to provide evidence based arguments to the policy making process, mobilized civil society organizations to defend and advance civic space in Kosovo and the region, and promoted champions of democracy through its annual Democracy Award.

CURRENT FRAMEWORK OF OPERATIONS

KCSF has been established in 1998, as the very first civil society support organization in Kosovo, in a time when first non-political organizations were starting to take shape in the form of student organizations, debate clubs, women organizations, etc., in addition to the few existing organizations affiliated with parallel resistance. It was established by a group of intellectuals having a vision for an alternative and modern civil society in Kosovo, to provide knowledge, capacities and funding to the newly emerging civil society. Ever since, it continues with the same mission and areas of work, with necessary contextual adaptations.

With tens of millions of euros granted to civil society organizations, with thousands of civil society activists trained in its Resource Center and with tens of policy and legislative proposals, as well as state of the art research studies, most civil society initiatives and organizations in Kosovo of the last two decades have been supported by KCSF in one form or another. Currently, with more than 30 employees and advanced internal systems, it remains among the most credible non-profit organizations in Kosovo and the Western Balkans region.

Currently, KCSF manages the only locally-owned civil society Pooled Funding Mechanism in the region and beyond, with traditional individual donor projects advanced into a single program, with integrated budget,

procedures and reporting, thus mainstreaming civil society support rather than mere administration of donor funds. Through this mechanism, it provides various types of support from multi-year institutional grants to small project grants and urgent grants; it funds well-established NGOs, smaller and remote civic initiatives and individual activists; it employs high transparency standards in selection of grantees through public pool of external evaluators and live-streamed interviews; it engages in a supportive monitoring to ensure adequate implementation and flexible support depending on specific needs of particular grantees.

It also undertakes critical research and engages in systematic advocacy on main areas of civic space, both to promote the environment for operation of civil society as well as to safeguard civic space and defend it from restrictive initiatives. Over the last 15 years, KCSF has either proposed or actively contributed to most of the policy and legislative reforms related to civil society. With its Resource Center, it provides a variety of opportunities for relevant information, knowledge and capacities for and about civil society in Kosovo. Hundreds of civil society activists attend tens of training sessions organized by KCSF every year, and many organizations and initiatives benefit from mentoring and coaching on various areas of organizational development and public advocacy.

Recently, KCSF has also just started building relationships with the private sector and exploration of cross-sectoral partnerships through hosting venues where civil society, private sector, public institutions, media and others gather to discuss and advance the cross-sectoral cooperation and practice of philanthropy in Kosovo.

However great this may read and be in reality, in particular given the context of a young state and nascent sector in Kosovo, it is still unsustainable in a long term. All above has been made possible almost exclusively with foreign and international funding. We at KCSF believe that this level of achievement should not only be maintained by further cultivating trust-based relationships with key bilateral donors, but also used as a solid ground to move to the next step, which is enriching the existing foreign resources with an ecosystem of local resources in support of civil society in general and KCSF in particular.

GENERAL FRAMEWORK OF ASSIGNMENT

There are two main streams to be explored in this sustainability journey.

The first one, **initiating a gradual but upwards trajectory of replacing foreign and international funds with domestic funds for civil society granting programs of KCSF**,¹ namely gradual transitioning from re-granting foreign donor funds to creating systems to mobilize and grant to civil society locally-resources funds. This would include creating systems that would mobilize funds for grants to civil society from larger corporates, small and medium enterprises, (high net) individual philanthropists and diaspora, but also from public funds and crowdfunding from ordinary citizens.

The second one, **exploring and piloting promising economic activities/income generation initiatives that would diversify the resource base for KCSF operations**, namely ensure a continuous income for KCSF core programs, namely seed funds to maintain a core team and its basic functions, regardless of the availability of project funding from external sources. This includes initially identifying a few potential areas for income generation and then define more concrete and viable business ideas to be specifically explored for

¹ This stream is to be explored through a different engagement, thus is not part of this assignment.

piloting, either as a specific economic activity program of KCSF or as a social-enterprise type separate entity owned by KCSF.

SPECIFIC FRAMEWORK OF ASSIGNMENT

Within its strategic thinking process, KCSF has undergone initial internal discussions to identify potential areas of interest for KCSF income generation activities. Many areas have been explored, from already existing capacities of KCSF (i.e. training delivery, research, program evaluation, strategic consultancy, etc.) that could be sold as income generating services; to economic activities directly related to KCSF mission (i.e. purchasing facilities and equipment to be leased for event organizing, community-center type of restaurant/pub, social enterprise development initiatives/start-up labs & funds by funding start-ups or purchasing shares in existing businesses that have a social component, etc.); to economic activities related to KCSF values but not directly to KCSF mission (i.e. collective building general maintenance services accompanied by community-building activities for the tenants, eco-friendly agriculture social enterprise, etc.).

From the very diverse set of ideas put for initial discussion, a few have been assessed to have a higher level of alignment to KCSF strategic direction, while potentially presenting an interesting business prospect. More specifically, three ideas have been selected for further exploration, with the support of external expertise.

Social enterprise start-up fund – Kosovo has a very young sector of social entrepreneurship, both in their formal type of registered social enterprises or as private businesses with a significant social component. Most of the social issues have been almost an exclusive area of civil society, commonly funded by foreign donors. Private sector very rarely has thoughtfully engaged in activities beyond maximising their financial gains. Both sectors had very little communication and cooperation between them, while at the same time there were no state programs to facilitate inter-sectoral cooperation. The global trends of corporate social responsibility, corporate sustainability reporting, impact investing, etc. have been explored only by a few, from any of the sectors. On the other hand, social challenges are only becoming more complex, and no single type of intervention can address them individually.

In such a context, social entrepreneurship could be an area with more dynamic developments in the coming years, while at the same time with very few actors engaged systematically to both support and benefit from such opportunities. KCSF may be one of the actors with a solid position to engage more systematically in supporting start-up ideas of social enterprises (both registered social enterprises or as private businesses with a significant social component) with start-up funding, that would in-turn grant KCSF a portion of shares in the respective enterprise. In the mid to long-term, the shares of a successful enterprise would result in annual dividends for KCSF that would partially be used to maintain the start-up fund and partially fund the core programs of KCSF. Promising ideas for support should be identified through a carefully designed selection process, with criteria covering both values of the idea and business prospects.

Community center with co-working space and event organizing facility – Kosovo is a small country with a relatively limited organized social, economic and political activity. With exception of election campaigns, where political parties mobilize larger groups of citizens in various spaces, there are few venues for community organizing, both in terms of physical spaces and causes of common interest. Formal events are largely organized in commercial spaces (i.e. hotels and restaurants) and cost a lot, while also not being

safe and welcoming spaces for many societal groups. Public spaces where ordinary citizens could gather are scarce, thus limiting the opportunities for social interaction among people with joint interest. Even when informal or formal groups are initiated, very few of them can afford the basic working conditions to meet and work together. Only one dedicated residential space for youth gatherings has been established by YMCA Kosovo in Camp Pjetershan in Gjakova region. Nevertheless, as a residential camp in a remote area, this facility is expected to serve only a limited group of initiatives, institutions and community groups. A co-working space in Prishtina established and run by the Innovation Center Kosovo hosts mainly to IT companies and start-ups in tech industry, serving similarly to a limited group of beneficiaries, mainly from the private sector. Few public spaces have been revitalized in main cities, including Prishtina, yet mostly dedicated to cultural activities and with limited capacities in terms of space and additional resources.

KCSF, in its own premises, already provides a fully equipped conference room fitting 25-30 people to all civil society organizations, free of charge. KCSF may build on this experience and explore establishing a dedicated community center that would provide a set of services, from small meeting spaces for community initiatives, to co-working spaces for individuals and groups of citizens, to larger conference rooms for larger and more formal meetings. Aiming for fully equipped spaces with all accompanying services (catering, translation, transport) in a convenient location in Prishtina (either centrally located or in the extended urban zone with good accessibility through public transport), the space would be provided for free to qualified initiatives, groups and organizations, while leased to other organizations, private companies and public institutions. Its usage would target the existing KCSF network of civil society initiatives and organizations, as well as further expand to private sector, public institutions and international organizations. Ideally, the premise would be an existing municipal or government owned building that would be given to KCSF for long-term use (i.e. 40 years) in line with legal requirements, while KCSF would renovate and/or refurbish it. The income generated would partially be used to maintain the facility and its staff, and partially fund the core programs of KCSF.

Collective building maintenance services with community mobilization – Large demographic changes that have occurred in the post-war Kosovo, in particular rural-urban migration, have resulted in massive construction of collective buildings throughout Kosovo. Within a very short period of time, tens of thousands of families have moved from living in individual houses in rural areas to collective buildings, often in congested neighbourhoods without necessary spaces for common use. Prishtina has been exceptionally exposed to this phenomenon, not only in terms of the number of new collective buildings but also in terms of lack of any sound urban planning of neighbourhoods and technical compliance certification of collective buildings. In such a situation and taking into account that many families have invested their lifetime savings in purchasing these properties, one might expect that owners and residents would organize for well-maintenance of their properties and to protect and advance their collective interest of legalizing their properties and improving living conditions in their neighbourhoods. With few exceptions, the opposite has happened. Out of thousands of collective buildings in Prishtina only, only a dozen of residents councils are active. Common spaces are almost non-existent, despite legal requirements in the recent years. In most cases, the maintenance is contracted out to a few specialized companies that provide basic maintenance services (cleaning, elevators, lighting) in return of a monthly fee. Yet, rather than playing an active role as the contracting party, the residents are rarely involved in this process, often resulting in difficulty to keep the maintenance companies accountable despite sub-optimal quality of services. This has resulted in lack of agency of residents in the management of their

common spaces and properties. Furthermore, no positive pressure towards local government exists from residents in an organized manner for better municipal services or increased public spaces in their neighbourhoods. Although there are no specific studies on this topic, observations reveal that some of the reasons behind this situation lie in the lack of both culture of self-organizing and capacities to mobilize communities.

In such a context, linking the maintenance services with a community organizing component can be explored as a potential way of improving neighbourhoods and communities, while increasing the quality of living conditions of residents in their collective buildings and common spaces. KCSF, alone or in partnership with specialized companies, may explore establishment of a specialized entity (organization or enterprise) that would provide general maintenance services complemented with direct support for organizing residents' councils, including their internal governance, accountability and financial management, participatory practices, and general compliance with legal requirements. Additional elements that might be considered would include free legal aid for technical compliance requirements, administrative support in transferring legal ownership of common spaces/premises, training and mentoring on joint advocacy towards the municipality, municipal companies and other public institutions, etc. While maintenance services would be provided based on a monthly fee, the non-profit nature of this enterprise would provide the necessary incentive to build systems, tools and skillset for a win-win situation for both KCSF and the served residents, as improved organizing of residents' councils would directly contribute to achievement of KCSF's mission.

While the above listed ideas will present the basis for this assignment, they are not necessarily exclusive, as alternative promising ideas might be considered during or after the process. Similarly, should any of these ideas be considered feasible and plausible, they may be piloted over time individually or in parallel. Last, this assignment is also related to the ongoing process of KCSF new Strategic Framework for the period 2024-2028 that provides two parallel opportunities: a) by integrating the income generation program as one of its strategic components; b) making use of the existing funds to continue its core functions while having a period of 2-3 years for piloting the income generation stream and its potential scale-up.

SCOPE OF WORK

The selected consultant/team of consultants is expected to conduct a feasibility research study to identify whether the identified ideas/areas of engagement for KCSF in income generation are feasible from business perspective, and detail business models that are in line with KCSF values and respond to current market needs and practices with maximum potential for return on investment.

The selected company/team of consultants are expected to propose and implement a working methodology that would include the feasibility research, as well as facilitation of joint brainstorming and internal discussions to improve understanding of management and core staff on income generation potential of KCSF.

Specific activities to be undertaken during the experts' support are, though not limited, listed below:

1. Preparation, implementation, and follow-up of the initial meeting(s) with KCSF management to discuss and agree the final expectations, timeline and work-plan;

2. Desk research, field research and interviews with key stakeholders to identify the feasibility and business potential of identified ideas/areas of engagement, as well as identify best business models, and draft a final report. In principle, the desk research will aim to identify similar practices in Kosovo or abroad and/or main elements that might influence the idea positively or negatively, field research will aim to identify market practices, business models, physical locations, etc. that should be considered in research and discussions, and interviews will aim to test existing ideas and generate knowledge to expand or adjust existing ideas. Interviews will ideally be conducted through in-depth discussions with key stakeholders of relevant expertise and background, as well as selected KCSF staff. An initial report will summarize the findings generated from above activities and provide most feasible business models along with respective roadmaps and financial framework needed to initiate and pilot the specific ideas;
3. Incorporating initial comments from KCSF management;
4. Facilitate a workshop with KCSF management to present the draft-report, discuss its main findings, and conduct in-depth discussions on main recommendations, and incorporate final comments;
5. Presentation of the final report for KCSF management.

The tentative period of engagement will be from beginning of May 2023 to end of July 2023, with the final report to be submitted to KCSF no later than 30th of August 2023.

It is at the discretion of the applicant to propose a more detailed methodology and approach, including the structure of the final report, taking into consideration the main elements and the requirements presented above, as well as the forward-looking element of the feasibility research study.

DUTIES AND RESPONSIBILITIES

The contracted party will be accountable for:

1. Initial briefing with KCSF management and additional briefings and interviews during the process;
2. Conducting desk research of relevant practices in and outside Kosovo, main elements influencing the ideas, as well as short documents summarizing KCSF mission and work (i.e. KCSF Strategic Framework);
3. Finalizing methodology that will respond to the specific requirements in the ToR, as well as the final proposal for the contents of the report, and the final timeline of the implementation;
4. Organising and conducting the meetings, interviews and focus group discussions with relevant stakeholders (the list of stakeholders shall be proposed by the contracted party and agreed with KCSF);
5. At least one debriefing session with KCSF to discuss and present the main findings, during the research phase;
6. Prepare the draft report, with main findings and recommendations, as well as 1-2 most feasible business models along with respective roadmaps and financial frameworks;
7. Incorporate initial comments from KCSF management;
8. Facilitate a 2 day workshop with KCSF management to present the draft-report, discuss its main findings, and conduct in-depth discussions on main recommendations, and incorporate final comments;
9. Incorporate final comments from and after the workshop;

10. Deliver a presentation of the final report for KCSF management and other staff and facilitate an in-depth discussion on main elements of the recommendations, business models and roadmaps.
11. Submitting the final report, as well as any resulting documents or materials from the process.

The above list of steps is not exhaustive, and the consultant may engage in other activities deemed important for accomplishing this assignment. A detailed work plan will be elaborated jointly by the consultant and KCSF, based on the initially submitted work plan.

MAIN OUTPUTS/DELIVERABLES

The contracted party will provide to KCSF the following outputs:

1. **The Final Report in English** (max 25 pages), and its annexes; and
2. **Working documents** (list of contacts that were interviewed/took place in meetings, interviews, focus group discussions, mailing lists, plan of activities, questionnaires, PowerPoint presentations and all other relevant working documents).

KCSF reserves the right to request additional information or based on sound argumentation, request corrections or necessary revisions in the report. KCSF reserves the right to contact only the selected applicants. KCSF reserves the right to cancel in all or adapt the ToRs and relaunch the call for offers.

QUALITY STANDARDS

The applicants shall specify how quality assurance will be handled by them during the process, taking into account the standard market quality standards.

LOGISTICS

All logistical arrangements, such as travel, taxi services, contacting partners and beneficiaries, etc. will be sole responsibility of the contracted consultant(s).

KCSF will be responsible for organizing and covering the costs of the 2 day workshop (point 8 of the Duties and Responsibilities section) and half a day final presentation (point 10 of the Duties and Responsibilities section). KCSF, under its sole discretion, may decide to assist also in providing contacts of partners and beneficiaries, as well as meeting rooms, should they be available on the required dates.

TIMEFRAME

The following is the anticipated timeframe for the services to be provided²:

Task:	Tentative Timeframe
Publishing of the Call for Proposals	26/04/2023
Deadline for submission of applications	10/05/2023
Selection	15/05/2023

² As this is only a tentative timeframe, KCSF does not bear any responsibility for any deviations to this timeframe, for reasons related to KCSF, the contracted party or external circumstances.

Contracting	19/05/2023
Receive all relevant materials from KCSF	22/05/2023
Initial meeting with KCSF team	23/05/2023
Completion of data collection and analysis	23/06/2023
Submit the first draft report to KCSF	30/06/2023
Incorporate initial comments from KCSF	10/07/2023
Facilitate the 2 day workshop with KCSF	3 rd or 4 th week July of 2023
Deliver final presentation	28/07/2023
Submit the final report	30/08/2023

DUTY STATION AND TRAVEL

Travel within Kosovo, while Prishtina will be the main duty station.

REPORTING AUTHORITY

The reporting authority is KCSF.

QUALIFICATION AND PROFESSIONAL REQUIREMENTS

KCSF will entrust this assignment to consultant(s) that meet the qualification and professional requirements and provide the most competitive price.

The consultant (or team of consultants) should demonstrate a strong expertise in the following areas:

1. Excellent knowledge (preferably regionally or internationally comparative) in the area of entrepreneurship, market analysis and business development, preferably including also social entrepreneurship;
2. Good knowledge of general political, social and economic context in Kosovo;
3. Readiness to work with diverse communities and understanding of principles of transparency and accountability, respect for human rights, equity, inclusion, and sustainable development;
4. Strong research skills to gather and analyse relevant data, including market research, financial projections, and industry trends, as well as to propose recommendations;
5. Proven track record of successfully completing feasibility studies and implementing income generation strategies and/or business plans;
6. Excellent communication and interpersonal skills to work collaboratively and facilitate discussions with KCSF staff and stakeholders;
7. Excellent in both spoken and written English;
8. Familiarity or knowledge of work of KCSF and/or civil society in Kosovo would be an advantage.