

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

# **GrowJo (Talent)**

Support the Expansion of Digital Firms

Employment Subsidy Incentive

Request for Applications (RFA) 2.1

**Please Read this Document Thoroughly** 

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# 1. About the Youth, Technology, and Jobs (YTJ) Project

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

## Component 1 – Support the supply of digital skills in Jordan

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

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

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

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

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

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

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

#### **Component 3 - Project Management & Implementation Support**

MoDEE established a Project Management Unit (PMU) at MoDEE, which includes focal points for the Ministry of Labor and Ministry of Education. The PMU (within MoDEE) has the overall fiduciary responsibility for project implementation and ensuring activities are executed in accordance with the Program Operational Manual (POM).

# 2. About (Talent) Incentive

## 2.1 Talent Incentive Objective

The main objective of this incentive is to provide employment subsidy packages to support the growth and hiring plans of the digital firms (focusing on ITO/BPO businesses) in underserved communities. This incentive is designed to spur the development of the digital sector in proximate cities and areas to Amman with high potential for agglomeration , which may not otherwise benefit from this sector's growth.

This subsidy will provide additional incentives for female employment. For example, it will provide higher subsidies for employers attracting and retaining women through having internal policies that would be attractive to women (e.g., flexible working arrangements).

#### Talent specific objectives are:

- Support growth and hiring plans for digital and digitally-enabled firms<sup>1</sup>
- Help build/scale digital firms' activities in underserved communities outside West Amman<sup>2</sup>
- Encourage the generation of employment opportunities in specific areas that may, otherwise, not directly benefit from the digital economy's growth

#### 2.2 Talent Incentive Details

- Subsidizing 50% of the new Jordanian employees' salaries (excluding fringe benefits) for a minimum of four (4) months and a maximum of six (6) months within the agreement period.
- The minimum number of newly hired<sup>3</sup> employees in the first 6 months is five (5),
- There are no restrictions on the types of positions and salaries of the new employees; they can be marketing, sales, HR, IT, etc. However, with focus on digital jobs. The proposed hiring plan will be reviewed and approved by the Ministry.
- The number of new employees that will be supported will depend on the hiring plan and available budget.
- The company will be eligible for reimbursement in the first or second six (6) months after proving the hiring of five (5) new employees.
- The company shall provide all the supporting documents and as per the proper Naming Protocol mentioned in the "Grants Supporting Documents List" attached.

<sup>&</sup>lt;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 and business process outsourcing (ITO/BPO)

<sup>&</sup>lt;sup>2</sup> Please refer to Annex 1 for the list of West Amman Areas

<sup>&</sup>lt;sup>3</sup> No retroactive hiring will be permitted; hiring of eligible new employees must take place after the agreement is signed

•	The duration of the agreement will be valid for 12 months, with flexibility of extending the agreement for additional 6 months (If needed) to cater for the employees hired in the last
	three months of the original 12 months agreement.

#### 2.3 Firm Eligibility Criteria

To be eligible for the Talent incentive, the applying firm must meet the following criteria:

- ✔ Be a digital or digitally-enabled firm that has at least one year or more of operation in Jordan or other countries;
- ✓ Has contracted work and sales opportunities for the next 3-6 months to justify the need for hiring new employees;
- ✓ Has an in-house or outsourced capacity building programs to train the newly hired employees;
- ✓ Has a clear hiring plan with a minimum of <u>five (5) new positions to be hired, a minimum of 30%</u>
  of whom are females.

### 2.4 Employee Eligibility Criteria

- Females; Or
- Males living outside West Amman; Or
- Males hired outside West Amman (Please check Annex I Areas of West Amman);
- All newly hired employees can **Not** be registered in the company's social security records prior to three (3) months of the agreement signing date.

#### 2.5 Reimbursement Conditions

The awarded firm will be reimbursed the agreed-upon amount upon producing satisfactory evidence that the eligible employees have been continuously employed for a period of at **least four months**. Under no circumstances shall the salary subsidy exceed the period of six continuous months of employment for any employee

- The reimbursement will be payable against the employment objectives achieved and verified by the YTJ.
- Companies can request reimbursement twice a year, once every six months. The applying firm
  that qualifies for the **Talent** subsidy will have to cover the remaining percentage of the newly
  hired employees' salaries. The newly hired employees cannot be causing the displacement or
  layoffs of existing employees.

The salary subsidy will cover 50% of the gross salary of the new employee. The gross salary is either equal to the paid salary as per the salary slip, or equals the salary that is registered at the Social Security Corporation whichever is less (The total contract amount awarded to the company must NOT exceed USD 300K). It will not cover bonuses, over time, the company's share of social security contribution, health insurance premium, or any other benefits. The awarded firm will need to register the new employees at the Social Security Corporation. Social Security Corporation records will be used for verification purposes of receiving disbursements against salaries paid.

## 2.6 Gender Equality and Inclusion

This incentive supports inclusion, non-discrimination, and equal opportunity and will specifically seek to incentivize female employment. For example, the applying firm will receive higher scores if it demonstrates the following:

- Existence of non-discrimination and gender equality practices such as HR policies that incorporate non-discrimination, women-empowering initiatives, and zero-harassment.
- o Around or above average sector ratio (30%) of female to male employees
- Number of female employees in leadership positions
- Measures that focus on minimizing constraints on women's employment and retention such as flexible working hours.

# 3. Application Submission and Administration

#### 3.1 Submission Instructions

Interested firms can apply through the Grow.jo Portal (<a href="www.grow.jo">www.grow.jo</a>). The firm can also track its application status, as well as submit programmatic and financial reporting through the same portal.

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

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

## 3.2 Questions and Inquiries

Questions regarding the RFA should be sent to the following email: Growjo-talent@modee.gov.jo or submitted through the online form.

## 3.3 Application Administration Cycle

The application administration cycle will go through the following phases;

- Application submission
- Eligibility check; this will result in either eligible or not eligible, and companies will be informed accordingly with the reasons in case of not eligible.
- Shortlisting; this is done internally by the technical team and will result to either the application
  is shortlisted or not shortlisted, and companies will be informed accordingly with the reasons in
  case of not shortlisting
- In case the company is shortlisted; a private sector committee will be assigned for external evaluation, and applications with a passing mark of 75% and above will only be considered for the due diligence phase, applications which did not achieve the required passing mark will not be considered for moving forward and will be informed accordingly along with the reasons.
- After the due diligence phase (And once all submitted documents and information are verified), next will be the awarding phase where the agreements will be signed by both parties.

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

The signing of the agreement will depend on the finalization and the approval of the YTJ restructuring between the World Bank and the government of Jordan and the availability of funds.

## 3.4 Evaluation Process

Only the applications that meet the eligibility criteria will be recommended for evaluation by an evaluation committee. The scoring will be based on the following criteria:

Evaluation Criteria Topic	Evaluation Criteria	Scoring Assigned
Products/Services	<ul> <li>The firm's products and services offerings.</li> <li>The applying firm will receive higher scores if its core offerings include:         <ul> <li>ITO/BPO services that indicate a higher potential for job creation or</li> <li>they offer high value-added digital products and services that require the hiring of highly skilled labor</li> </ul> </li> </ul>	20
Inclusivity	<ul> <li>The firm has an inclusive HR environment, policies and incentives that attract, retain and develop women and men equally?</li> <li>The applying firm will receive higher scores if it demonstrates the following:         <ul> <li>High ratio of women to men</li> <li>A written HR policy that has measures and incentives focusing on minimizing constraints to women participation</li> <li>Well-structured and documented capacity building/training program for the newly hired employees at the firm and their potential career path options</li> </ul> </li> </ul>	30
Hiring Plans	The firm's hiring plan  The applying firms will receive higher scores if it demonstrates the following:  • The number of jobs created. The higher, the better.  • Quality of jobs created especially for youth. Example of Jobs that we consider of high quality; data science, engineering, product and project management, mainly tech  • The firm has or is planning to establish an office in underserved communities outside West Amman	50

Applications that receive the highest scores will be shortlisted and therefore considered for funding after passing the due diligence phase. Possible evaluation decisions include: Fully fund the request,

partially fund the request, not to fund the request.

Applicants not shortlisted for the incentive will be informed at the initial stage of evaluation along with the reasons behind the decision. However, firms can resubmit their application when they address the reasons for disqualification.

#### 3.5 Due Diligence Phase

As part of due diligence and monitoring efforts that will be carried out by YTJ, the following will be undertaken:

- An assessment will be conducted, and documentation will be requested to support the firm's application and its' ability 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, etc.
- The firm will be required to provide evidence, during the application process, the negotiation period, and the implementation phase, to show its ability to:
  - Keep records of salary subsidy payments made, disaggregated by sex, age, and geographical location
  - Carry out its respective activities with due diligence and efficiency following sound technical, financial, and managerial standards and practices, in accordance with the provisions of the Anti-Corruption Guidelines
  - o Provide, promptly or as needed, the resources required for these purposes
  - Maintain adequate records to enable the firm to monitor and evaluate, in accordance with indicators acceptable to YTJ, the progress of its activities and the achievement of its objectives
  - Promptly inform YTJ of any condition which interferes or threatens to interfere with the payments to Eligible Employees and the achievement of the objective of the program
  - o Promptly Permit YTJ staff to inspect its operations, including the payments made, social security records of Eligible Employees, and any relevant records and documents
  - o 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

# 4. 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 incentive. The program is looking to track the numbers of new employees, employment position types & levels, sex and age disaggregated information, and geographical focus. The firm will be requested to also provide narrative reports highlighting key challenges and results that include, but not limited to, the specification of the expansion of opportunities for women and youth.

The awarded firm will be mandated for the duration of the YTJ project on an annual basis, to report on the total number of employees, total revenues, inputs, added-value, productivity (added value/worker) and export/domestic revenues.

# 5. Disclaimers

- The Ministry of Digital Economy and Entrepreneurship ("MoDEE") acknowledges that information shared by grant applicants ("Applicants") during the grant application process and thereafter may be of confidential nature. In such case, MoDee shall treat said information as confidential, including making every reasonable effort to impose the same obligations on private sector evaluators who will have access to such information as required by MoDee. Additionally, all MoDEE personnel and third parties involved in the application evaluation process shall treat the shared information as confidential, except for information publicly available or required to be disclosed under applicable laws or regulations. Applicants also acknowledge and accept MoDEE's collection, use, and sharing of their information for grant application evaluation and any related purposes.
- 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 employment subsidy 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 the applicant failure to follow RFA instructions.
- MODEE may choose to award only part of the amount requested or issue multiple awards based on the hiring plan.
- MODEE reserves the right to waive minor application deficiencies that can be corrected before award determination to promote competition.
- These Instructions to applicants will not form part of the application or 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 employment subsidy opportunity at the same time.
- All employment agreements signed should comply with the Jordanian Labor Law.
- All workers shall have written contracts specifying terms and conditions of employment.
- All contracts must include the provision of appropriate Occupational Health and Safety (OHS) measures and have worker grievance mechanism in place.
- On-boarding of workers shall include a review of their rights under Jordanian Labor Law, training on non-discrimination and harassment, Code of Conduct, and grievance mechanism.
- All documents\ templates related to the incentive will be shared after the evaluation and approval process
- Applicable Social Safeguards provisions will be implemented. These can be found at the following links:
- Environmental and Social Commitment Plan (ESCP)
- Labor Management Procedures (LMP)
- Stakeholder Engagement Plan (SEP)
- Social Assessment Study

# Annex I – Areas of West Amman

	Neighborhood	الحي	المنطقة \Area
1.	Al Kamaleih	1. حي الكمالية	صويلح - Sweileh
2.	The Eastern Neighborhood	2. الحي الشرقي	
3.	Al Fadeilah Neighborhood	3. حي الفضيلة	
4.	Al Rahmaneih Neighborhood	4. حي الرحمانية	
5.	Al Bashayer Neighborhood	5. حي البشائر	
6.	Maysaloun Neighborhood	6. حي ميسلون	
7.	Al Hussein Parks Neighborhood	7.	
8.	Al Furouseih Neighborhood	ر. ي 8. حي الفروسية	
9.	Al Humar Neighborhood	9.      ي	
_	Dabouq Neighborhood	ر. 10. حي دابوق	
1.	Al Kursi Neighborhood	1.	وادي السير - Wadi Al Seer
2.	Wadi Al Seer Neighborhood	1. كي أسريكي 2. حي وادي السير \ مرج الحمام	vvaurin seer ",",
3.	Al Jandaweel Neighborhood	2. هي والي المتريخ المسام 3. هي الجندويل	
4.	Al Rawnaq Neighborhood	د.	
5.	Al Sina'a Neighborhood	+.	
6.	Al Sahel Neighborhood	ر. حي السهل 6. حي السهل	
7.	Al Arawabi Neighborhood	0. خي السهن 7. حي الروابي	
8.		ر. حي الروابي 8. حي الديار	
9.	Al Dyyar Neighborhood Al Swefeih Neighborhood	ه.	
	Western Um Uthaina Neighborhood	10. حي ام اذينة الغربي	Zahwan iliki
1.	Eastern Um Uthaina Neighborhood	1. حي ام اذينة الشرقي 2. السيانية الشرقي	زهران - Zahran
2.	Al Radwan Neighborhood	2. حي الرضوان	
3.	Northern Abdoun Neighborhood	3. حي عبدون الشمالي	
4.	Southern Abdoun Including Al Yasmeen	4. حي عبدون الجنوبي وضاحية	
l _	Neighborhood	الياسمين	
5.	Jabal Amman Neighborhood	5. حي جبل عمان	mi dalah titang
1.	Dabouq Neighborhood	1. حي دابوق 	تلاع العلي – Tla' Al Ali
2.	Medical City Neighborhood	2. حي المدينة الطبية	
3.	Umm al summaq Neighborhood	3. حي ام السماق	
4.	Khilda Neighborhood	4. حي خلدا	
5.	Al Khaledeen Neighborhood	5. حي الخالدين	
6.	Northern Tla'a Neighborhood	6. حي التلاع الشمالي	
7.	Eastern Tla'a Neighborhood	7. حي الصالحين	
8.	Al Salehien Neighborhood	8. حي التلاع الشرقي	
9.	Al Salam Neighborhood	9. حي السلام	
_	Al Barakah Neighborhood	10. حي بركة	
1.	Sports City Neighborhood	1. حي المدينة الرياضية	العبدلي – Al Abdali
2.	Al Shmeisani Neighborhood	2. حي الشميساني	
3.	Jabal Al-Weibdeh Neighborhood	3. حي جبل اللويبدة	
4.	Jabal Al-Hussein Neighborhood	4. حي جبل الحسين	
1.	Ibn Owf Neighborhood	1. حي ابن عوف	الجبيهة – Al Jubaiha
2.	Al Zaytoonah Neighborhood	2. حي الزيتونة	شمال غرب
3.	Al-Baladiya Neighborhood	3. حي البلدية	
4.	Al-Jam'a Neighborhood	4. حي الجامعة	
5.	Al Sadeeq Neighborhood	5.      حي الصديق	
6.	Al Rasheed Neighborhood	6. حي الرشيد	
7.	Qutneh Neighborhood	7. حي قطنة	

1.	Al-Firdaws Neighborhood	حي الفر دوس	.1	بدر الجديدة <sup>4</sup> - Bader
2.	Sweisseh Neighborhood	حيُّ أم الأسود	.2	Al-Jadeedah
3.	Um Al Aswad Neighborhood	حي السويسة	.3	
4.	Northern Al-Rabahiyah Neighborhood	حي الرباحية الشمالية	.4	
5.	Southern Al-Rabahiyah Neighborhood	حي الرباحية الجنوبية	.5	
6.	Zebda Neighborhood	حي زبدا	.6	
7.	Bilal Neighborhood	حي بلال	.7	

 $^4\ https://web.archive.org/web/20160305193609/http://www.ammancity.gov.jo/site\_doc/GAM32009.pdf$