**BARBADOS INVESTMENT AND DEVELOPMENT CORPORATION (BIDC)**

**BARBADOS APPAREL SECTOR AUDIT**

**TERMS OF REFERENCE**

**TITLE:** **Consultancy to conduct an audit of the Barbadian Apparel Industry**

**INTRODUCTION**

The **Barbados Investment and Development Corporation (BIDC)** commenced operations on December 1, 1992, to develop Barbados' industrial, export, and other related activities. The BIDC is currently undergoing a strategic pivot to restructure Barbados’ manufacturing industrial landscape, centered around three (3) key pillars. These pillars are the ocean economy, bio economy and design economy. As an agency of the Barbados Government, our mandate is to contribute to the diversification and growth of the economy through new investment, increased exports and employment creation by fostering the development of competitive business enterprises, under the three (3) pillars.

BIDC is a solutions-oriented organisation that amplifies bold, innovative, dynamic and creative enterprises. As part of its efforts to identify market opportunities for local businesses, BIDCconducts research on behalf of Barbadian manufacturing and services companies to assist them in reaching sound decisions on how best to deliver products/services to the market.

To this end, we wish to engage the services of a consultant who will conduct the necessary investigations and provide all information required on the apparel sector and its operation in Barbados.

**BACKGROUND**

In the past, apparel was an essential segment in Barbados' manufacturing sector for several decades. It served as a significant source of employment, particularly for women, and generated substantial levels of foreign exchange earnings through its strategic positioning on regional and global apparel value chains. In the early 1980s, employment averaged about 4,000 persons annually, and export earnings were around BDS $70 million. During those years, a considerable share of the sector's activities could be accredited to the offshore enterprises, which accounted for 47% of the job opportunities provided. During this time, the country benefited from Preferential Trading Agreements such as the Caribbean Basin Initiative. In those days, around 60-70% of the local output from the sector were sold to Trinidad.

As the incentives under previous trading arrangements have eroded in years since, coupled with the stagnating effects of Covid-19 and the current economic downturn, the sector has lost its viability. Moreover, the 'lean and difficult' times currently facing the industry have resulted in a limited range of garments being produced and a relatively underdeveloped design segment. As a result, at the end of 2021, domestic exports stood at less than 0.5% of what the sector boasted two decades ago. The industry, therefore, makes marginal contributions to Barbados' total exports and economy.

Despite its current condition, it is still believed that the sector holds significant potential that could again become a key contributor to economic growth and development in Barbados. The industry has considerable potential to generate employment in high-value areas other than traditional cutting and sewing. Potential to supply products to the domestic market, thereby reducing apparel imports and, increasing export sales, growing foreign exchange earnings.

**PURPOSE OF STUDY**

The BIDC supports and promotes the Apparel Sector and works with various partners and organisations across Barbados. In its efforts to provide an enabling environment for the sector to thrive, the BIDC engaged in several interventions over the years:

* Advocacy
* Technical assistance
* Training and technical consultancies
* Support to trade and exposure missions
* Marketing support
* Developing infrastructure

In 2021, the Government of Barbados commissioned an apparels committee through BIDC to develop a strategy for the apparel sector. This strategy seeks to guide the sector's immediate recovery following the impact of the COVID-19 pandemic and long term revitalisation. BIDC conducted preliminary research on the industry in developing this strategy, notably including stakeholder engagements, to assess needs and devise appropriate interventions.

However, we recognised gaps in data, and the strategy's success relies on a thorough audit of the sector. It is impossible to be effective given the current understanding of the sector. An audit should equip stakeholders to identify viable products right now, given the island's competitive advantages, capabilities, or potentialities and understand how to best achieve the sector's vision.

**SCOPE**

The BIDC is seeking the services of a consultant whose primary goal will be to design, collect, analyse and report efficient and accurate data on the local Apparel sector. The Apparel sector encompasses companies that design, manufacture and sell clothing, footwear and accessories, from primary products, for example, underwear, to luxury items (IGI-Global)

**Specific Activities**

The consultant is expected to complete the following activities:

Conduct an overall diagnostic on the (formal & informal) local apparel sector inclusive of

* **Demographics**
* **Economic Indicator Data**
  + Levels of sales, exports, other income streams, and employment levels.
* **Needs Assessment**
  + - Workforce Skill levels and deficits
* Machinery
* Technology
* Raw Materials
* Markets
* **Business Elements**
  + Product mix
  + Processes
  + Client base
  + Production capacity & constraints
  + Method of receiving payment
  + Operating models
* **Product Diversification**
  + - Attitude/Potential to diversify product (Are you willing to diversify products)
* **Shared Use Arrangement**
  + - Attitude to sharing machinery & equipment
    - Attitude toward outsourcing elements of production or finishing
    - Attitude towards participating within a cluster arrangement

**OUTCOMES**

This study is intended to generate the following three (3) outcomes:

1. The development of a database of stakeholders, including a register of producers based on the collation of existing and new data generated by the project.
2. The development of a profile of the Apparel sector in Barbados, highlighting its scope, size, structure, capacity.
3. Benchmark economic indicator data for the sector, based on a representative sample of a cross-section of these businesses. It should consist of sales levels, exports, other income streams, qualifications, and employment levels.

**DELIVERABLES**

The successful consultant is expected to deliver:

* a proposal outlining the methodology, timelines and cost of undertaking the study
* an interim report indicating the outcome of the data collection process and some preliminary data
* a final report covering the entire research and providing the outcomes' information.

**TIME SCHEDULE**

The tender is open for submissions from **March 30, 2022 to April 15, 2022**

The BIDC proposes that the data capture be conducted during the period **May – June 2022** and the final report be delivered by **July 15, 2022.**

To facilitate the evaluation of submissions, the selection and appointment of a consultant, the deadline for submitting proposals is on or before **April 15, 2022**.

**REPORTING REQUIREMENTS**

The consultant should submit the final report in both electronic and hard copy format by **July 15 2022.** At the time of submission, the consultant should also provide any outstanding data/information requested during the research project.

**PAYMENT TERMS**

25% Mobilisation fee

25% Completion and submission of preliminary report

25% Submission of the Final Report

25% Close out/Review meeting

**NOTES**

* Your submission should demonstrate appropriate experience in market research related to the apparel sector and/or related sectors. It must also show that you have the proper resources to meet the requirements outlined.
* As part of your submission, you should provide a total cost in Barbados Dollars of meeting all aspects of this research project.
* We do prefer to make payments solely to the selected consultant.

**SUBMISSION OF PROPOSALS**

* Expressions of interest should be submitted with an outline Plan indicating how you propose to undertake the scope of work and accompanied by a Curriculum Vitae. Candidates should submit proposals to [**bidc@bidc.org**](mailto:bidc@bidc.org) on or before **April 15, 2022, at 4:00 PM**.
* Applicants are asked to contact the **Design Unit - Innovation, Research & Development Division at 427-5350** for further information or clarification with respect to submissions.
* BIDC does not bind itself to accept the lowest or any tender.