

Hospitality Education Management Academy in Armenia

Feasibility study on socio-environmental benefits – Terms of Reference

1. Background

The École hôtelière de Lausanne (EHL), a Global leader in hospitality training and education with headquarters in Switzerland¹, is undertaking a preliminary feasibility assessment for the development of a Hospitality Education academy in Armenia. This potential educational centre is envisaged as a potential leader for tourism and hospitality education not only in Armenia but in the wider Caucasus and potentially beyond. The academy would potentially become part of the EHL Global network of hospitality training centres under a partnership agreement and possible license to use the EHL name and training approaches/curricula. Interest and support for the concept has been forthcoming from the Government of Armenia (GoA), from Armenia-based organizations Children of Armenia Fund (COAF) and Armenian General Benevolent Union (AGBU), and from leading representatives of the Armenian Diaspora located in Switzerland. All participants committed in principle to contribute to the project in cash or in kind.

EHL and the emerging consortium (including the GoA), that is promoting this concept, have approached the Swiss Cooperation Office in Armenia (SCO Armenia) for potential financial support to develop the concept and establish the training academy with a broader development vision going beyond. In their view, participation of the Swiss Government is considered a key (soft) factor for a successful implementation, offering in return reputational gains for Switzerland as well as promote effective implementation of the regional program.²

In the framework of its mandate, the Swiss Agency for Development Cooperation (SDC) is willing to contribute to a feasibility study to assess the benefits of such collaboration with regard to developmental aspects, including social inclusion and inclusive economic development while taking into account climate change-related aspects. This short concept is a proposal for what this SDC support could consist of in the first phase (elaboration comprehensive feasibility study), while recognising the requirements that EHL has for an EHL-led overall feasibility study. As a by-product, specific ideas for possible SDC engagement in the development of this academy are welcome in order to maximise the development impact of the initiative.

2. Feasibility study – Components, overall priorities and requirements

EHL has an established system and approach for undertaking its own feasibility assessment, which is mandatory for EHL to enter any international collaboration and licensing arrangement with a local institution or academy.

¹ <https://www.lfm.ch/actualite/suisse/romandie/vaud/lausanne/lecole-hoteliere-de-lausanne-ehl-inaugure-son-nouveau-campus-xxl/>

² <https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-89669.html> École hôtelière de Lausanne: pôle mondial d'excellence de la Suisse dans l'hôtellerie et la restauration - Discours prononcé par M. Ignatio Cassis, Ministre des Affaires Etrangères de la Suisse, lors de l'inauguration du nouveau campus de l'EHL.

SDC is offering to support this process “with a study on how developmental aspects could be integrated in the business to be developed by the EHL, complimentary to the EHL scoping study.

The EHL-led study will apply the processes established by the EHL to assess viability of the proposed academy. The SDC-led component to this feasibility study would assess approaches that would enhance this initiative’s sustainability and positive impact on inclusivity, environmental-issues and climate change.

The integration of this SDC-led component and the EHL-led study into a comprehensive overall feasibility study would be a joint task of the consortium, which includes all parties committed to contribute to the project. This decision is to be taken by consensus.

3. Proposed approach to a coordinated approach to assessing feasibility

The two feasibility perspectives and agendas are potentially overlapping and complimentary. To ensure that this a co-ordinated approach it is proposed that the following is undertaken:

- SDC will hire external consultants (one international lead consultant and one local consultant) with expertise in Tourism and Hospitality in a development context, and notably in Armenia, and in the SCO SC Regional Cooperation Programme and priorities of SDC in Armenia.
- Secondment of the international and the local external consultant to the EHL team while the EH-led feasibility study is being undertaken: The role of the external consultant will be twofold: (1) To gain an understanding of the EHL’s priorities and processes and the feasibility process that EHL manages; and (2) Where appropriate to highlight areas and raise issues that will make the plans more ‘inclusive’, ‘sustainable’ and responsive to climate change priorities (see below for an explanation of the potential developmental aspects).
- The external consultants (international and local) will undertake additional consultations and analysis on top of the EHL study to assess the key questions that are not covered by EHL (in particularly the key development questions).
- The external consultants will prepare a feasibility assessment report from a developmental perspective which will recommend development-led business models applicable and explore synergies with other SDC projects in Armenia and SC. The results shall be integrated into the overall concept for a future project around the establishment of a hospitality academy.

4. The developmental perspective: ‘sustainable’ and ‘inclusive tourism’

This section outlines the development aspects that will be considered under the SDC component and included in the plans for the establishment of a Hospitality Academy, as appropriate. The list of aspects is preliminary and may be further refined in the course of the work process.

The tourism development challenge in relation to inequality

In Armenia, a major challenge is the unequal access to higher education opportunities. From a development perspective, while the development of a hospitality academy could fulfil an important niche and need in the market, it could also exacerbate some of the existing trends in tourism and hospitality, such as those leading to inequalities in development, income and growth. More specifically,

- The dominance of major urban centres in tourism and a few limited tourism hot-spots.

- The predominance of 'fast tourism' with tourists whisked from one developed tourism location or attraction to another.
- The capturing of tourism benefit (profit) by larger companies and investors at the expense of smaller businesses (MSEs) and therefore local communities – particularly rural communities.
- The low-income, seasonal employment created within the hospitality sector for local workers (higher paid staff brought in from the urban hospitality schools leaving only the more menial and lower paid employment for local staff in rural communities).

Opportunities relating to ethical and greener travel

Depending on how a hospitality academy meets the skills needs of larger companies in particular, they contribute to exacerbating inequality or - via a consideration of aspects of "sustainable" and "inclusive" tourism - to reducing inequality and expanding the benefits of tourism. In this context, a number of trends in the global tourism industry are particularly significant:

- Sustainable: defined by the three internationally recognised criteria of environment, culture and heritage, and local social-economic benefits.
- Inclusive tourism: Meaning tourism where the economic benefits are shared more inclusively with local communities (local services, products and inputs).

It should be emphasised that these are global trends that are being reinforced at all levels of international tourism and hospitality. For example, large resorts and hotels in the luxury segment are establishing local supply chains for produce and tourism products and incorporating them into a potential tourism experiences ("farm to table"); other indications are the growing prevalence of "slow food" among high-end restaurants that are establishing links with local farmers. At the non-luxury end of the market, there is also demand from international travel agencies for authentic and local experiences.

Environmental aspects of tourism are recognised as an increasingly important perspective at all levels of the tourism and hospitality industry. For example, in reducing energy consumption/renewable energy, water consumption, reducing waste (and plastics), contributing to wildlife and habitat conservation, and protecting and restoring the environment. Tourism and hospitality (especially mass tourism and large resorts) often have negative impacts on fragile environments, but can also have positive impacts if environmental concerns are taken seriously. Ecotourism is recognised globally not only as a trend in tourism demand, but increasingly as a requirement of the international travel industry, as international travel companies require their local suppliers (hotels, restaurants, local tour operators) to take environmental considerations into account when providing their services.

An SDC-led component of the feasibility study could assess the potential for these inclusive and sustainable tourism aspects in collaboration with the EHL and local stakeholders (e.g. curricula and possibly even a dedicated faculty focusing on these elements: Environmental aspects, sustainability in a broader sense and inclusivity).

One aspect to be explored is how smaller enterprises (MSMEs - micro, small and medium enterprises) can be involved and how students from poorer and more rural areas could be enabled to attend such a school (possibly through scholarships from the diaspora population).

5. Key research questions for the SDC-run component of the feasibility study

The following list contains preliminary key questions and relevant areas of investigation.

For those questions of key importance to the EHL's perspective, potential implications for a developmental perspective will be identified through the external consultant's involvement in

the EHL feasibility study (e.g. financial and market viability and institutional set-up and viability). Others will be answered through additional consultations (in particular development aspects and social benefits).

Financial and market viability

- Start-up investment – scale and sources of investment (including interest level from existing investors)
- Sources and scale of future revenue and the sustainability of these revenues.
- Level and nature of the demand for training from those that would pay for training (students and tourism and hospitality businesses etc.) and willingness/ ability to pay.
- Scope of the demand and therefore target markets for the academy:
 - Geographic – national, regional?
 - Potential profile of students.
 - Institutional – profile of businesses that may fund staff/students.

Institutional set-up and viability

- EHL focus priorities and procedures for local partnership/licensing.
- Profile of existing supply: Existing services in tourism and hospitality training in the target geographic area
- Mandatory requirements for EHL Academy Armenia in terms of alignment with the National Qualifications Framework (roadmap and criteria for accreditation)
- Level of interest of potential local institutional partners for establishing the academy
- Level of stakeholder buy-in – including GoA (government of Armenia), diaspora organisations etc.

Developmental aspects and benefits

- Potential for the academy to stimulate greater attention to key priorities in ‘sustainable’ and ‘inclusive’ hospitality and tourism in the Caucasus region and beyond
- Analysis and integration in the professional education in the hospitality industry of environmental and climate change-related aspects regarding food production and consumption/nutrition, energy consumption, waste reduction, as well as natural and biodiversity protection
- Analysis and integration in professional education in the hospitality industry of visions and best practices to establishing local supply chains for produce and tourism products (incl. cultural aspects); involvement of MSMEs in the supply chains.
- Involvement of students from poorer background and more rural areas; means to improve access to education and income generation opportunities for disadvantaged groups (including by focusing on occupations that are accessible to less-educated communities and by factoring the cost of scholarships into the business model).
- Overlap and complementarity of the academy to SDC’s regional development objectives and ongoing projects at national level in (a) professional education, (b) sustainable and inclusive tourism, as well as (c) climate change, including in terms of timelines and intervention logics.
- In conclusion, proposing a business model and impact model as a result of the study based on local and international experience.

6. Envisaged activities for the external consultants

- Undertake a desk-based review of all the supporting documentation on the concept.
- Undertake a remote and participate in the short in-country consultation by the EHL to gain a deeper understanding of their models for partnership and participate in planning of the EHL assessment (international consultant).
- Undertake a wider in-country consultation with key stakeholders identified and submitted by the consultancy team in its proposal to explore key areas of investigation not covered by the EHL study.
- Preparation of a study report on SDC component, preparation of a concept note.
- Participation in a (online) consultation workshop for key stakeholders consulted as well as consortium partners to share and discuss findings.
- Participation in the integration of SDC-led component and the EHL-led study into one comprehensive overall feasibility study.

7. Envisaged level of effort

The proposed work schedule is indicative and can be reviewed and modified if necessary. The total number of working days must be adhered to in principle.

Activity	International	Local
Desk based review and preliminary consultation	3 days	2 days
Consultation with EHL	2 days	
In country- assignment		
- Travel	2 days	
- In-country with EHL team	3 days	
In-country additional consultation	6 days	5 days
Report writing and consultation around the findings (Feasibility study on development impact potential; concept note)	5 days	2 days
Participation in a consultative workshop	1 day	1 day
Finalisation of deliverables and findings	2 days	1 day
Participation in drafting of comprehensive feasibility study	2 days	
Total envisaged	26 days	9 days

A briefing with the Management of SCO SC, based in Yerevan, will take place at the beginning of the assignment, as well as a debriefing to present the draft final report, prior to the workshop.

The mission to Armenia (short mission with EHL, followed by wider in-country consultation) is expected to take place in December 2022. The mission will be undertaken in compliance with potential COVID-19 containment measures effective in Armenia.

8. Potential timeframe

- Agreement of the process for the feasibility study with EHL etc.: Early Nov. 2022
- Identification of international consultants (tender 10-22 Nov)
Contract signature End-Nov. 2022
24-28 Nov. 2022
- In-country assignment 5-16 Dec. 2022
- Initial draft of feasibility report Early Febr. 2023

- Finalisation of draft feasibility report and writing of concept note Mid-March 2023
- Consultation workshop 13-23 March 2023
- Completion of all outputs and consolidation of comprehensive feasibility study 31 March 2023

9. Outputs for the external consultants

- SDC component of comprehensive feasibility study: report (25 pages maximum; without annexes)
- Short project concept note (5 pages)
- Participation in drafting of comprehensive feasibility study

10. Required Qualifications

The consultancy team with the following qualifications are eligible to **conduct the assignment**:

- Advanced University degree or equivalent in Business Administration, Economics, Development Studies, preferably with a focus on private sector and business development.
- Minimum 5 years' professional experience of conducting similar assignments for international organizations, the public sector, or the business sector. Work experience in the tourism sector is an asset.
- Excellent knowledge of the development context in Armenia (economic, political, environmental). Previous working experience in Armenia or the South Caucasus region. Working experience with the SDC and knowledge of its Armenian portfolio is a plus.
- Strong research and analytical skills; abilities to operationalize analytical results into actionable recommendations for business development
- Excellent verbal and written communication skills in English. Knowledge of the Armenian language (reading and speaking) for local consultant.

In addition to the above competences and skills, the selection will be done on the basis of the submission of a short description of the understanding of the present mandate, as well as on the financial offer.

Proposals can be submitted by teams, consisting of an international and a local consultant.

11. Application

Interested consultancy teams are invited to send an application package, including the below listed documents, in English to the following emails: Attn: Mr. Artur Pokrikyan Artur.pokrikyan@eda.admin.ch and Yerevan@eda.admin.ch by 22 November, 2022:

- A profile/CV demonstrating the consultancy team's relevant experience and competencies.
- A brief proposal (maximum 5 pages) where the methodology and work plan are presented, as well as a short description of the understanding of the present mandate.
- A detailed financial proposal, indicating the cost required for undertaking the assignment. The financial proposal is to be submitted in accordance with the requirements outlined in Annex 2.

In the subject line, please indicate “**Hospitality Education Management Academy Armenia – Socio-environmental Benefits**”.

Only complete applications with all the documents described above and submitted not later than by the deadline will be considered.

ANNEXES:

- Annex 1. List of project-related documents
- Annex 2. Requirements for the Financial Proposal

6-11-22

LIST OF PROJECT-RELATED SDC DOCUMENTS

Living Landscapes for Market Development in Armenia (LILA)

- Project Document, WWF, September 2021
- Feasibility Study

Local Sustainable and Inclusive Growth in Mountainous Armenia (SIGMA)

- Project Concept Note, March 2022
- Feasibility Study, February 2022
- SIGMA Proposal of winning bidder (excerpts of technical proposal)

Modernizing VET Agriculture in Armenia (MAVETA)

- Project Document. Available in August 2022
- Vocational Education and Training in Agricultural Value Chains in Armenia: Analysis and the Way Forward by Mkhitar Balayan, Yerevan 2020

Strengthening the Climate Adaptation Capacities in the South Caucasus (SCAC SC)

- Project Document, Sustainable Caucasus, UniGe, October 2018.
- Interim Narrative Reports
- Caucasus Regional Research Agenda (C-RRA) 2020-2030, endorsed by the [Second CMF](#) held in Ankara, Turkey, from 30 October to 1 November 2019

Improvement of the Local Self-Governance System in Armenia (LSG)

- Project Document, July 2019
- Operational Report, GIZ, April 2020-March 2021
- Mid Term Evaluation Report, December 2022

REQUIREMENTS FOR THE FINANCIAL PROPOSAL

- **TYPE A for employed persons**

Mandate Type A

https://www.fdfa.admin.ch/content/dam/eda/en/documents/dienstleistungen-publikationen/Abrechnungsformular-Auftrag-Typ-A_EN.xls

- **TYPE B for legal persons and institutions**

Mandate Type B

https://www.fdfa.admin.ch/content/dam/eda/en/documents/dienstleistungen-publikationen/Abrechnungsformular-Auftrag-Typ-B_EN.xls

General Terms and Conditions of Business (GTC) of the Swiss Federal Department of Foreign Affairs (FDFA) for Mandates (Types A and B)

https://www.fdfa.admin.ch/content/dam/eda/en/documents/dienstleistungen-publikationen/auftraege/CG-contrats-A-B-2015_EN.pdf

Factsheet on Compensation for Fees and Expenses

https://www.collaboration.eda.admin.ch/en/Documents/Merkblatt%20Honoren%20und%20Spesen_EN.pdf