

DRC

Terms of Reference (TOR)

for

Market System Assessment in Lebanon

1. Who is the Danish Refugee Council?

Founded in 1956, the Danish Refugee Council (DRC) is a leading international NGO and one of the few with a specific expertise in forced displacement. Active in 40 countries with 9,000 employees and supported by 7,500 volunteers, DRC protects, advocates, and builds sustainable futures for refugees and other displacement affected people and communities. DRC works during displacement at all stages: In the acute crisis, in displacement, when settling and integrating in a new place, or upon return. DRC provides protection and life-saving humanitarian assistance; supports displaced persons in becoming self-reliant and included into hosting societies; and works with civil society and responsible authorities to promote protection of rights and peaceful coexistence.

In Lebanon DRC has been delivering humanitarian programming in response to various humanitarian crises since 2004, working with Palestinian, Iraqi, and Syrian refugees, in addition to internally displaced Lebanese affected by armed conflicts, migrant domestic workers, vulnerable host Lebanese populations, in addition to those affected by the Beirut Port Explosion in 2020. DRC Lebanon's focus is to improve the living conditions of displacement-affected populations and contribute to the achievement of durable solutions.

2. Purpose of the consultancy

The Danish Refugee Council based in Lebanon seeks proposals from a consultant to conduct a gender-sensitive market system assessment with the objective of comprehensively analyzing the current Market system; including the labour market dynamics in Akkar, Tripoli, Zahle, and Baalbek districts, focusing on identifying key challenges, opportunities, and potential interventions to support sustainable livelihoods and economic recovery for both Lebanese and Syrian refugee populations.

3. Background

Lebanon's economy has been severely impacted by a confluence of crises, including the 2019 economic, political and financial downturn with hyperinflation and devaluation of the Lebanese Lira, the COVID-19 pandemic, and most recently, the conflict with Israel. These crises have had a devastating impact on the Lebanese economy and population, leading to widespread poverty, unemployment, and increased vulnerability. The conflict has further exacerbated these challenges, causing significant disruptions to supply chains, damage to infrastructure, and displacement of populations. The labor market has been particularly hard-hit, with widespread job losses, declining wages, and limited opportunities for income generation. [Reference: World Bank, 2023. Lebanon Economic Monitor]

Prior even to the escalation of hostilities in the country, women's labor force participation in Lebanon was among the lowest in the region and the world. [Reference: ESCWA, 2022. Women's economic participation in Lebanon: a mapping analysis of laws and regulations]. While the conflict has impacted civilians indiscriminately, women and girls have been disproportionately affected due to multiple and intersecting forms of discrimination that heighten their exclusion and risks [Reference: UN Women, 2024. Gender Alert: Gender and Displacement in Lebanon at the Juncture of the Ceasefire].

4. Objective of the consultancy

The purpose of this consultancy is to

- **Understand current Market dynamics:** In Akkar, Tripoli, Zahle, and Baalbek districts, and analyze the functionality and accessibility of markets, including changes in supply chains and pricing mechanisms.
- **Identify opportunities for Economic Recovery:** Explore opportunities in key economic sectors for both employment and self-employment, that have potential for growth and are substantial sectors in the market. These sectors can support sustainable and decent livelihoods and local economic growth in the targeted areas, especially for women refugees.
- **Analyze emerging governance and Market structures:** Assess how political developments in Lebanon and Syria are likely to affect the economic growth and the beginning of new value chains in Lebanon, market rules and regulations, and potential opportunities for equitable development.
- **Inform DRC's Economic Recovery Interventions:** Economic Recovery is a core sector for DRC that encompasses food security, decent livelihoods and financial inclusion. The market system assessment needs to inform project proposals in 2025 for various donors. Findings from this market assessment will be crucial in guiding the development of our future livelihoods proposals. Key insights, including the identification of promising economic sectors, critical skills gaps, and labor market priorities, will inform the focus and design of our upcoming livelihoods programs.

The consultant will be required to answer the following key questions:

Market dynamics & Functionality

- **What are the current market conditions in the abovementioned districts?**
 - How have businesses been affected by the recent conflict and other relevant factors (e.g., supply chain disruptions, fuel shortages, inflation, infrastructure challenges, changes in demand)?
 - What do businesses need to increase their operations and expand job opportunities? (e.g. access to finance, marketing, skilled personnel etc)
 - From a business perspective, what are the types of support needed by business (e.g. what types of business support services do businesses find beneficial?)
 - Looking through a gender-based lens, what are the perceived barriers to new business start-up (potentially including home-based)
 - To what extent are businesses adopting sustainable / environmentally friendly practices?

Household impacts & Livelihood opportunities

- **What are the key impacts of the conflict on household purchasing power and livelihoods in the target areas?**
 - How has household income been affected by job losses, increased prices, and reduced access to markets?
 - What are the main coping mechanisms employed by vulnerable households to mitigate the economic impacts of the crisis?
 - How have these impacts varied across different population groups (e.g., women, youth, elderly, refugees)?
- **With a gender lens, what are the most promising economic opportunities for households in the target areas?**
 - What are the key sectors with potential for job creation and income generation (focusing on the identified by the Livelihood and food security sectors)
 - What are the existing and potential value chains within these sectors?
 - What are the barriers that different vulnerable groups: women, youth, people with disabilities, older people, people with refugee status, stateless people and other vulnerable persons, might face to enter these economic opportunities?
 - What are the economic sectors that women and youth are seeking employment in / seeking to set up businesses in?

Labor Market Trends & Skills Gaps

- **What are the current trends in the labor market in the target areas?**
 - What are the main employment sectors in these regions?
 - What are the prevailing wage rates and employment conditions?
 - What are the key challenges faced by job seekers; particularly by women in finding employment?
- **What are the key skills gaps in the labor market?**
 - What skills are most in demand by employers in the target sectors?
 - What are the training and skills development needs of the local workforce?
 - Have any businesses actively participated in integrating vulnerable individuals? If so, how?
 - What are businesses currently doing to address skills gaps?
 - How can skills development programs be effectively designed to meet the needs of the labor market?
- **How can employment opportunities be created for vulnerable groups, particularly women?**

- What strategies can be implemented to promote gender equality and youth employment in the labor market?
- What are the potential implications of the new government in Lebanon and Syria on businesses and the labor market?
- How can local communities and businesses adapt to these changes?
- What are the opportunities for strengthening local market systems and promoting equitable development?

5. Scope of work and Methodology

The methodology will incorporate both qualitative and quantitative data collection techniques, leveraging the expertise of DRC field teams, technical expertise in market system assessment, its analysis, and the field reach of enumerators.

Data Collection Methods:

- **Key Informant Interviews (KIIs):** Conducted with traders, transporters, and any other market system functions, local authorities and other duty bearers (i.e. chamber of commerce, etc.), business owners, and community leaders.
- **Household Surveys:** Designed to capture purchasing patterns, coping strategies, livelihood challenges, and opportunities.
- **Market Observations:** To assess availability, pricing, and accessibility of goods and services.
- **Focus Group Discussions (FGDs):** Organized with diverse population groups, including refugees, returnees, women, youth, and host communities.
- **Secondary data:** ILO, World bank, WFO, UNDP and other sources.

Responsibilities of the Contracted Firm:

- **Fieldwork Coordination:** Deploying data collectors to designated areas and managing field logistics, including travel and accommodation, but also tablets or other devices to collect data that can be done by Kobo and/or hard copies.
- **Data quality assurance:** Monitor and supervise data collection to ensure accuracy and reliability.
- **Expense coverage:** Cover all costs related to the assessment, including organization of FGDs, and field expenses.
- **Data Submission:** Provide collected data in a clean, organized format for analysis by DRC and the consultant.

Sampling Strategy:

- A purposive **gender-sensitive sampling approach** will be used to ensure representation of urban, peri-urban, and rural areas from all nationalities and target groups.
- Special **focus** will be given to **Baalbek, Zahle, Akkar and Tripoli districts**

The Consultant will be required to prepare a detailed methodology and work plan indicating how the objectives of the project will be achieved, and the support required from DRC.

6. Deliverables

The Consultant will submit the following deliverables as mentioned below, starting the third week of March 2025:

Phase	Expected Deliverables	Indicative Description Tasks	Maximum expected timeframe
Phase 1	Desk review and inception phase.	Desk review and inception phase.	14 days
Phase 2	Data collection and cleaning in Baalbek-Hermel, Bekaa, Akkar, and North governorates.	Data collection and cleaning in Baalbek-Hermel, Bekaa, Akkar, and North governorates.	14 days
Phase 3	Data analysis and validation, and preliminary findings presentation to DRC.	Data Analysis and validation, and preliminary findings presentation to DRC.	14 days
Phase 4	Final report drafting and submission.	Final report drafting and submission.	14 days

The consultant will provide the documentation **By email**.

7. Duration, timeline, and payment

The total expected duration to complete the assignment will be no more than **8 weeks**.

The consultant shall be prepared to complete the assignment no later than end May **2025**.

DRC will not pay any advance payment prior to implementation of services, Payment should match the deliverable requirement,

8. Proposed Composition of Team

DRC has no preferences in terms of the team composition.

Team: relevant staff working on the assessment must be shared with DRC.

9. Eligibility, qualification, and experience required

Eligibility:

- The consultant has the authorization to conduct research in Lebanon

Non-resident consultants registered in their country shall include a TAX deduction of 8.5% from the financial breakdown to be declared by the relevant Lebanese ministry.

Experience: Essential

- Proven experience in conducting market and value chain assessments in humanitarian contexts in Lebanon
- Strong understanding of the Lebanese context, including economic and humanitarian dynamics.
- Capacity to deliver high-quality reports and actionable recommendations.
- Prior experience working alongside NGOs delivering livelihood-focused projects is an advantage.

N.B: Individual Consultants and Consultancy Firms/Companies are both eligible to apply for this consultancy.

10. Technical supervision

The selected consultant will work under the supervision of:

- DRC Economic Recovery coordinator
- DRC Head of programs

11. Location and support

Assessment will be conducted in Akkar, Tripoli, Zahle, and Baalbek districts.

The Consultant will provide her/his computers and mobile telephones for the study.

DRC will not provide any assets to the consultant.

12. Travel

A consultant is expected to conduct field visits to the abovementioned locations.

The Consultant will therefore be expected to arrange transportation, accommodation, insurance, and food and to make adequate provision in the Financial Proposal.

13. Submission process

Refer to the RFP BEY_2025_02 Invitation Letter.

14. Evaluation of bids

Please refer to the RFP letter invitation.

Only those shortlisted will be contacted for an interview with the panel to ensure their understanding of the consultancy services.