

DRC
Terms of Reference
(TOR)
Phase II
***Research on diaspora engagement in
humanitarian response and economic recovery in
selected areas of 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.

To that end, DRC implements a multi-sectorial humanitarian response and is present across the country, particularly in vulnerable areas that are home to the highest concentrations of Syrian refugees. These areas include North Lebanon, Akkar Governorate, Central, West and North Bekaa, in conjunction with local partners. DRC's response includes protection services such as psychosocial support and legal counselling, and economic recovery programming including skills training and career counselling and advocating for the improvement of a protective environment with the Lebanese government and civil society.

For further information about DRC, please refer to our website: <https://drc.ngo/>

2. Purpose of the consultancy

The overall purpose of this consultancy is to complement the knowledgebase already established by the “Phase I” report “Mapping and Analysis of Diaspora Business Engagement Models in Five Villages of Lebanon”¹ with a Phase II.

Phase I focused on the impact of diaspora engagement on economic recovery and job creation, as well as a description of the engagement modalities as narrated by the receiving end – in five communities in North and East Lebanon. Phase II will:

1. Confirm that the findings in phase 1 have a more general validity in North and Bekaa Valley of Lebanon,
2. Complement the findings from phase 1 with a focus on the “diaspora-end” to document the engagement as described by the diaspora, including their motives, financing modalities, organization, communication, and any challenges they may experience when supporting their families, relatives, and communities.

The findings from phase I and Phase II will be used to inform subsequent programming in addressing existing challenges to diaspora engagement and to further enhance the positive impact of existing diaspora engagement in the targeted areas of Bekaa and North and potentially also broader Lebanon.

Since Phase I was finalized in June 2023, the conflict between Israel and Hamas has escalated, and – at the time of writing this ToR – it is highly likely that the conflict would also spread to Lebanon, with effects on the communities in the mentioned areas (Bekaa and North). In addition to a Phase II to the original research, this research also aims to document any humanitarian response that may be delivered by the diaspora in the targeted communities. This study will target diaspora members who support these communities, regardless of whether or not they are originally from those communities.

The objective of this consultancy is thus to further consolidate the knowledgebase for a “Diaspora component” as part of DRCs programming for leveraging the effects of diaspora engagement in humanitarian response and economic recovery in selected communities in Lebanon.

3. Background

Diaspora is the backbone of the Lebanese economy. With 6.84 billion USD in remittances in 2022, diaspora contributed to 33% of Lebanon’s Gross Domestic Product (GDP). While the majority of diaspora sends food items, and remittances to support their families’ immediate consumption needs, some are also supporting relatives to move away from dependency on these transfers and become self-reliant by starting up, sustaining, or further expanding a business. How this specifically unfolds was documented in the Phase I report.

The main findings were:

1. Instead of remittances diaspora support businesses for-profit or for-charity:
Instead of sending regular remittances, diaspora members have supported relatives to start a business through two main models – for-profit or for-charity. In the for-profit model, the diaspora members expect some form of return on investment. In the for-charity model, the

¹ https://pro.drc.ngo/media/inbfnvix/research-of-diaspora-engagement_v4_april2023_electronic.pdf

diaspora member supports a relative or someone in the community to start, expand or sustain a business without expecting anything in return.

2. Main motive is to support family and relatives:
The main motive behind both models is to sponsor relatives through business instead of sending remittances to cover everyday consumption. In a few cases diaspora business support went to individuals outside their family and in support of initiatives at the community level.
3. Familiarity and trust:
Familiarity and trust are the main pre-requisites for diaspora to contribute financially to business in Lebanon.
4. Informal business relations:
The financial transactions are done through informal channels and business partners do not have contracts defining the relationship between the diaspora and the local partner. This has, in some cases, led to differences in expectations and misunderstandings.
5. Capital is primarily mobilized from savings:
Businesses are financed through diaspora personal savings in forms of equity or personal loans. Formal financing is limited to a few loans from micro-finance institutions and does not rely at all on the traditional banking system.
6. Limited awareness about for-profit models and practices:
Diaspora members engaging in for-charity models had limited awareness of how the for-profit investments worked.
7. Readiness during crises:
Half of the cases identified were businesses created after the beginning of the crisis in Lebanon in 2019. This peak in business engagement is seen as an expression of the diaspora's commitment to support their families in maintaining a decent income during the collapse of public and financial institutions.
8. Financial support first:
Financial support was the main and most valued business engagement contribution from diaspora. In a few cases, other important elements were mentioned including technical support (e.g. business advice) and in-kind support (e.g. sourcing production material from the country of residence).
9. Creation of employment:
Most of the employment created from diaspora engagement was self-employment. However, from the sample, larger investments from the diaspora did generally create a higher number of jobs in the business receiving the funds.
10. More support is still needed:
Companies remain vulnerable to the challenging business environment. They are constantly looking for financial and technical input from diaspora and business support opportunities to survive and scale-up.

For several reasons, it proved difficult to obtain information about the engagement of Syrian diaspora in support of Syrian refugees' businesses, most prominently because there are several legal restrictions

for Syrians to run a business in Lebanon. It is however still assumed that diaspora is essential for resilience and survival of the Syrians in Lebanon.

The background to the wish for documentation and analysis of the diaspora humanitarian support is the general observation that diaspora frequently is a prime responder to humanitarian needs through individual and community support.

4. Objectives of the consultancy

With a focus on both Lebanese and Syrian diaspora with roots in the selected communities in Lebanon, building on the findings from the Phase I report, and the potential engagement of diaspora in a humanitarian response in the selected communities, the objectives of Phase II are to:

- Confirm that the findings from phase 1 have a more general validity in other refugee hosting communities / areas in North Lebanon and Bekaa Valley.
- Capture the general characteristics of the Lebanese / Syrian diaspora communities in selected countries hosting diaspora who support the targeted communities.
- Document diaspora's engagement in humanitarian response.
- Further elaborate on the main findings from Phase I (Primarily points 1 – 6 above).
- Elaborate on the financing of diaspora business engagement. In addition, more specific questions might include: How have this financing changed since the economic crisis begun? Do senders rely on traditional MTOs or new market entries? How are *hawalas* playing a role and has this role changed?
- Identify and document any organization and coordination among diaspora from the target area (informal networks, hometown associations, virtual groups on social media, religious communities, etc.) and how they relate to, and engage with communities' back home.
- Document the main challenges, lessons learned, and best practices experienced by diaspora regarding humanitarian response and economic engagement at family or community level.
- Understanding the extent to which the diaspora is capable of and/or willing to change its support modalities (from business support to emergency support or vice versa).

Together with the findings from phase I, the findings from phase II, will be used to inform subsequent programming in addressing existing challenges to diaspora engagement and to further enhance positive impact of diaspora engagement in humanitarian response, businesses support, job creation and community recovery in the target area and potentially also broader.

5. Scope of work and Methodology

Reflecting the above objectives, the consultant is - more specifically - required to deliver the following outputs.

- **Confirm that the findings from phase 1 have a more general validity in other refugee hosting communities / areas in North Lebanon and Bekaa Valley.**

- Through presentation of the main findings from phase 1 to Key Informants² in two refugee hosting urban areas, and two refugee hosting rural areas in North Lebanon and Beqaa Valley³, the findings are verified. If additional engagement modalities are identified through the verification exercise, these should be described.
 - If possible – with support from the Key Informants, quantitative information should be produced.
- **General characteristics of the Lebanese / Syrian diaspora communities in selected countries and areas that host diaspora who support the targeted communities.**
Based on secondary sources (literature), information from the Phase I report, and primary information from sources in the five targeted communities in Lebanon, the consultant is expected to produce a brief historical and socio-economic overview of the diaspora from the targeted communities. This should include, but not be limited to:
- A mapping of the most common locations for settlement of diaspora from the targeted communities.
 - Based on literature review or firsthand information, a short history of the diaspora (from the target area) in selected settlement locations should be produced.
 - A short socio-economic description of the diaspora from the targeted communities, including:
 - Main areas of occupation.
 - Internal organization if any (formal and informal) in the country of residence, and beyond, including links and engagement with communities back home.
 - Interaction / integration with local communities
 - Any other characteristics?
- **Documentation of diaspora humanitarian support towards the targeted communities.**
In view of the escalating conflict in the region, it is currently (1. December 2023) highly likely that the conflict will manifest itself significantly in Lebanon. The documentation should describe:
- The extent to which diaspora is engaged in provision of humanitarian support to displaced from South Lebanon.
 - Profile of the diaspora that supports displaced from South Lebanon, and their relationship to the displaced.
 - Modalities of the humanitarian support (cash, in-kind)
 - Mobilization, organization at sending and receiving ends, internal and external coordination of diaspora humanitarian support.
 - Relationship and division of roles/responsibilities between diaspora and their local partners?
 - Targeting of the humanitarian support – immediate relatives / broader community. Any gaps?
 - Size and coverage of the humanitarian support from diaspora
 - How do the receiving communities report back to diaspora?
- **Documentation of diaspora business engagement as it looks from the diaspora perspective.**
- Further elaborate on the main findings from Phase I (Primarily points 1 – 6 above).
 - Confirm the extent to which diaspora sends remittances to relatives in the targeted communities and/or other parts of Lebanon.

² Identification of the Key Informants is the responsibility of the consultant – with support from DRC. Focus Group discussions with the Key Informants can be held.

³ These should not be the same communities that were targeted during phase 1.

- Confirm the extent to which diaspora wishes to replace ongoing remittances, with support to relatives' self-reliance.
 - Confirm the two main typologies of diaspora business engagement with relatives – for profit or for charity. For each of the models be sure to answer:
 - Who took the initiative – what were the motives?
 - How was the business sector identified?
 - How was the collection of information about the choice of sector, and market opportunities done?
 - What was the role of the diaspora investor?
 - How do they communicate?
 - Confirm the general motives for diaspora business engagement as well as the centrality of trust in the collaboration and what it has meant for the formality/informality of collaboration and coordination.
 - Confirm and further elaborate on the financing of diaspora business engagement (savings, group savings, credits, etc.).
 - Confirm the extent to which diaspora collaborate and exchange on how to support relatives' self-reliance.
- Identify and document any internal organization and coordination among diaspora from the target area (informal networks, hometown associations, virtual groups on social media, religious communities, etc.) and how they engage with/support communities back home – beyond emergency response.
- **Documentation of main challenges, lessons learned / best practices for each verified engagement model, including humanitarian response.**

For each engagement model the consultant should:

- **Identify and describe the main common challenges** faced by diaspora while engaging in humanitarian response and local businesses. Such challenges could among others relate to coordination, transactions, access, finance, regulatory restrictions/red tape, availability of information on local conditions, engagement with local non-governmental organizations, local authorities but also local business partners, or relatives around business start-up.
- For each engagement model, **document lessons learned and best practices** that were applied by diaspora actors and local companies to overcome the challenges. Such lessons learned and best practices will potentially serve to inspire others in the diaspora or among the local non-governmental organizations and local companies to engage.
- Capture **diaspora actors' recommendations** for the type of support needed to expand existing activities and to boost the level of diaspora engagement for humanitarian response and job creation in the area.
- **Identify prominent diaspora communities** that could be potential partners in expanding or starting up activities in the area.

Comments on methodology

In addition to delivering a Phase II to the earlier research on diaspora business engagement, this research also aims to document how the diaspora supports the humanitarian needs emerging from the conflict between Israel and the armed Palestinian factions in the region.

Methodologically this will mean that Phase II of the research on diaspora business engagement will build on findings during phase I. As phase II will primarily focus on diaspora perspectives and engagement, at least two countries outside of Lebanon that are known to host diaspora from the target communities, should be visited for collection of primary data.

The research on diaspora humanitarian support should start with documentations of the humanitarian engagement as it manifests itself in the targeted communities in Lebanon. Once this has been finalized, it should be followed up by moving to diaspora hosting countries outside Lebanon – preferably the same as for the research on business engagement.

It is anticipated that most of the information – both in Lebanon, and in diaspora countries of residence, will have to be collected through Key Informant Interviews.

The number of KIIs and FGDs will depend on the number of people in the diaspora that can be identified. Individuals can partly be identified from the KIIs that were interviewed during phase I, in addition to other relevant stakeholders that could be interviewed (municipalities and other local authorities including religious associations) partly through visits to the Lebanese and Syrian communities in the diaspora. To the extent possible informants should aim to include 50 % Syrian diaspora and 50% Lebanese diaspora. Identification of Key Informants for documentation of diaspora humanitarian support should be done starting from the targeted communities.

Selection of countries should, if feasible, allow for consultations both with Syrian and Lebanese diaspora in the same country.

6. Deliverables

In view of the exploratory nature of this consultancy it is expected that the consultant and DRC Lebanon / Copenhagen will communicate closely throughout the process to jointly take decisions and solve any unforeseen problems and challenges.

The Consultant will submit the following deliverables:

Phase	Expected deliverables	Indicative description tasks	Maximum expected days
1	Inception report outlining the proposed process, including selection of countries for diaspora engagement	For approval from DRC Lebanon, before proceeding to subsequent deliverables.	4
2	Submission of draft report for DRC Lebanon comments	Draft report that contains all findings from the research should be produced and presented to DRC Lebanon. Any comments should be incorporated.	35
3	Debriefing for relevant stakeholders within DRC.	The draft findings should also be presented to stakeholders within DRC.	3

Phase	Expected deliverables	Indicative description tasks	Maximum expected days
4	Submission of final report presenting data, analysis, conclusions, and recommendations for DRC Lebanon programming.		3
5	Final presentation to DRC and external stakeholders		1
	Total days		46

The documentation should be delivered by email.

7. Duration, timeline, and payment

The total expected duration to complete the assignment will be no more than **46 working days**

The consultant shall be prepared to complete the assignment no later than **25.03.2024**.

Timeline and Payment schedule:

Deliverables	Approving Party	Associated Payment
Inception report	DRC Lebanon	20%
Submission of draft report including transcripts from KIIs and FGD's	DRC Lebanon	50%
Submission of final report and final presentation in Lebanon	DRC Lebanon	30%

8. Proposed Composition of Team

- Lead researcher
- Field research
- Business Analyst (Optional)
- Etc.

9. Eligibility, qualification, and experience required

Essential:

- Extensive experience from research and documentation of humanitarian and private sector development – preferably in Lebanon / Syria
- The consultant has the authorization to conduct research in Lebanon
- Track record of written publications on diaspora / humanitarian engagement/private sector development / development / migration.
- Excellent analytical, interpersonal, communication and reporting skills.
- Strong communication skills (oral and written) in English.

Desirable:

- Experience from research and documentation of diaspora business engagement in private sector development.
- Command of Arabic.
- A good understanding of Lebanon’s and Syria’s cultural / economic context

Eligibility:

- The consultant has the authorization to conduct research in Lebanon
- Non-resident Consultants registered in their country shall include a TAX deduction for 7.5% from the financial breakdown to be declared to the Lebanese relevant ministry

Qualifications:

- Relevant academic background. Post-graduate university degree in social sciences / business development or another relevant
- Written Full proficiency in spoken and written English and desirably also in Arabic.

10. Technical supervision

The selected consultant will work under the supervision of:

- ***Senior Diaspora Advisor***
- ***Head of Program in Lebanon***
- ***Economic Recovery Coordinator in Lebanon***

11. Location and support

As this assignment will include extensive travels, the consultant will be executing his/her tasks in relevant locations and from home. The Consultant will provide her/his own computer and mobile telephone.

12. Travel

International travel will be organized by the consultant. Costs for international travel will be included in the financial offer.

13. Evaluation of bids

Evaluation will take place within a Selection Committee to compare the bids, along the principles of quality of the bid, as well as cost-effectiveness. Full details on the evaluation process and criteria can be found in ***the RFP BEY_23_09 Invitation Letter***.

An interview process may take place depending on the number and quality of the bids received, with only those shortlisted to be contacted for interview.

14. Submission process

Refer to the RFP BEY_23_09 Invitation Letter.