

Rene Moawad Foundation

Productive Economic Inclusion in Lebanon (P180905)

Terms of Reference (ToR) Market Analysis and Sector Study for 3 areas in Lebanon

Proc Reference: LB-RMF-449776-CS-INDV

## **1. Background**

Lebanon's compounding crises have had severe implications on the country's human capital. Poverty and vulnerability have increased significantly, with projections from the World Bank suggesting that well over 50 percent of the population were under the national poverty line in 2020. Unemployment has also risen sharply during the crises. Based on a World Bank survey targeting formal firms, one in five workers lost their jobs since October 2019, while 61 percent of formal firms surveyed decreased the number of permanent workers by 43 percent on average. Rising unemployment rates during the pandemic have also reduced household income, affecting their resilience in the face of the crises.

To support households, cope with the crises, the Government of Lebanon launched the Emergency Social Safety Net (ESSN) cash transfer program with financing from the World Bank. The program expands safety net coverage to 150,000 extreme poor Lebanese households that are socially vulnerable. While this will substantially increase the coverage of safety nets in Lebanon, it will not reach the high numbers of households that have gone into poverty during the crisis. At the same time, and in light of severe fiscal constraints in Lebanon, further support is required for households to overcome poverty through the labor market.

In this context of poverty and fragility, the World Bank has selected the Rene Moawad Foundation (RMF) to act as the Implementing Agency to pilot Productive Economic Inclusion in Lebanon (PEIL) project that provides livelihood support to a selected number of poor households targeting three Cazas. The objective of the pilot is to improve livelihood opportunities for 1,500 households that are current beneficiaries of the ESSN. Therefore, the PEIL Project complements the ESSN program by improving household welfare and resilience through productive economic inclusion. It strengthens sustainable pathways out of poverty by reducing household dependence on government assistance. To achieve the intended objectives of the pilot, the Project is composed of the following three components, based on well-evaluated programs around the world: (1) designing a data-driven economic inclusion program for Lebanon; (2) implementing the pilot program in selected regions; and (3) monitoring and evaluation to quantify the impact and cost-effectiveness of the pilot. Through these activities, the project aims to inform the scale up of an economic inclusion program across Lebanon.

## **2. Objectives of the Assignment**

The objective of the proposed project is to improve the welfare of most vulnerable Lebanese households through productive economic inclusion by training and transferring an asset to help participants launch a sustainable economic activity is a critical component of the economic inclusion approach. Prior to that, a thorough analysis of the local market, to identify the sectors that have the potential to absorb the selected participants, is critical to ensure that the livelihood intervention is: (i) relevant for the selected beneficiaries and the local needs, and (ii) sustainable. RMF is looking to hire a specialized firm for carrying out the above-referenced market analysis in each of the following 3 Regions (Czas) Baabda/el Metn, Minnieh Dennieh and Saida/Jezzine. Specifically, the selected firm is expected to carry out preparatory as well as field work, and which includes: ; (i) desk research on the local economy project conducted by other stakeholders of the selected districts/Czas; (ii) drafting of all the relevant research instruments/tool; (iii) scheduling and facilitation of meetings and interviews; and (iv) qualitative data collection, analysis and reporting, (v) Training Needs Assessment (TNA) within the selected sectors; (vi) a final report compiling all findings, along with further recommendations for the project and proposed interventions.

## **3. Scope of Work**

Under the supervision of RMF and in close collaboration with the World Bank Task Team, the selected firm is expected to undertake the following activities:

a. Carry out a sector selection exercise in order to identify Sectors in each Regions (Czas) that could benefit the target population. Selection criteria should include the following: relevance to the target population, potential impact on poverty and employment, profitability, growth, and feasibility of possible interventions. Socio-economic indicators for monitoring and evaluation should be defined.

b. Rank the selected sectors/sub-sectors and identify, in consultation with the RMF team and local stakeholders, these sectors/sub-sectors that have the greatest potential to absorb the targeted population. Depending on the outcome of the target group analysis, at least 8 sectors/subsectors can be identified for each of the three Regions. The identified sectors/subsectors will be subject to further analysis. This should be presented and discussed during a sector selection validation workshop with relevant stakeholders.

c. Conduct a limited sector or subsector analysis for the 8 identified value chain subsectors in each of the three selected regions (Czas). The analysis should explore existing business

linkages and employment opportunities for the target population, and provide an overview of existing financial and business support services, as well as regulatory constraints and opportunities for the economic development of the sector. All findings and collected information should be discussed and validated during a sector or subsector stakeholder workshop.

d. Conduct a Training Needs Assessment (TNA), in parallel to the VCA, in order to identify the skills and knowledge gaps for the identified sectors and sub-sectors. Propose an appropriate plan for vocational and entrepreneurship development training.

#### 4. Expected outputs/deliverables of the Assignment

With the above-mentioned activities in mind, the selected firm will be expected to deliver the following outputs in English:

- **Inception Report:** A comprehensive report detailing the proposed methodology, implementation plan, and initial profiling of the target population in the three regions (Cazas).
- **Sector Selection Documentation:** Documentation of the sector selection process, including the specific criteria and indicators used to select the sectors/subsectors.
- **Sector Selection Validation Workshop:** A validation workshop involving the RMF team, World Bank team, and the Ministry of Social Affairs (MoSA) to confirm the selected sectors.
- **Market assessment Report:** A detailed market assessment/sectoral report covering 24 sectors/subsectors, with recommendations for specific interventions in each sector.
- **Training Needs Assessments (TNA):** Training Needs Assessments conducted within the selected sectors/subsectors to identify capacity-building needs and recommendations for skill development.
- **Final Report:** A consolidated final report that includes findings from the selected sectors/subsectors and TNAs, along with further recommendations for project interventions and future steps.

#### 5. Qualifications

Required:

- A specialized firm, with its leading team having degrees in Economics, Social Sciences, Education or a closely related field;
- Experience in conducting market research;
- Strong proficiency of its leading team in English and Arabic, both oral and written;

- Good knowledge of the Lebanese political, economic and social context;
- Excellent writing, communication, and presentation skills;
- Strong social, organizational and knowledge management skills required in order to coordinate and manage a research and project network;
- Capacity to produce high-quality reports;
- Experience designing and implementing quantitative and qualitative data collection instruments, in particular surveys and focus groups;
- Ability to work independently under limited supervision;
- The contracted firm will be expected to work in close consultation with the project team from RMF and the World Bank.

Preferred:

- Knowledge of/experience with poverty-targeted social assistance programs that support self-employment and provision of social services;
- Experience with refugee contexts is desirable.

Throughout the whole duration of this project the selected firm/consortium will assign to it a dedicated Market Assessment Specialist with the following responsibilities and required qualifications:

The **Market Assessment Specialist** shall be responsible for:

- Designing and organizing a sector selection validation workshop;
- Drafting market assessment reports, with recommendations for specific sector interventions;
- Organizing Market Assessment stakeholder workshop, to validate all findings;
- Conducting Training Needs Assessments (TNAs) within the selected sectors.

The Value Chain Specialist will be a professional with a university degree in social sciences (preferably Economics), and at least 5 years of experience in conducting market assessments or value chain analyses, and experience in technical skills' assessment. The Value Chain Specialist should have excellent knowledge of the Lebanese political, economic and social context and experience designing and implementing quantitative and qualitative data collection instruments, in particular surveys and focus groups. He or she will be expected to work in close consultation with the RMF team and the World Bank.

## 6. Timing and Reporting

The procurement process will be launched in September 2024, and a firm will be selected based on pre-determined criteria. The selected firm will report to the PEIL Project Manager and is expected to begin work in November 2024. It is expected that all the deliverables detailed under section 7 of these Terms of Reference will be submitted by January 2025.

## 7. Deliverables and Terms of Payment

No.	Deliverables	Target dates	Payment terms against each deliverable
1	<b>Inception Report:</b> Submit an inception report detailing the suggested methodology and an implementation plan. This should align with the approved proposal and be agreed upon by the RMF team, in close collaboration with the World Bank team.	Week 1	10%
2	<b>Sector Selection Documentation:</b> Documentation of the sector selection process, including the specific criteria and indicators used to select the sectors/subsectors.	Weeks 1-2	10%
3	<b>Sector Selection Validation Workshop:</b> Design and organize a validation workshop for sector selection with the RMF team, the World Bank team, and the Ministry of Social Affairs (MoSA) to validate the selected sectors..	Week 3	10%
4	<b>Market Assessment Report :</b> Develop the market assessment report based on the validated sector workshop and submit the first draft of the report to RMF team and the World Bank team	Weeks 4-5	20%
5	<b>Training Needs Assessments (TNA):</b> Conduct TNAs within the selected sectors & Design and organize a TNA validation workshop with the RMF team, World Bank team, and MoSA.	Weeks 6-7	10%
6	<b>Final report:</b> Submit the final market assessment report, incorporating the training needs assessment, to RMF, World Bank, and MoSA. A consolidated report with findings from the sector selection, market assessment, and TNAs, along with further recommendations for project interventions and future steps.	Week 9	20%

7	Amend the final report based on any feedback or comments received from RMF, World Bank, and MoSA.	Week 11	20%
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### **8. Duration of the Assignment**

The duration of the assignment will be 11 weeks from November 2024 till January 2025.