

Terms of Reference

Market Assessment and Value Chain Analysis

Organisation: UNHCR

Location: Mexico

Type of Contract: Services

Duration of contract: 3 months

Title: Market Assessment and Value Chain Analysis

1. Overview

The Office of the United Nations High Commissioner for Refugees (UNHCR) is mandated to lead and coordinate international action to protect refugees and resolve refugee problems worldwide. Its primary purpose is to safeguard the rights and well-being of refugees. It strives to ensure that everyone can exercise the right to seek asylum and find safe refuge in another State.

UNHCR's ultimate goal is to help find durable solutions that will allow them to rebuild their lives in dignity. While pursuing durable solutions, UNHCR works to increase the self-reliance and livelihood opportunities of refugees, allowing them in turn to retain assets, access to income opportunities, and maintain their dignity.

The strategic goal of livelihoods programming in UNHCR is to enable the self-reliance of persons of concern, ensuring their enjoyment of the full range of human rights and their capacity to participate in the achievement of durable solutions. The [Global Strategy for Livelihoods \(2014-2018\)](#) sets out specific results that the organization needs to achieve in order to effectively support and protect the livelihoods of persons of concern, and enable their self-reliance. In order to operationalize the Global Strategy for Livelihoods, UNHCR released the [Operational Guidelines on the Minimum Criteria for Livelihoods Programming \(UNHCR/OG/2015/4\)](#), which emphasizes data-driven and market-based approaches to improve livelihoods programmes across the globe. One of the requirements is that UNHCR Operations conduct market assessments and value chain analyses, to inform strategic planning and design livelihoods interventions that will provide sustainable, market-based opportunities for persons of concern. UNHCR has adopted a value chain development approach to livelihoods, similar to [ILO's approach](#).

2. Country context

The action of transnational organized crime and other illegal armed groups have increasingly affected the three countries of the Northern Triangle of Central America (NTCA), El Salvador, Honduras and Guatemala, resulting in a growing forced displacement and increasing numbers of people seeking asylum across the region. Profiles include young unaccompanied males, females and children who flee from persecution from gang related activities. Many attempt to travel to the U.S. but are instead apprehended in Mexico. An increasing number decide to apply for refugee status in Mexico and are hosted in faith-based shelters across the so-called migrant route. Due to the constant flow of thousands of Central Americans fleeing persecution, there is a strong need to continue supporting shelters to ensure POC's protection and assistance. UNHCR has taken a number of actions to improve access to and quality of asylum in Mexico. These range from reception conditions and humanitarian assistance, to integration efforts and durable solutions.

One of the common problems that refugees are facing is the difficulty to incorporate them into the local labour market, since they do not have any school or technical diploma to demonstrate their skills and abilities to work. Besides, the refugee population has to face discriminatory behaviours from local community and the

business sector, which represents a challenge for refugees to integrate locally. Many refugees pursue livelihoods in the informal sector which is associated with the risk of labor exploitation such as low salaries, long working hours and unstable income. Thus, access to employment or well paid employment as well as to mechanisms improving their livelihood assets and incomes is a priority.

UNHCR must engage in promoting local integration under an umbrella of tolerance and diversity. Naturalization of refugees allows their access to State programs and an easier insertion into the labour market. Despite this, the high cost of naturalization fees represents an important obstacle for the majority of refugees. Perhaps more importantly, the office and government partners did not have resources to ensure that recognized refugees were systematically advised of naturalization criteria and procedures. Lack of employment opportunities, access to income generation, credit and financial systems and housing, hinder local integration and must therefore be included in any solutions strategy. Some other issues identified were the lack of employment opportunities, racial discrimination and challenges due to the lack of recognition of their refugee identification cards by employers, authorities and banking institutions.

3. Purpose of the Market Assessment and Value Chain Analysis

The overall purpose of the Market Assessment and Value Chain Analysis is to identify and design livelihood development programmes that, if implemented, increase the employment opportunities and improve the living conditions of refugees and host communities. The secondary purpose is to provide recommendations to improve current UNHCR livelihood programmes. The Market assessment and value chain analysis will benefit from a Livelihood Socio-economic Assessment of the refugee population, including education and work experience.

The purpose of the Market Assessment is to assess the potential for growth, profitability and employment of local economic sectors. The market assessment will identify value chains with high potential. The identified value chains should eventually include a large number of beneficiaries (persons of concern and members of the host communities).

The purpose of the Value Chain Analysis is to determine how the identified value chain(s) can be developed to include more persons of concern in the labour market, whether in self or wage employment, upgrading the role of refugees and increasing their share of the profits. The value chain analysis will lead to value chain development strategies with practical action points.

4. Geographical locations

The first phase of the Market Assessment and the Value Chain Analysis will identify municipalities which have a large and growing labour market, where the employment opportunities match those that do not require high levels of expertise, with high levels of security and with good level of public health services and schools. These will include the major refugee-hosting locations of Mexico City, Tapachula, Chiapas, Tenosique, Tabasco and Saltillo, Coahuila.

5. Scope of work

Through a consultative and field based process, the contractor will conduct the Market Assessment and Value Chain analysis, using a well-established and recognized methodology, to achieve the following specific objectives:

- Identify a range of cities (10 municipalities) which fulfill with the selection criteria to carry out the market study.
- Identify market dynamics and opportunities and assess and map the supply and demand of services in targeted areas.
- Select key value chains with the highest potential for growth, profitability and employment for refugees (given their needs and capacities). Special emphasis should be placed on finding safe value chains for refugees, where their entry into the labour market will not cause tension with host communities (due to competition) and where international labour standards are generally respected.

- Map the existing potential value chains.
- Analyse the supporting functions that are required to make the value chain work, including both existing and missing support functions (e.g. infrastructure, information, related services)
- Clarify the rules and regulations (e.g. standards, laws, informal rules and norms) related to the value chain. Outline any gaps that must be filled in order for refugees to sustainably gain employment through the value chain, and how the value chain can be developed.
- Assess the competitiveness of the value chain(s) and determine how to create competitive advantages for the targeted sectors in the context of local and regional trends, having in mind the context of the refugee population.
- Assess the cost, profit, marketing, and supply and demand dynamics of the value chain.
- Recommend value chain development plan(s) that benefit both refugees and host communities and lead to improvement of living conditions and wage/self-employment.
- Order by priority potential development plans and interventions. In particular, the prioritization should take into account the potential of certain chains to promote the inclusion of refugees and vulnerable groups from host communities.
- Draft for the most cost effective interventions concept notes and TORs (using UNHCR templates) to help country office to launch a call for expression of interest to mobilize partners.

4.1 Expected tasks

Market Assessment

Task 1: Desk review

Task 2: Mapping of identified municipalities to apply the market study.

Task 3: Inception workshop with UNHCR staff and selected partners

Task 4: Field data collection

Task 5: Validation workshop with UNHCR staff and selected partners

Value Chain Analysis

Task 1: Planning, training and inception workshop with UNHCR staff and selected partners

Task 2: Field data collection

Task 3: Thematic/sectorial workshops with UNHCR staff, selected partners

Task 4: Data analysis workshop(s) with UNHCR staff and selected partners

Task 5: Validation workshop with UNHCR staff, selected partners and PoC

Task 5: Submission of first draft

Task 6: Finalization of the report

5. Supervision/Reporting line and Duty Stations

The contractor will report directly to the Programme Officer supported by the Durable Solution Associate of BOMEX.

6. Consultancy Deliverables

The deliverables of the consultancy will be two reports: 1) Mapping of identified municipalities to carry out the market studies and 2) Labour market studies and value chain assessment report. The draft report will be reviewed by UNHCR and the final report will be produced by the contractor based on the feedback.

The market assessment and value chain analysis report should include at least:

- Executive summary
- Background
- Methodology and documentation of the process
- Limitations and challenges
- Findings of market assessment (SWOT analysis, potential for growth, profitability and employment of each sector)

- Conclusion of market assessment: list of value chains that should be targeted to boost the employment of persons of concern and their host communities
- Findings chapter for each selected value chain (market players, rules, policies and regulations, supporting functions in addition to sourcing, production and marketing mechanisms)
- Recommendations (intervention matrix)
- Concept notes and TORs of selected interventions
- Annexes

The Contractor will submit to UNHCR the following materials:

- 1) Electronic copies of all data sets
- 2) All quantitative and qualitative data (completed questionnaires, recorded interviews, focus groups, etc)
- 3) Any other documents that will be used or collected in the course of the consultancy

7. TORs Amendment

UNHCR and the contractor may amend part of the present ToRs (namely section 4) in order to have deliverables that better adheres to the context. The final report will reflect the amendments agreed. The amendments must be signed by both parties at the beginning of the mission.

8. Proposed Timeframe

3 months

9. Payment milestones

25% at the agreement signature.

25% at the conclusion of field data collections.

25% at the submission of the first drafts.

25% at the reception of the final reports.

10. Qualifications

Academic: advanced university degree in marketing, economics, socio-economic development, development planning, financial management or other related fields.

Professional Experience:

- a) Minimum of 5 years of relevant professional job experience (market assessments, local economic development, value chain development, strategic planning, etc.);
- b) Proven experience in planning, implementing, and monitoring livelihoods programmes (and managing multiple projects);
- c) Experience in working with international and national NGOs and UN organisations, or with government authorities at national level;

Language: fluency in English and Spanish