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| **Description of the Assignments: Consultancy service for value chain and market systems assessment** **Project Location(s):** The assignment will be implemented in Afar region program targeted areas.   ***Afar region***:***Zone 1:*** Chifra, Mile, Dubti, Afambo and Aysaita***Zone 3:*** Amibara and Gewane |  |

1. **Background**

Mercy Corps is an international humanitarian and development organization whose mission is to reduce suffering, poverty and oppression by helping people build secure, productive and just communities. The organization has been operating in Ethiopia since 2004, working in rural, peri-urban and urban areas in five regional states: Somali, Oromia, Afar, Southern Nations Nationalities and Peoples, Amhara and Addis Ababa City Administration. We engage in both development and humanitarian work, and seek to integrate approaches, programs and geographies as much as possible. Our partners include government, academic institutions, development and private sector actors, civil societies and participating public.

Shocks and stresses are a frequent occurrence in the lowlands of Ethiopia. Environmental shocks, including drought, flooding, Desert locust, animal and human disease outbreaks, alongside conflict shocks, often undermine the development gains made at household and market levels. Recent droughts have ravaged the lowlands regions, resulting in widespread livestock loss and income drops. Incidents of violence and recurrent inter-ethnic conflict are also prevalent, creating downstream disruptions, including destruction of livestock assets, market closures, food shortages, displacement, and psycho-social trauma, which negatively impact resilience capacities and all aspects of individual, household, and community well-being. The current COVID-19 pandemic has further weakened the coping capacities of the low land communities. Both environmental and conflict related shocks and stresses must be addressed in an integrated manner.

Mercy Corps and CARE through funding from USAID Feed the Future, is implementing Resilience in Pastoral Areas (RiPA-North cluster) that aims to improve the resilience capacities of households, markets and governance institutions across the Somali, Afar and Oromia regions target woredas, collectively contributing to enhanced food security and inclusive economic growth for over 129,000 households. The program activities are categorized under four main component areas. Which are:

**Component 1** : Improved disaster risk management systems and capacity;

**Component 2**: Diversified and sustainable economic opportunities for people Transitioning Out of Pastoralism (TOPs);

**Component 3**: Intensified and sustained pastoral and agro-pastoral production and marketing; and

**Component 4**: Improved and Sustained Nutrition and hygiene Practices.

This TOR is prepared to recruit consultancy service providers to conduct in-depth Value chain and market assessments under Component 2 and 3 key thematic areas highlighted above.

The overarching rationale for contracting the value chain and market system assessment assignment is to primarily identify underlying root causes that are affecting (positively and negatively) the selected critical markets; for livestock, crop and diversified economic opportunities.

Secondly, to identify relevant, feasible, sustainable, and Climate-smart, nutrition, and gender-sensitive market intervention areas and market-based activities that pastoral and agro-pastoral HHs particularly ToPs (youth and women) and market actors should focus on in order to contribute to building the resilience of HHs and markets.

Thus, Mercy Corps is seeking to recruit qualified consultancy firm/s to conduct value chain and market systems assessments to accomplish the following objectives.

1. **Objectives of the assignment**
* To carry out a field-level in-depth scoping of potential economic activities, for both Livestock/crop and diversified economic opportunities[[1]](#footnote-1).
* To prioritize climate-smart, gender, and nutrition-sensitive viable livestock/crop and diversified economic opportunities
* To conduct market assessment/ analysis for six prioritized livestock, crop, fruit, and vegetable commodities in the region
* To conduct market assessment/ analysis on ten prioritized diversified economic opportunities for women and youth in both rural and urban locations
* To come up with clear recommendations of intervention and leverage areas, including specific business models, cost-benefit analysis to improve the competitiveness of the market system, integrating pastoral and agro-pastoral HHs and leading to their resilience and enhanced livelihoods.
1. **Tasks of the consultant for the assessment**
* Develop and present data gathering and analysis tool, methodology for data collection and schedule for carrying out the assignment considering market system development tools
* Identify potential long list of livestock and crop commodities and prioritize five potential commodities considering criteria provided by MC-RiPA
* Validate the prioritized commodities and diversified economic opportunities through regional workshop/s
* Identify potential long list of diversified economic opportunities and prioritize ten potential commodities considering criteria provided by MC- RiPA
* Conduct primary and secondary data gathering (including program-related documents) for the selected livestock and crop commodities using the methodology and tools agreed upon
* Conduct primary and secondary data gathering (including program-related documents) for the selected diversified economic opportunities using the methodology and tools agreed upon; and conduct cost-benefit analysis for the potential economic opportunities
* Analyze and interpret the data gathered and propose interventions along with business models and cost-benefit analysis
* Present the draft report for MC- RiPA
* Incorporate comments provided by MC RiPA to improve the draft report and prepare the market assessment report for validation workshop with relevant stakeholders.
* Present the value chain and market assessment report to stakeholders at the validation workshop.
* Incorporate the stakeholders’ comments into the draft report and submit the final report to MC RiPA
1. **Deliverables of the assignment**
* Inception report containing methodology and tools developed for the assessment
* Submit first draft value chain and market assessment report in hard and soft copy along with cost benefit analysis for recommended interventions and present in the validation workshop
* Submit a final report resulting from feedback given during the validation workshop and comments given on the draft report in hard and soft copy.
1. **Methodology of assessment and analysis of findings**

The detailed methodology of this market assessment will be designed by the consultant; However, MC RiPA provided the below general overview that will guide the consultant to design detailed methodology and carry out the assignment.

**5.1. Pre-assessment activities:**

* Conduct joint discussions with RiPA team to create a common understanding on the program, implementation techniques, strategic approaches, expectations, and deliverables of the assignment;
* Conduct desk review of assessments for livestock/crop and diversified economic opportunities carried out in the pastoral and agro-pastoral context
* Select representative sample from RiPA target woredas (i.e. based on the geographic distribution, livelihood basis, production system, agroecology, and other related contributing factors)
* Develop methodology and tools for both selection and analysis of livestock/crop and diversified economic opportunities

**5.2 Field level assessment**:

The consulting team will lead the process of identifying critical constraints, opportunities, strategic partners, and leverage points for RiPA planned activities. The consulting team will actively engage with RiPA field office team members in the data collection process for monitoring and verification purposes.

* Conduct key informant Interviews (pastoral and Agro pastoral community representatives, kebele extension agents, experts from government offices, NGOs, Universities, research centers, private actors, skill training providing institutions, etc. as appropriate);
* Conduct focus group discussions (FGD) with a wide range of actors and potential program participants along the value chain (youth, women, people Transitioning Out of Pastoralism(TOP), producers, enterprise groups, private and public sector actors, service providers, etc).

**5.3. Selection and prioritization of livestock and crop commodities and diversified economic opportunities**

* The consultant will conduct field level data collection to identify livestock/crop commodities, and diversified economic opportunities
* Prioritize six potential livestock, crop, fruit, and vegetable commodities and a minimum of 10 diversified economic opportunities based on the below general minimum criteria

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| **Relevance** * Potential to engage more pastoral and agro-pastoral communities (men, women, and youth) and TOPs
* Social and cultural acceptability of the economic activity
* Potential to engage marginalized groups (PwDs, PLwHAs. . .)
 | **Opportunity for growth*** Potential for increasing production and productivity
* Potential for increasing market opportunity (input and output market)
* Potential for value addition
* Potential to increase income for pastoral and agro pastoral community
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| **Feasibility** * Existence of enabling environment
* Existing skill in the community in production and marketing of the economic activity
* Existence of necessary infrastructure for production and marketing of the economic activity
* Potential for scale-up and replication
* Existence of financial service providers to support the production and marketing of the economic activity
 | **Resilience*** Potential to build resilience and resource efficiency
* Potential to survive and expand production and marketing of the commodity in the face of climate change and other shocks
* Potential to enhance household nutrition
* Potential to increase cross-region integration and collaboration
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*NB: The consultant will develop detailed questions that help to select commodities using the following broad categories*

* Conduct regional level validation workshop with stakeholders and government agencies for the selected five livestock and crop value chain commodities and 10 diversified economic opportunities

**5.4 Data analysis**

The consultant will conduct a detailed value chain and market analysis for the prioritized five livestock/crop commodities and 10 diversified economic opportunities. The analysis should cover the identification of potential market actors (core market actors, supporting functions, and rules). The analysis should also include value chain maps of selected livestock, crop, fruit, and vegetable commodities, and diversified economic opportunities. In addition, it should identify actors with capacity, incentive, and willingness to implement sustainable, scalable, and impactful market-based, climate-smart, nutrition, and gender-sensitive intervention.

The consultant will also propose potential/ feasible business models with a cost-benefit analysis for the selected Livestock/crop and diversified economic opportunities.

**6.** **Validation Workshops**

The consultant will lead the two validation workshops (for validation of prioritized commodities and for the final assessment report) and Mercy Corps will facilitate the workshop and cover costs related to the workshop participants.

The consultant is expected to present assessment findings, intervention priorities and recommendation to workshop participants, Lead discussion sessions and incorporate the workshop inputs in the assessment finding report.

**7. Timeframe**

The assignment shall start in July 2021 and a detailed implementation work plan will be further specified by the consultant as part of the proposal. The Level of Effort should not exceed 30 working days.

**8. Required Experience & Skills:**

The ideal consulting team needs to have the following experience and skills:

* Minimum of 5 years’ experience in designing, analyzing, and/or implementing similar climate-smart, nutrition, and gender-sensitive Market Systems Development programs in the Pastoralist and Agro-pastoralist context of Ethiopia
* Shall comprise a strong team of experts (senior agronomist, senior animal science expert, senior agro-business expert, senior gender expert, and senior nutrition expert) for this specific assignment
* Experience in conducting climate-smart, nutrition and gender-sensitive market assessments focused on the agricultural value chain (livestock/crop) and diversified economic opportunities private sector engagement, enterprises development, and related areas with the assumption of MSD approach preferred;
* Experience in coaching or mentoring of teams and partner organizations in market assessment methodologies;
* Demonstrated organizational/individual capacity to manage the assignment effectively;
* Prior experience, exposure, and/or network of implementation area(preferred);
* English fluency required;

***Needs and deliverables may change throughout the course of the consultancy. It is expected that the consultant is able to adjust to programmatic changes as needed in coordination with the program team. All deliverables must be approved by the Chief of Party for RiPA-North, Mercy Corps to be considered final.***

**The Consultant will report to:**

1. Senbeto Funte-C3 Team Lead
2. Mahlet Seifu-C2 Team Lead

**The Consultant will work closely with:**

1. Meseret Getahun Senior MSD advisor:*Pastoral and Agro-Pastoral Production and Marketing*
2. Nimona Birhanu Senior MSD advisor: Diversified economic opportunity
3. Faji GebreSilasie Livestock and Crop Marketing Specialist

**10.**  **Selection Criteria**

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| **Evaluation Item**  | **Expectations**  | **Max Score**  |
| Understanding of the ToR (Objectives,deliverable and the scope of the task) and the technical areas of the assignment  | Clear interpretation of the ToR, detaildescription of contextualized methodology and approach on how the market assessment will be effectively conducted | 20 |
| Methodology  | Clear methodology to carry out the proposed assignment  | 20 |
| Qualification, experience and capacity of the firm/and teams  | Prior experience/ground level exposure of managing related assignments within the scope of the assignment, geographic coverage, qualification and composition of team member proposed for this specific assignment (Eg: Key team member/s CVs and recommendations/references)   | 20 |
| Work-plan detail  | Clear sequencing of activities, proposed time table and responsibility of team members  | 10 |
| Consultancy Costs (Budget)  | Total cost including details and fulfillment of other related legal requirements *Payment modality: -**30%-Upon submission of inception report**30%-upon completion of field work and submission of preliminary findings* *40%-upon submission of final report and sharing of assessment findings for wider stakeholders*  | 30 |

*N.B. Based on the technical evaluation score criteria, those applicants who have scored a minimum of 50 out of 70 will only be considered and pass to the financial evaluation.*

**11. Eligible consulting firms have to submit the following:**

* Technical and Financial proposal
* Company profile and CV/s of study team for this assignment
* Proposed methodology and work plan
* Copies of renewed legal documents (business registration certificates, taxpayer’s
 license) and letter of work experience;
* Financial proposal should be in birr and Mercy corps will deduct 30% w/h tax if not licensed.
* Technical and financial proposal separately and in a sealed envelope shall be submitted to Mercy corps Addis Ababa office located Yeka Sub-City, Kebele 08, House No. 377; Hayahulet, Tel. +251-111110777, P. O. Box 14319 OR

 by **et-tender-questions@mercycorps.org**

* Failure to comply with any of the conditions indicated above will result in automatic rejection;
* The deadline for submission of proposal is on July 23, 2021 10:00AM and proposals received after this date may not be considered.
* Mercy Corps reserves the right to reject the bid fully or partially;
* Mercy corps Addis Ababa office is located at Hayahulet Gollagul Square | In front of Shola Taxi station | Addis Ababa,Tel **(251) 011-1-110777**, P.O.BOX 14319,

Google map [**https://goo.gl/maps/QkiPDkpoCwZP57fx5**](https://goo.gl/maps/QkiPDkpoCwZP57fx5)

1. Diversified economic opportunities= Off farm/non farm income generating activities [↑](#footnote-ref-1)