

Market assessment on goods and services consultancy in Baidoa, SWS, Somalia

Date of issue:	12/02/2025
Project title:	Consolidating Resilience Gains in Somalia” Project under the SomReP consortium in Baidoa,
Target locations	Baidoa District
Deadline for submission of offers:	2nd March 2025 at 5 p.m. (East Africa Time Zone)
Contracting authority:	COOPI Somalia Country Office Contact: Procurement Committee Email: logistic.nairobi@coopi.org

1. Assignment Overview:

COOPI is implementing the Phase V of the SDC-funded “Consolidating Resilience Gains in Somalia” Project under the SomReP consortium in Baidoa, which seeks to increase the resilience of chronically vulnerable Somali people, households, communities and systems to climatic shocks and other related risks in targeted pastoral, agro-pastoral, and peri-urban livelihood zones.

The project aims to promote economic empowerment among vulnerable individuals in Baidoa, through capacity building and support of market-linked skills development, development of new income-generating activities (IGAs) (rural, peri-urban and IDP) and MSMEs, and access to services to support growth of existing, high-potential IGAs and MSMEs. These efforts are intended to support self-sufficiency among target beneficiaries by expanding their access to economic and social resources.

Many factors are important to the success of these economic activities, including access to markets, quality of products (quality inputs, standard production and processing skills), market demand, competitiveness and compatibility, easy availability of raw material/inputs and market trends/polarity, etc. In addition, activities and considerations related to vulnerable groups e.g. obstacles, risks, and opportunities that are unique to men or women, youth or adults, people with disabilities, and/or other marginalizing characteristics. Thus, a robust market assessment and mapping must be conducted.

The project is also providing financial and non-financial services; assisting rural, peri-urban and marginalized people develop life and technical skills, access social resources, and engage in IGAs to reduce their social and economic vulnerability.

This study will provide detailed focus on analysis of the current markets, livelihood capacities, and competencies in Baidoa district, South West State, Somalia.

The assessment methodology should include desk analysis and collection of primary data through focus group discussions, business surveys, key informant interviews, and market observations, as detailed in the present Terms of Reference (ToR). It will also involve review and analysis of relevant policies and dynamics that affect access to economic opportunities, including government policies, access to financial services, access to markets, and transport.

The study will support targeting/planning of project activities and strengthening participants’ understanding of local market dynamics, opportunities, and risks. Information from the assessment report (or results) will also be shared with potential funding sources and may be shared with other stakeholders such as local decision makers and public policy makers within and outside of Baidoa.

2. Research Objectives:

The market assessment has several key objectives, which apply to current and potential geographic areas. COOPI, through the SOMREP program, is seeking an evaluation of market demand and opportunities for work and self-employment outside those traditionally offered by livelihoods programming including access to finance markets. Objectives include:

- Analyze and describe **local markets**, including current goods, services and self-employment in retail trade on demand in the local market.
 - Identify, describe and assess **livelihood opportunities** related to these local markets, including promising business niches, potential employment and self-employment opportunities for rural, peri-urban, IDPs and vulnerable community members, noting how these opportunities differ for each demographic.
 - Identify, describe and assess **livelihood capacities and competencies** among target groups, including skills, resources and specific constraints around income earning opportunities for women and youth.
 - Analyze how **livelihood opportunities** differ between the rural, peri-urban, IDP and local communities, including how they related to business creation and business expansion; identify opportunities and provide recommendations for entering into new market niches and for avoiding market saturation by project-supported entrepreneurs.
 - Analyze the **value for money** (cost effectiveness and comparative analysis). This may include a cost-benefit analysis, a social return on investment calculation, benchmarks with comparable programs, or other approaches. Within this analysis, alternative programs should also be analysed, such as “do nothing”, training and technical assistance only (no direct financial support), full government subsidies, and indirect market system development (no direct support to beneficiaries).
 - Identify market dynamics with a focus on **innovative partnerships** (including partnership with the private sector) in addition to innovative, impactful **delivery methods** (e.g., in time of disruption, but also to reach scale, improve inclusivity of programs).
 - Design a livelihoods and market assessment questionnaire for rural, IDPs, as well peri-urban members, government actors and coordinating bodies, as well as the humanitarian and development community working in the target locations;
 - Conduct interviews to map out market actors and institutions operating and delivering goods and services in the area; the accessibility of financial services and business service providers (i.e. microfinance, banks, training providers, in any)
 - Map existing markets and value-chains (Size of the markets, volume of sales, market integration/segmentation, supply and demand for products and services, etc.);
 - Identify sectors and value chains that are not overly saturated and present potential for growth, profitability and employment. It should focus on sectors and businesses that allow for women’s effective participation, including IDPs and women with disabilities;
 - Identify and study successful home-based businesses, income generating activities and employment integration of vulnerable women and adolescent girls;
 - Undertake desk research to map out the broad historic dynamics of the financial services sector in Baidoa market;
 - Design questionnaires and undertake field trips to carry out interviews and focus group discussions with the businesses, organizations, and individuals supplying and utilizing financial services in Baidoa town;
 - Map key existing market actors in the financial market systems;
 - Map out the existing demand for financial services (including what type of services are needed) in the Baidoa;
 - Determine market size, consumer base, market actors, types of products, and prices. Determine supply and market demand for existing and additional financial services
 - Identify the market gaps, constraints, risks, and opportunities for investment in the financial services sector in the area;
 - Provide recommendations on the potential for investment in the financial services sector in Baidoa district. Propose specific financial inclusion models that may be appropriate for VSLAs, farmer, livestock groups, cooperatives and other MSMEs in Baida.
 - **Market analysis and key recommendations** - Identify key recommendations for how to intervene in identified program target locations, including identifying opportunities to improve access to quality and quantity of production or business through.
 - With support of the Economic development and Market systems advisor, organize a workshop to present the findings and recommendation of the market assessment to relevant partners, including banks, MFIs, development partners, government etc.
3. **Research Methodology:** The methodology and research tools to be employed during the assessment include, but are not limited to, the following:
- **Desk Analysis**

The consultant will review recent (last 5 years) documents related to the following: (1) existing market assessments in the target areas; (2) market regulatory and price control policies, laws and mechanisms (including those that restrict rural, peri-urban and IDP livelihoods), (3) relevant documents on market trends, where available, especially for Baidoa and surrounding villages (4) Formal Financial markets available in Baidoa and (5) other relevant documents, resources, and data sources.

- **Market Mapping and Value Chain**

The consultant will provide a general map of potential local and regional markets in terms of type, size and volume of market, supply chain, women- and youth-led businesses/trades, main access barriers, key trade organizations, and security arrangements, especially for women and youth.

- **Interviews with Key Informants and Focus Groups**

The consultant will interview key informants in the areas where COOPI operates in Baidoa and relevant communities/geographical areas; these will include mainly women and youth, beneficiaries of COOPI's current programs, aspiring entrepreneurs, membership bodies (e.g. chamber of commerce, syndicates), suppliers, wholesalers, producers, farmers, vendors, consumers, financial institutions, and other relevant market and policy actors. The consultant also will conduct at least one focus group discussion in each project village involving individuals who are members of the targeted demographic for project beneficiaries: Baidoa and rural, peri-urban and IDP women and youth.

Activity Schedule/ Tentative Timeline (dates subject to change) and expected deliverables

- Background review, planning and preparation - **5 days**
 - Desk research and inception report
- MSD and assessment training workshop - **3 days**
 - Training on basic principles of MSD
 - Training on the assessment process, including how to conduct interviews
 - Finalize market assessment tools
 - Develop market assessment plan - arranging meetings with market actors,
- Research plan and data collection - **10 days**
 - Market assessment - Field interviews / FGDs with key market actors
- Data analysis and draft report - **10 days**
- De-brief and analysis workshops - debrief workshop discussing key findings and recommendations – **2 day**
- Draft report, report review and Final report - **10 days**
 - Market Analysis
 - Synthesizing market actor information
 - Write-up recommendations for intervention areas
 - COOPI & SOMREP TU review
 - Submission of the assessment report to COOPI/SOMREP

4. Duration of assignment

The expected timeline of the assignment is 40 days over the period of two months period. i.e. March - April 2025.

5. Budget

Budget should depend on the proposed methodologies and approach put forward by tenderers to most effectively and efficiently address required service. Bids outside this range will not be eligible for evaluation.

Applicants' proposals must include a detailed and competitive budget inclusive of all fees, costs and taxes. Consultant(s)/service providers are responsible for managing their own tax contributions. The proposed budget and its detailed break-down is to be presented in US\$ in the financial proposal.

6. Deliverables

- Inception report
- Development of assessment tools
- Draft and final assessment report
- All materials used for staff training

7. Payment Modalities

The purpose of this section is to provide a detailed payment schedule and modalities against the deliverables. The payments will be processed upon completion of the following milestones.

- 20% payment release after completion, submission and acceptance of study inception report;
- 40% payment release after completion, submission and acceptance of final study report;
- 40% payment release after submission of Market assessment on goods and services tool and acceptance of the tool.

8. Eligibility Criteria (minimum requirements)

The Applicants will initially be verified for eligibility according to the criteria below:

8.1 For individual consultant

- Official identification document (Passport or National ID)

8.2 For companies

- Valid tax compliance certificate
- Valid business registration certificate

8.3 For all consultants (individual and companies)

- Sample of previous work on in market systems and enterprise development in the financial services sector. Experience of minimum 3 years in leading and in market systems and enterprise development in the financial services sector. projects in Somalia

9. Required Expertise and Qualification

Individual consultant experienced in conducting similar study on disability inclusion in local governance and peacebuilding are encouraged to apply. Specially, the proposed lead consultant should demonstrate the key following educational and experience in his/her CV.

- **Experience & Knowledge:**
 - At least 7 years' experience, knowledge and skills in market systems and enterprise development in the financial services sector.
 - Experience (at least 5 years) in facilitating trainings on market system development programs.
 - Extensive knowledge on working in/with private sector and development organizations.
- **Education:** Master's or equivalent degree in Economics, Agri-economics, Agribusiness, Business Management, Marketing, Development Studies or other related fields.
- **Skills:** in line with the study methodology and internationally recognized assessments/evaluations criteria and other relevant skills such as;
 - Proven experience designing and implementing mixed-method research instruments (surveys, focus group guides, interview protocols).
 - Strong qualitative and quantitative data analysis skills.
 - Excellent report writing skills, clearly presenting complex findings in a concise and informative way.
 - Fluency in Somali and English (both written and spoken) for effective communication with stakeholders and communities.
 - Strong cultural sensitivity and ability to work respectfully with diverse communities.
 - Excellent teamwork and communication skills.

9. Contract Award Criteria

The purpose of this section is to provide criteria, weight and scoring information for the final evaluation phase. The offers will be evaluated according to the contract award criteria below:

#	Description/ category	Scoring methodology	Score (%)
1	Technical Expertise	Experience:	
		7 years' experience, knowledge and skills in market systems and enterprise development in the financial services sector	
2	Methodology and Approach	Assessment design:	
		Clarity and comprehensiveness of the proposed study methodology.	
		Development of tool	
		Understanding of methodology for developing the tool.	
3	Management and Qualifications		
		Education and relevant professional qualifications: Master's or equivalent degree in Economics, Agri-economics, Agribusiness, Business Management, Marketing, Development Studies or other related fields.	
		Team Composition:	
		Qualified and experienced team members with relevant expertise in research, data analysis, and reporting.	
4	Viable Work Plan	Timeframe for completing the study	
5	Financial Proposal	Lowest bid receives highest score. Other candidates' scores are calculated proportionally based on the lowest bid.	
6	Valid certificate registration	Valid certificate registration	
7	Tax Clearance	Updated Tax Clearance	
8	A duly stamped Bank Statement proving ownership of a commercial bank account	A duly stamped Bank Statement proving ownership of a commercial bank account	
9	Evidence of Past Experience in a similar/relevant work (LPOs/Contracts, etc.)	3 Evidence of Past Experience in a similar/relevant work (LPOs/Contracts, etc.) each evidence 10 %	
Overall Total			

Evaluation Criteria

The Selection of the firm will be made based on cumulative analysis (i.e., mandatory requirement and technical qualifications as follows:

10. Mandatory requirements

- References including names and contact information from previous clients who can be contacted regarding relevant experience in translation of documents (At least three)
- Successful bidder will be required to sign COOPI Supplier Code of Conduct form

11. Technical Evaluation

Applicants need to clearly articulate on the following, but not limited to: -

- A Consulting profile and cover letter outlining the suitability of the consultant in undertaking the assignment (Not exceeding two pages)
- Up to two-page statement of capability (referencing the selection criteria) and the approach to be take in undertaking this assignment

- Clear work plan including time frames for the financial services market assessment
- Detailed CVs of key personnel (including any formal qualifications) should be provided
- Registration certificate from line ministry
- Fully Completed tender bid documents.
- Company Registration Certificate- Valid Commercial License SWS
- Tax Clearance from the Ministry of Finance -SWS
- A duly stamped Bank Statement proving ownership of a commercial bank account.
- Evidence of Past Experience in a similar/relevant work (LPOs/Contracts, etc.)
- Viable Work Plan
- Bill of Quantities (Financial & Technical evaluation)

Financial Evaluation

financial proposal with a detailed breakdown of costs quoted in **USD**. Applicable tax amount must be clearly stipulated and separated from the base costs. With your letter head.

Financial proposal should **not be part** of the technical proposal; it should be a separate document.

Submission of Proposals:

Interested individuals and firms should submit their proposal accompanied with a cover letter, in English by email to **logistic.nairobi@coopi.org** on or before Sunday **2nd March 2025**.

Proposals should be submitted in three distinct/separate attachments, namely Mandatory Requirements, Technical Proposal and Financial Proposal (Bidders who will combine both technical and financial proposals shall be disqualified)

Email title should be; Market system assessment - COOPI

Bids received after deadline shall not be considered.