

Annex A: Terms of Reference (ToR):

Service contract to provide: *Analysis of the socio-economic situation of refugees and asylum seekers and their impact on the economy of Bulgaria and Assessment of the local labor market to identify employment opportunities and barriers for refugees and asylum seekers.*

A. Background

Since the military invasion of Ukraine in Ukraine on 24 February 2022, Bulgaria showed exemplary hospitality to refugees from Ukraine, while implementing the EU's Temporary Protection Directive. Even though the majority of refugee households is composed of women, children and older persons, the inclusion of Ukrainian refugees in Bulgaria's economy is progressing rapidly. At the same time refugees are often under-employed through civil contracts mainly in sectors such as hospitality, catering and services, including those who have technical and professional qualifications. There is a need to promote stable employment opportunities, re/upskilling initiatives to increase refugees' employability and facilitate a better matching between jobs and refugees. By doing so, Bulgaria can fully realize the potential of its refugee population, improve their inclusion, and bolster the economy in the long run.

As a result of the multi-sector needs assessment UNHCR carried out in 2023, educational profile of refugees from Ukraine shows high shares of people with tertiary education (67.1%), and merely 12.5% have only completed secondary education. Furthermore, almost 20% of the population have graduated from a technical or a vocational school. Despite their high qualifications, refugees from Ukraine might face challenges in seeking employment in the Bulgarian labor market, since the labor market has a structural shortage of individuals with secondary education and surplus of employees with higher education.

During the time of the assessment, about 22% of refugees from Ukraine were actively looking for a job and about 2% were enrolled in professional training. However, the biggest share of refugees from Ukraine are retire or pensioners (35.6%) or are engaged in household or family care activities (21,2%) or have a long-term illness, injury or disability (5.9%) which prevents them from being active on the labor market that, in the case of people with disabilities, does not accommodate disabilities.

There are some economic sectors where we may see a higher proportion of employment matching between the refugee's former sector of employment in Ukraine and their present sector of employment since arriving in Bulgaria, as construction, information, communication and education. According to the information provided from the MSNA, in most cases, refugees from Ukraine are employed with a formal contract (76.3%), but around 16% have no contract of employment. That puts informally employed refugees from Ukraine in a vulnerable position, since it prevents them from exercising their labor rights, guaranteed under the national law, and poses risks to their safety and security, such as aggravating risks of labour exploitation and trafficking in human beings, and undermines their socio-economic potentials in the longer run.

According to consultation processes UNHCR conducted in 2023, Among the asylum seekers, just over 10% (11.36%) said they planned to stay, by contrast, more than half (52.5%) of the Ukrainians, with Temporary Protection status, said they planned to stay in Bulgaria. When asked about the factors that determine their decisions, non-Ukrainian refugees stated that they would like to remain if they had access to employment, accommodation, social assistance, healthcare, and education. For refugees from Ukraine access to accommodation followed by access to employment/self-employment are the two main factors in their

decision-making.¹

Ukrainian refugees emphasized that some of their most-important considerations include the ability to access employment, accommodation, social assistance, healthcare and education – for themselves and their families. The main challenges refugees are facing to find a job are related to the language barrier (the most common problem); the lack of decent employment opportunities in terms of salaries and working hours, the lack of employment opportunities suited for their skills, and the need to take care of either a child or another household member.

UNHCR has been working together with the private sector, authorities, and refugee communities to mitigate economic inclusion risks and barriers and facilitate access to jobs and economic inclusion. The current favorable economic context in Bulgaria provides a unique opportunity for economic inclusion of refugees. While public opinion has been mixed around solidarity with refugees from Ukraine it is important to showcase objective impact of refugees in the host country. To support evidence-based advocacy, UNHCR together or in support of specialized actors will collect and analyze data relevant to planning of interventions and promoting a narrative on refugees' economic inclusion and impact.

B. Nature of Service

Lot 1: *Analysis of the socio-economic situation of refugees and asylum-seekers and their impact on the economy of Bulgaria*

The subject of the contract pertains to the analysis of the employment and self-employment situation of refugees and asylum seekers and the impact they have on the economy of Bulgaria, including the impact the gaps in their socio-economic and financial inclusion. The population concerned includes both refugees from Ukraine under temporary protection or other residence, and international protection and humanitarian status beneficiaries, with separate findings when required by the facts on the ground.

The primary objective of the contract is to provide an evidence-based analysis of the impact of refugees, including refugees from under temporary protection, on Bulgaria's economy, in the form of an analytical report.

UNHCR requires the successful fulfillment of the following contract objectives:

1) Overall objective:

- a) This assessment will provide UNHCR with actionable information about the actual and potential impact of refugees in Bulgarian labor market and overall Bulgarian economic development and related key indicators, with a view to raise awareness of the facts and promote socio-economic and financial inclusion of refugees in Bulgaria based on scientific evidence. The assessment will identify current situation and existing barriers, possible scenarios and risks, opportunities and costs imposed by those, that are particularly relevant to facilitate decent work for refugees and at the same time to realize their full potential for favorable impact to the national economy.

2) Specific deliverables:

- a) Proposed Methodology and timeline for UNHCR review and approval
- b) Comprehensive Report on the impact of refugees on the economy of Bulgaria (not exceeding 50 pages, digital, in English and Bulgarian)

¹ UNHCR – Bulgaria UNHCR - Participatory Assessment Report 2023, available at: <https://data.unhcr.org/en/documents/details/108387>

- i) Graphic design should be consulted and done in collaboration and agreement with UNHCR branding recommendations.
 - ii) Should be available in English and Bulgarian.
 - iii) Research design to be conducted in close consultation with UNHCR.
 - iv) Draft review for UNHCR technical staff for comments and input
 - v) Present and validate findings in a workshop. The provider is to organise the workshop and handle the logistics and cover the costs for the workshop. The workshop is to be coordinated in consultation with UNHCR. The report is to be finalized after incorporating UNHCR and other stakeholder inputs
- c) Policy brief with recommendations (not exceeding 10 pages)
 - vi) Format advised by UNHCR;
 - vii) Should be available in both English and Bulgarian;
 - viii) Draft review for UNHCR technical staff for comments and inputs, as well as the validation workshop inputs (2.a))
- d) PowerPoint presentation outlining background, key findings and recommendations.
 - ix) Should be available in English and Bulgarian
 - x) Draft review for UNHCR technical staff for comments and inputs
- e) Supplier to co-organize with UNHCR one public event to present the outcomes of the activity and ensure its availability to present the outcomes of the activity in one public event co-organized with UNHCR. (UNHCR will organize the logistics and cover the costs of the public event. The provider is to facilitate the event and present the results and reports. Provider and UNHCR are to prepare jointly the invitation list for attendees.) In case the provider for Lot 1 and Lot 2 is the same, they will organise one event for both reports.

The chosen service provider must document all deliverables and accommodate UNHCR's review and approval process. This involves joint decisions on methodology and sampling as well as addressing UNHCR's comments and incorporating any necessary changes in the deliverables until they meet the required standards and are considered final.

3) Consideration on methodology

- a) Service provider will use data already available/collected to analyze, including desk review and a statistically representative number of in-depth key informant interviews with state and private sector stakeholders:
 - i) Inflow of refugees to Bulgaria
 - ii) Multi sector need assessment (Ukrainian population), conducted in 2023 and Socioeconomic Insights Survey conducted in 2024, and the participatory assessments with refugees UNHCR will provide.
 - iii) Status of refugees in the labor market (official data and data provided by UNHCR or partner) in Bulgaria.
 - iv) Refugee economic impact including GDP, direct and indirect cash flows, job creations estimation of tax contributions and contributions to pension system, impact on the labor market, other economic indicators, and some demographics related figures.
- b) Applicants are expected to outline the proposed methodology in their technical offers submitted against the call for proposals pertaining to this assignment. The methodology should be based on a combination of desk-based research and available data by the service provider.

UNHCR will need an offer for all the deliverables specified above in a form of a lump sum. Please use Annex

C “Financial Offer Form” to submit your financial offer. Please include a breakdown of the budget.

Additional Requirements

1. Activities

Period of execution of the contract (Maximum of 4 months)

- a. Contract Finalization: confirm contract details and finalize the agreement with the research provider
- b. Outline of the proposed methodology and timeline. UNHCR to review and validate.
- c. Desk review and data identification. The provider is to consider that in case primary data collection is to be included in the data collection and analysis, interpretation and translation may be needed if refugees and asylum seekers are to be involved in the primary data collection (the main languages spoken by refugee communities in Bulgaria are Ukrainian, Russian, Arabic, Farsi)
- d. Draft and finalization of the Analysis of the impact of refugees on the economy of Bulgaria. Draft to be delivered in English, final report to be delivered in English and in Bulgarian.
 - i) Design to be conducted by the service provider with guidance from UNHCR
 - ii) Includes a draft review for UNHCR comments and inputs. Draft to be delivered in English. Final report to be delivered in English and in Bulgarian.
- e. Policy brief with recommendations. Format to be coordinated with UNHCR
 - i) Draft review for UNHCR technical staff for comments and inputs
 - ii) Finalize the Policy Brief with the incorporated feedback (draft in English, final version in English and in Bulgarian)
- f. PowerPoint presentation outlining background, key findings and recommendations (in English and in Bulgarian)
 - i) Draft review for UNHCR technical staff for comments and inputs
- g. Graphic design of the report and translation to Bulgarian
 - i) Draft review for UNHCR technical staff for comments and inputs
- h. Participate and present the outcomes in event organized by UNHCR (see 2.d)

Lot 2: “Assessing the local labor market to identify employment opportunities and barriers for refugees and asylum seekers in Bulgaria”

The subject of the contract pertains to the analysis of analysis of the local market landscape with focus on identifying employment opportunities and barriers for refugees and asylum seekers in Bulgaria. The population concerned includes both refugees from Ukraine under temporary protection or other residence, and international protection and humanitarian status beneficiaries, with separate findings when required by the facts on the ground.

The primary objective of the contract is to provide an evidence-based analysis and recommendations for improving the employment opportunities for refugees and asylum seekers in Bulgaria in the form of an analytical report.

UNHCR requires the successful fulfillment of the following contract objectives:

1. Objectives

a. General

The main objective for Lot 2 is for the provider to conduct, produce and deliver rapid market needs assessment (RMA) delving into the topic of *“Assessing the local labor market to identify employment opportunities and barriers for refugees and asylum seekers.”* The population concerned includes both refugees from Ukraine under temporary protection or other residence, and international protection and humanitarian status beneficiaries, with separate findings when required by the facts on the ground.

b. Specific objectives

- i. **To identify demand for skills and livelihoods opportunities for refugees and asylum seekers:** Assess which skills are in demand in the local job market and to explore potential livelihood opportunities within the local market that refugees and asylum seekers can access, such as employment, self-employment, or vocational training, including the skills already available among the refugee population.
- ii. **To analyze market barriers and access:** to identify the main barriers that refugees and asylum seekers face when trying to access local markets, including legal, financial, linguistic, or social obstacles.
- iii. **To evaluate local market’s capacity to absorb new participants:** to assess whether and how the local market can absorb new participants, such as refugees and asylum seekers, without significant negative impacts on the existing population (e.g., job displacement or wage suppression)
- iv. **To map key stakeholders and service providers:** to identify key market actors, including local businesses, service providers, and financial institutions, that refugees interact with or could potentially engage with.
- v. **To identify potential areas for market development:** to pinpoint sectors within the local economy that could be developed or expanded to create more opportunities for refugees, such as (not limited to) the service sectors, agriculture, crafts, or IT services
- vi. **To assess financial inclusion:** to evaluate the level of financial inclusion among refugees, including their access to banking, credit, and other financial services.
- vii. **To evaluate existing support mechanisms and gaps:** to review current programs and services that facilitate labor market access for refugees and asylum seekers
- viii. **To inform policy and advocacy efforts:** to gather data that can be used to advocate for policy changes at the local, national, or international level that improve market access and economic opportunities for refugees.

2. Scope of Work

- a. *Geographical scope*: the research is to focus on the cities and regions of **Sofia, Burgas, Varna and Plovdiv** (as these are the main regions with refugee communities). The geographical regions may be subject to change based on the proposal of the Provider and confirmed upon consultation with UNHCR
- b. *Population focus* is to be proposed by the Provider and confirmed upon consultation with UNHCR,
- c. *Market sectors* to be covered are to be proposed by the Provider and confirmed upon consultation with UNHCR,

4. Methodology and sampling

The methodology and the sampling are to be proposed by the Provider and confirmed upon consultation with UNHCR. Applicants are expected to outline the proposed methodology in their technical offers submitted against the call for proposals pertaining to this assignment. The methodology should be based on a combination of desk-based research and data collected by UNHCR and the service provider.

The list below may include (but is neither exhaustive nor limited) to the suggested approaches below:

- a. Key Informant Interviews (KIIs)
- b. Focus Group Discussions (FGDs)
- c. Labor Market Surveys
- d. Stakeholder Analysis
- e. Value chain analysis
- f. Case studies

5. Data Sources

Both primary (e.g., interviews, surveys) and secondary data sources (e.g., existing reports, government data) are to be used. The precise data selection and analysis are to be proposed by the Provider and confirmed upon consultation with UNHCR.

UNHCR retains ownership of all data and reports produced.

6. Activities

- a. **Preparation and Planning**
 - i. Contract finalization
 - ii. Kick-off meeting
 - iii. Desk review
- b. **Designing the Assessment**
 - i. Developing the Inception Report
 - ii. Designing data collection tools

c. Data Collection

- i. Training of enumerators and researchers
- ii. Data collection (the provider to consider that data collection may need to take place in different languages, such as Ukrainian, Russian, Arabic, Farsi, English)
- iii. Monitoring and quality assurance

The provider shall ensure that all data collected during the research is treated with the highest level of confidentiality. Personal data must be anonymized to prevent the identification of individual respondents. The provider shall implement robust security measures to protect data from unauthorized access, disclosure, or misuse. All collected data should be stored securely and only shared with authorized personnel directly involved in the research project. Upon completion of the research, any personally identifiable information (PII) must be securely deleted or destroyed to maintain confidentiality and comply with relevant data protection regulations. Provider is to consider that when collecting primary data, an interpretation and/or translation may be needed when interacting with refugees and asylum seekers (main languages spoken by refugee communities in Bulgaria – Ukrainian, Russian, Arabic, Farsi)

d. Data Analysis

- i. Preliminary analysis to be delivered in English and Bulgarian
- ii. Detailed analysis to be delivered in English and Bulgarian

e. Reporting

- i. Draft Report to be delivered in English and Bulgarian (in both pdf and Word files)
- ii. Stakeholder feedback
- iii. Validation workshop organised by the provider
- iv. Final Report preparation incorporating feedback from UNHCR and the the participants of the validation workshop. Final report is to be delivered in English and Bulgarian (in both pdf and Word files)

f. Presentation and Dissemination:

- i. Presentation preparation
 - a. Delivery of presentation in front of stakeholders. Provider is to co-organize with UNHCR one public event to present the outcomes of the activity and ensure its availability to present the outcomes of the activity in two public events organized by UNHCR. UNHCR will organize the logistics and cover the costs of the public event. The provider is to facilitate the event, and present the results and reports. Provider and UNHCR are to prepare jointly the invitation list for attendees. (In case the provider for Lot 1 and Lot 2 is the same, they will organise one event for all products.)

g. Final documentation handover

- i. Data handover
- ii. Evaluation and lessons learnt

7. Specific deliverables

The chosen service provider must document all deliverables and accommodate UNHCR's review and approval process. This involves joint decisions on methodology and sampling as well as addressing UNHCR's comments and incorporating any necessary changes in the deliverables until they meet the required standards and are considered final.

- a. Inception Report: A detailed work plan, including methodology, data collection tools, and timeline (in English)
- b. Draft Report: A preliminary report of findings, including key insights and initial recommendations (in English and in Bulgaria)
- c. Validation workshop with relevant stakeholders to seek and incorporate their inputs. Provider is to present and validate findings in a workshop. The provider is to organise the workshop and handle the logistics and cover the costs for the workshop. The workshop is to be coordinated in consultation with UNHCR.
- d. Presentation of Findings: A presentation (PowerPoint or other format proposed by the Provider) to be prepared summarizing the research findings and recommendations (in English and in Bulgarian).
- e. Final Report: A comprehensive report with detailed analysis, conclusions, and actionable recommendations (in English and in Bulgarian) (not exceeding 70 pages)
- f. Provider to co-organize with UNHCR one public event to present the outcomes of the activity and ensure its availability to present the outcomes of the activity in one public event co-organized with UNHCR. UNHCR will organize the logistics and cover the costs of the public event. The provider is to facilitate the event and present the results and reports. Provider and UNHCR are to prepare jointly the invitation list for attendees.) In case the provider for Lot 1 and Lot 2 is the same, they will organise one event for both reports.
- g. All raw data, analysis files, and documentation

UNHCR will need an offer for all the deliverables specified above in the form of a lump sum. The provider should also include a breakdown of the budget. Please use Annex C "Financial Offer Form" to submit your financial offer. For the specific technical evaluation requirements, please consult with the Technical Evaluation Grid.

8. Tentative timeline

9. Please note that the price offer for Lot 2 should only cover:

The development and delivery of:

- a. Inception Report
- b. Draft Report
- c. Final Report
- d. Presentation of findings
- e. One Validation workshop (organised by the provider) and participation and facilitation in one public event with relevant stakeholders to present the findings.

c. Reporting and monitoring&evaluation

The selected provider(s) will work under the direct supervision of the UNHCR Protection Unit. Regular meetings and check-ups are to take place agreed prior by both the Provider and UNHCR.

d. Application submission

Providers may apply for both Lot 1 and Lot 2, and/or to express their interest in only one Lot.

1. Provider profile
 - a. Expertise in market research. Having experience conducting research in humanitarian context is an asset
 - b. Experience in labor market assessments and economic analysis.
 - c. Familiarity with refugee issues and related legal frameworks is an asset.
 - d. Strong qualitative and quantitative research skills.
 - e. Ability to work in the specific geographical and cultural context.
2. Requirements
 - a. Description of the company and the company's qualifications, including information on: year founded; headquarters location; number of similar successfully completed projects (in the relevant area); experience with UN or other international organizations, if any. Include any information that will facilitate our evaluation of your company's substantive reliability, financial and managerial capacity to provide the services. (Please check Annex D with the technical requirements for more information on the evaluation criteria and the necessary information to be provided).
 - b. Executive Summary: a brief summary of the proposal, including the research approach and key highlights. (for both Lot 1 and Lot 2)
 - c. Understanding of the Assignment: explanation of the provider's understanding of the research objectives, context, and expected outcomes.
 - d. Methodology: detailed description of the proposed research methods, including:

Data Collection Techniques: how data will be collected (e.g., surveys, interviews, focus groups).

Sampling Strategy: approach for selecting participants and ensuring representativeness.

Data Analysis: methods for analyzing data and deriving insights.

- e. Timeline: detailed timeline of research activities, including milestones and deadlines.
- f. Work Plan: a step-by-step work plan that outlines how the research will be executed.
- g. Team Composition: information about the research team, including: CVs/Resumes of key team members (at least 2 team members)
- h. Previous Experience: examples of past projects similar in scope and context, with references if available.
- i. Ethical Considerations: measures to ensure ethical conduct during the research, including data privacy and consent protocols.

Price proposal to be submitted through Annex C – Financial Offer Form. **The form should be dated, signed, stamped and scanned.**

E. Payment:

The contractor's remuneration will be paid upon satisfactory submission and approval of all the specified deliverables.

Prepared by:

Approved by:

Bulent Peker, Snr Protection Officer