Terms of Reference (ToR)

Employment diagnostic analysis in the British Virgin Islands (BVI)

General information	
Consultancy title:	Employment diagnostic analysis in the British Virgin Islands (BVI)
Start date:	15th July 2024
End date:	30th November 2024
Department:	Employment
Organizational Unit:	ILO Decent Work Team (DWT) and Office for the Caribbean
Overall supervision by:	Director, ILO Decent Work Team and Office for the Caribbean
Direct supervision by:	Employment and Labour Market Specialist, ILO DWT and Office for the Caribbean
Deadline to submit proposals	5 July 2024
Proposals are to be emailed to:	Kaliyma Boxill (boxill@ilo.org); Abdelmalik Muhummed (muhummed@ilo.org)

▶ Context

The British Virgin Islands (BVI) is a British Overseas Territory situated in the Caribbean. Positioned between the Caribbean Sea and North Atlantic Ocean, BVI comprises four main islands—Tortola, Virgin Gorda, Anegada and Jost Van Dyke—along with over 50 smaller islands. The estimated population in 2022 was 37,000, with the majority of the residents living in Tortola. The territory is prone to several natural disasters, including hurricanes, earthquakes, floods, and tropical storms. The most recent natural disaster in the BVI occurred in October 2023. However, the most devastating event was Hurricane Irma, which struck in September 2017, causing widespread destruction, fatalities and extensive damage to property and infrastructure.

BVI stands out as one of the wealthiest islands in the Caribbean, with a GDP per capita estimated at $36,500 in 2020. Despite facing significant challenges from the 2017 hurricane and the COVID-19 pandemic from 2020, the BVI's economy has maintained a slow growth rate with an expected nominal growth of 2.56 per cent in 2022. The economy relies primarily on tourism and financial services, with the potential for development in other areas, including agriculture and fisheries. The BVI's economic pillars are closely tied to the global economic and climate conditions and remain susceptible to its impact. In 2022, the financial services sector continued to show signs of resilience, although threatened by global reporting standards and the uncertainty surrounding the industry. As a single sector, it accounts for almost 60 per cent of Central Government Revenue. On the other hand, tourism activities spread across many other sectors by nature of its activities. Driven by the impacts of inflation, the sector realized a noticeable increase in tourism revenue. In 2022, arrival grew by 292.2 per cent, positively impacting the overall GDP performance.

The BVI Government operates with a fairly low tax base, significantly influencing its fiscal policy. The largest portion of the Government's expenditure is allocated to the compensation of civil servants. This focus on prudent fiscal management, including careful budgeting and expenditure control, has enabled the BVI to sustain some level of economic stability, which allowed it to maintain relatively low levels of public debt, ensuring that its indebtedness remains modest and manageable.

The labour market exhibits unique features stemming from the structure of the economy and population. The BVI heavily relies on expatriate workers driven by the territory's growth potential and the constraints for local human capital. By the end of 2022, the territory saw an increase in employment by 2.6 per cent which is projected to increase over the medium term. Notably, the labour force participation rate has consistently been estimated above 90 per cent over the last two decades, except during crises periods. Additionally, in 2022, more than 70 per cent of the labour force are non-nationals, primarily from Latin America and Caribbean countries, particularly, Jamaica, Guyana and the United States and Territories. Furthermore, 80 per cent of the population born outside the territory are employed in the service sector, while 19 per cent work in the non-service sector.

Overall unemployment is estimated to be approximately 3 per cent, settling below 5 per cent before 2017. The unemployment rate remains consistent across all islands, except for Tortola. In the same period, the unemployment rate for young adults aged 15-29 years is significantly higher as compared to their counterparts aged 30-44 years, with rates of 10.5 per cent and 1.3 per cent respectively. Additionally, during the same period, the unemployment rate for females is also relatively higher, at 4.1 per cent, compared to 1.5 per cent for males. The unemployment rate for nationals is higher — 4.5 per cent — than the overall unemployment of 2.9 per cent.

The population covered by at least one social protection benefit is estimated to be 78.3 per cent in 2022. Half of the unemployed people in the BVI received financial support from family and friends. A very small percentage of the unemployed population receives remittances from outside. Moreover, 59.3 per cent of persons above retirement age receive a pension. The social assistance provided to vulnerable groups is nearly non-existent, estimated at 0.7 per cent in 2022. Additionally, the BVI constituted a disability social protection benefits for persons with severe disabilities. However, the coverage is limited as it stood at 25 per cent in 2022.

Among the unemployed, many face prolonged periods of unemployment in the British Virgin Islands, which affected jobless individuals for over a year, and can be ascribed to the cyclical business process and absence of efficient employment services. Additionally, the notable rate of terminations may be linked to the suboptimal performance of labour market institutions. The lack of established structures for employers' associations and trade unions further hinders productive social dialogue and tripartism. Nonetheless, the Government has pledged to undertake a comprehensive review of pertinent legislation to foster enhanced inclusivity and to facilitate a more transparent and efficacious dialogue.

In recognition of the aforementioned labour market challenges, the British Virgin Islands plans to develop a comprehensive National Employment Policy (NEP). This policy will be designed to spur economic expansion and diversification by redirecting economic activities into sectors with higher productivity. Concurrently, it aims to prioritise policy interventions that promote employment creation, particularly for the unemployed and inactive populations of the society. Further, specific attention will be given to promoting the quality of work by strengthening labour market institutions. The diagnostic analysis should encompass an examination of not only labour market dynamics but also the financial frameworks, sectoral trends, and broader economic dynamics.

ILO employment diagnostic toolbox

The ILO possesses considerable expertise and tools that are instrumental in assisting countries and territories to perform thorough employment diagnostic analysis. These analyses serve as the foundational groundwork for the development of integrated and comprehensive employment policies. The ILO's Employment Diagnostic Toolbox offers a gateway to a repository of tools, accumulated experiences, and insights gleaned from executing such diagnostic analysis. Although a majority of the diagnostics-related instruments and processes pertinent to the National Employment Policy (NEP) are accessible via the ILO Employment Policy Action Facility (EPAF), the fundamental tenets that underpin employment diagnostics are as follows:

- It is essential to **conduct comprehensive participatory consultations** involving key stakeholders who impact a variety of policies related to the labour market. This includes engagement with representatives from employers' and workers' organizations, governmental bodies, and civil society entities. Equally important is the consultation with development partners and additional civil society organizations.

- **Evidence-based analysis** is paramount for the employment diagnostic analysis, which should be steered by substantial evidence derived from diverse data sources. In the context of the BVI, labour force surveys, macroeconomic data and sectoral analysis — disaggregated by age, gender, occupations and geographical locations — will yield significant insights, provided that they are meticulously analysed and effectively triangulated.

- Drawing upon the evidence collected and the consultations held with stakeholders, the employment diagnostic analysis should delineate the principal challenges and prospects within the labour market and the broader economic development. This will establish a foundation for **strategic prioritisation and informed policy formulation**.

- The employment diagnostic analysis should **embrace a human-centred approach**, ensuring that employment is systematically integrated within the territory's economic development and transformation agenda.

Objective, scope, and methodology

The employment diagnostic analysis represents the first step in the development of a National Employment Policy (NEP) for the British Virgin Islands. The analysis is multifaceted, aiming to perform a comprehensive assessment with an emphasis on the economic, labour market, poverty, and inequality aspects. It also seeks to augment the capabilities of stakeholders to foster a consensus on the central challenges and prospects within the labour market. Ultimately, the analysis aims to determine critical issues that will form the bedrock for selecting appropriate policy measures.

The formulation of this employment diagnostic analysis will be principally grounded in the ILO's Guidelines for employment diagnostics in times of continuous change and Employment Diagnostic Analysis: a methodological guide. Taking into account the unique circumstances of the British Virgin Islands, particularly its geographical position and the implications of climate change, this analysis will also employ the methodologies and instruments outlined in the ILO's Guidelines on Green Employment Diagnostics for Just Transitions and Digital Employment Diagnostic Guidelines. While all these methodologies share a common objective of assessing the broader economic and labour market conditions, the distinctive context of the BVI will significantly guide the integration of various tools in a cohesive approach.

Due to the potential shortage of a comprehensive labour market data in the British Virgin Islands, it is imperative to expand the consultations with key stakeholders and leading experts. This approach will guarantee the inclusion of varied perspectives and views, which will aid in forming a consensus on the labour market conditions. As previously mentioned, the employment diagnostic analysis equally aims to enhance key stakeholders' comprehension of the labour market conditions and the interaction between different economic and social policies in the territory. In this vein, the analysis will be accompanied by a series of capacity building workshops integrated into the consultative processes.

It warrants emphasis that the Caribbean countries and territories, as a whole, are economically and socially intertwined. Within this framework, the economic and employment outlook for the Caribbean is influenced by the economic environment of neighbouring countries in Latin and North America. Hence, it is imperative to strategically set out regional and sub-reginal policies and initiatives across all levels that may impact the labour market within the British Virgin Islands.

The Ministry of Financial Services, Labour and Trade will establish and convene a **Technical Drafting Committee (TDC)** tasked with providing the essential guidance and coordination for the development of the employment diagnostic analysis. This TDC shall consist of representatives from pertinent Governmental entities, the private sector, and workers, as appropriate.

The International Labour Organization (ILO) Decent Work Team and Office for the Caribbean shall provide compressive guidance and support in developing the employment diagnostic analysis. Specifically, the ILO Employment Specialist for the Caribbean will participate in the TDC coordination meetings, engage with external collaborators and other specialized entities to provide technical assistance during the formulation stage, and deploy specific tools and methodologies for consideration. Further, he will facilitate the capacity building sessions to ensure that a common approach is embraced.

Specific objectives and tasks

The specific objective of the employment diagnostic analysis is to understand the employment deficit in British Virgin Islands by identifying principal constraints and opportunities that will improve labour market outcomes. Relatedly, the analysis is expected to provide insights and policy options concerning the uncertainties surrounding the future of work in the BVI.

The consultant of the employment diagnostic analysis is expected to undertake the following tasks:

1. Collect existing data sets concerning the state of economic, sectoral, and labour market variables, with a particular emphasis on the latest labour force surveys. Additionally, climate and environmental indicators with economy, sectoral and labour market consequences such as main climate hazards, physical risks, green production capabilities and transitioning scenarios should be collected and identified, where available. Subsequently, the consultant shall acquire pertinent secondary data and undertake a through literature review.
2. Draft an inception report that articulates the methodology, identifies the data sources, and outlines the consultation strategy, which includes a comprehensive list of institutions for engagement. Additionally, the report should include a detailed work plan and engagement strategy for collaboration with the TDC. The consultant is required to present the inception report to the TDC to solicit feedback and acquire a formal approval.
3. In the context of labour market statistics deficiency, identify data gaps and devise strategic measures to fill these gaps. Where necessary, lead the collection of data

from alternative data sources such as administrative and non-LFS surveys as well as big data, and facilitate focus group discussions with subject matter experts.

4. Where data gaps exist, conduct targeted focus groups discussions or key informant interviews.
5. Lead processing, analysis, and triangulation of collected primary and secondary data to produce evidence-based findings. This analysis should clearly identify key constraints that impede economic transformation and the creation of decent jobs through examining a spectrum of policies, including macroeconomic, sectoral, skills development and labour market policies in the territory.
6. Facilitate three (3) sessions at minimum with the TDC to deliberate on the inception, structuring and subsequent approval of the employment diagnostic analysis. This process requires collaboration with the TDC and the ILO's Employment Specialists. Further, it is essential to systematically incorporate and respond to feedbacks from stakeholders in a clear and structured fashion.
7. Draft employment diagnostic analysis, ensuring it is grounded in evidence-based research. The analysis should cover, inter alia, the impact of climate change, the COVID-19 pandemic, external economic and financial shocks, and drivers of the future of work on employment. The report should be structured professionally, with a comprehensive outline included in the inception report. This outline and subsequent drafts should be reviewed and discussed with the TDC and the ILO's Specialists for further refinement and approval.
8. Conduct comprehensive mapping of the current labour market policies, programmes and services implemented in the British Virgin Islands. This mapping should include a detailed assessment of their strengths and weaknesses, with a focus on identifying factors that may hinder or facilitate the creation of full and productive employment opportunities.
9. Assess the efficacy of the existing social dialogue mechanisms and labour market institutions that oversee the employment relationship in the BVI. Additionally, identify employment coordination and governance mechanisms that facilitate pertinent policy formulation, implementation, and monitoring.
10. Draft a brief policy paper summarising key constraints, opportunities, and policy recommendations.

Deliverables and timelines

The following *six deliverables* are expected to be achieved by the consultant at the end of this assignment:

1. A detailed inception report articulating the understanding of the ToRs, methodology, and a work plan.
2. Collection of primary data which will serve as the basis for the analysis.
3. Draft and final employment diagnostic report which meets the quality and standards expected by the ILO and the TDC.
4. A mission report covering the consultant's engagement with the TDC and other stakeholders.
5. A brief policy paper for publication, which should not be more than 10 pages.
6. A presentation of the employment diagnostic analysis for future events.

Overall, this consultancy is expected to span a period of four months, commencing on 15 July to 30 November 2024. As indicated in the following table, the selected candidate will be allocated ***forty (45) working consultancy days*** to fulfil the consultancy requirements.

No.	Deliverables	Estimated working days	Timeline
1	A detailed inception report articulating the understanding of the ToRs, methodology, and a work plan.	2	15 Aug 2024
2	Collection of primary data which will serve as basis for the analysis.	11	20 Oct 2024
3	Draft and final employment diagnostic analysis report which meets the quality and standards expected by the ILO and the TDC.	25	
4	A mission report covering the consultant's engagement with the TDC and other stakeholders.	5	20 Nov 2024
5	A brief policy paper for publication, which should not be more than 10 pages.	1	
6	A presentation of the employment diagnostic analysis for future events.	1	
Total days		**44**	

Payment schedule

As part of the financial proposal, the consultant is required to include all costs, encompassing travel expenses and logistical costs. One mission to BVI is foreseen, and travel cost should be included in the proposed budget.

Payments will be disbursed as follows:

- Upon the signing of the contract and approval of an inception report – 20 per cent.
- Upon receiving the draft employment diagnostic and accompanying datasets – 40 per cent.
- Completion of all deliverables in final versions, including the final data sets collected during the the consultancy – 40 per cent.

Management Arrangements

- The consultant will work in close collaboration with Abdelmalik Muhummed – Employment and Labour Market Policies Specialist (muhummed@ilo.org), ILO Decent Work Team (DWT) and Office for the Caribbean (DWT/CO-POS). The ILO DWT/CO-POS will provide operational support including liaising the relevant ILO colleagues.
- The Permanent Secretary of the Ministry of Financial Services, Labour and Trade in the BVI will be responsible for facilitating meetings, consultations and data collection processes.
- The Technical Drafting Committee (TDC) will be responsible for reviewing and approving products, including the final employment diagnostic analysis.
- Payments will be made upon receipt of work to the satisfaction of the Director, ILO DWT/CO-POS.
- An invoice must accompany all request for payments by the consultant for prcessing remittance to be processed.
- In accordance with United Nations rules, consultants traveling to conduct official business on behalf of the Office are required to complete the UNDSS online security training course BSAFE. This course is mandatory for all UN personnel, including staff, interns, and consultants. BSAFE certificates will not expire. BSAFE is available at https://training.dss.un.org.

Qualifications

To carry out the activities described in the ToRs, the consultant must have the following qualifications:

- Post-graduate degree in Economics, Social Statistics, Social Science or any other related field.
- Minimum of seven (7) years of experience in labour market analysis, or labour economics.
- Minimum of 7 years experience in statistical analysis, particularly labour market analysis. Knowledge of the latest statistical standards (ICLS) and statistical softwares is a requirement.
- Proven track record of data collection and report writing is a requirement.
- Knowledge of social dialogue and tripartism is a requirement.

- A good understanding of the Caribbean context would be an added-value or having done similar work in Latin America.
- Proven ability to interact at the highest governmental and inter-governmental levels and to provide high quality policy advice.
- Excellent presentation skills, and fluency in oral and written skills in English. Sample reports may be requested during the selection process.

Submission

The interested consultant must send:

- A technical proposal in a maximum of ten (10) pages, including an understanding of the ToRs, and methodology (30 per cent), excluding annexes.
- CV(s) must be attached and should include experience and technical skills in the thematic areas of the consultancy, particularly a broader understanding of labour market analysis and employment policies (40 per cent of qualification).
- Financial proposal. The amount of each deliverable outlined in the methodology, as well as travel must be broken down within the proposal (20 per cent of qualification).
- Three written samples. Share three written samples, preferably related to the consultancy theme (10 per cent of qualification)

Deadline for submission of proposals

Interested candidates should submit their proposals by email to Kaliyma Boxill at boxill@ilo.org with copy to Abdelmalik Muhummed at muhummed@ilo.org **by 5 July 2024.**