Tool P1.S1 Objective and scope of the assessment

Before conducting an ME opportunity assessment, it is necessary to define the objectives, the expected results, and the scope of the assessment (type of assessment).

When defining the objectives and expected results of the assessment, and thus the scope of the ME

opportunity assessment, the organisation should consider:

S1 Objective & scope

S2.b Secondary information review

S2.d Primary data gathering

S2.a Defining the

key questions

S2.c Fieldwork prepardness

S3 Information analysis

* The target area, particularly whether you want to work in a rural, urban or peri-urban context.
* The timing of the assessment (whether it is meant for the design of a new programme or within a programme already being implemented).
* The programme’s approach (e.g. whether the selection of ME activities is decided by the programme or by the beneficiaries, programme duration, capacity building, etc.)
* The cost/benefit of the assessment activity in relation to the scope of the ME programme (number of beneficiaries to be supported, ME cost per beneficiary, duration, etc.)

In **rural contexts**, the ME opportunity assessment will have a strong component linked to the existing primary activities in the target area and, therefore, to the existing opportunities in the value chains/market systems. The success of an ME is very much dependent on the existing supply and demand of products and services and the available resources.

In an **urban context,** on the other hand, opportunities are linked to processing, crafts and service sectors. The success of an ME in this context is strongly dependent on the added value they offer (compared to the competition) and, therefore, on the definition of the products/services and the efficiency of the processes. The scope or type of assessment in an urban context may be less in-depth and mainly oriented towards identifying success factors or the target groups’ capacities and barriers (migrants, young people, people with disabilities, etc.).

#### Example: ME opportunity assessment

##### Objective:

The objective of the ME assessment is to design a mid to long-term (2-3 years) ME programme to support young migrants (men and women) with socio-economic inclusion activities.

* + Context: urban and peri-urban area.
	+ Geographical scope: main city areas of the country (5 cities)

##### Expected results:

The expected results of this assessment are:

* + Obtaining a list of the main ME activities carried out by young people (men and women). Identification of the most successful ME activities and their success factors.
	+ Assessing the capabilities/experience, preferences and obstacles faced by young migrants to start and develop an income-generating activity.
	+ Defining the complementary activities that could be implemented within the ME programme to overcome barriers the target group faces (social, legal, etc.).
	+ Listing the existing resources and services (training centres, etc.) that facilitate/enable the creation of ME.
	+ Defining the average cost of setting up an ME per beneficiary (training, coaching, seed capital or start-up kit, etc.).

#### How to decide the scope of the assessment?

##### Assessment scope:

The organisation will conduct a “light” economic opportunity assessment. Since it is an urban context, the list of viable ME could be extensive, so it is preferable to collect qualitative information (interviews and FGD) to identify success factors and start-up costs.

The assessment will focus on other aspects such as the resources available, the capacities and barriers of the target groups, or the actors working on the socio-economic inclusion for migrants.

The ME assessment methodology will emphasise secondary information review and primary information gathering based on key informant interviews (KII) and focus group discussions (FGD).



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When defining the scope of the assessment, it is important to consider the **geographical scope** to assess the ME opportunities. In vast geographical areas (regional level - several countries) or in areas where there is a high presence of actors working in micro-entrepreneurship, it is recommended that the assessment focuses on the **secondary information review** as one of the main sources, and it is from this analysis that the level of depth for primary data collection is defined.

**The moment the assessment is carried out** influences its objectives and scope. Suppose the assessment is carried out to design a new programme. In that case, it is necessary to consider aspects that will condition the programme definition, such as the implementation costs of potential MEs.

The **programme** approach also determines the type of assessment. If the programme provides a closed list of viable MEs for beneficiaries to choose from, a more in-depth microenterprise opportunity assessment will be required. Conversely, suppose the programme includes a wide variety for selecting MEs according to the interests/decision of the beneficiaries. In that case, the assessment could be “lighter”, focusing on success factors rather than on obtaining a short list of viable MEs.

Finally, the **cost/benefit of the activity** needs to be considered, so it is not recommended to carry out in-depth (and costly) evaluations for programmes that support a small number of beneficiaries or if its contribution (in time and cost) is limited. In these cases, carrying out a “lighter” assessment (mainly including FGD and KII) and more individualised monitoring of the micro-enterprises during the implementation phase is better.

**The micro-entrepreneurship opportunity assessment could have different purposes**

**At the programming level:**

**At the beneficiaries’ level:**

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Select feasible MEs (short list or long list, depending on the approach).

Identify ME requirements and success factors

Calculate the ME support costs per beneficiary (training costs, seed capital or start-up kit).

Identify the available resources and services (ME enablers).

* Inform about ME opportunities and barriers.
* Inform about ME expenses and revenues.
* Inform about the qualifications/skills needed to develop each ME.
* Inform about rules & regulations

### TIPS

Define the objective, expected results and scope of the assessment together with the team. Ask yourself and your team why you are doing an assessment, what you need from it, and what are the expected outcomes?

Be as specific as possible when defining the objective and expected results, as this will also help you to limit the type of assessment to be conducted. For example, if you are looking for ME opportunities, narrow down what you are looking for: MEs that work quickly (fast start-up time), MEs with high revenues, MEs that are durable over time, etc.



Define what type of assessment you need (scope of the assessment) based on the criteria mentioned above (type of context, the number of beneficiaries to be supported, the timing of the assessment, etc.) while considering the cost/benefit of this activity in relation to the programme as a whole.

In many cases, especially in disaster contexts or places where there are many humanitarian actors, a joint study could be carried out if other organisations are interested.