

## REQUEST FOR PROPOSAL

15<sup>th</sup> May 2019

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### **Request for Proposals: Consultancy For The Development Of The Revised Economic Diversification Drive Strategy 2019 - 2024**

**COUNTRY:** Botswana

**SUPERVISION:** Ministry of Investment, Trade and Industry

**PERIOD OF ASSIGNMENT/SERVICES:** Over a four months period, actual consultancy days to be proposed by the bidder

#### **1. BACKGROUND**

Diversification of the economy of Botswana has been a major development drive for succeeding Governments for many years now. This aspiration has been articulated in various national development frameworks including Vision 2016, Vision 2036 and the National Development Plans (NDPs). Other policy instruments and legislation have also been developed to support an enabling business environment, inclusive growth, job and wealth creation, economic diversification and poverty eradication.

In fact, in 2010, the Government of Botswana issued a Presidential Directive CAB 11(A)/2010 calling on all Government Ministries and their stakeholders to intensify efforts to diversify the economy. This eventually led to the development of the Short-Term Economic Diversification Drive (EDD) Strategy and subsequently the Medium to Long-Term EDD Strategy.

Despite the supportive policies and strategies implemented over the years, economic diversification remains a major development challenge for Botswana to date. The economy remains heavily dependent and concentrated on diamonds, while the private sector, considered pivotal in the strategy for diversification, continues to be shallow and narrow, with weak inter-sectoral diversity and production links. In fact, the diamond industry in the country by far continues to outshine other key sectors (agriculture, textile, beef, etc.) in the economy, accounting for one-third of GDP, about 80 per cent of export earnings, and about 40 per cent of government's revenues (Sekwati, 2010). This situation has made the economy vulnerable to external shocks, thus making economic diversification an imperative.

The Economic Diversification Drive (EDD) Strategy was introduced in 2010 and its implementation commenced in 2011. It had two major components, namely the Short-Term Strategy (STS) and the Medium to Long-Term Strategy (MLTS). The STS focused on interventions aimed at promoting domestic production and consumption, by leveraging the country's purchasing power to enhance participation of local enterprises in the economy. The core element of this strategy was the promotion of local procurement through preference margins based on turnover threshold. Whereas, the MLTS focused on building productive capacity and developing competitiveness to enable the country to participate effectively in the global economy based on quality goods and services, productive labour force, technological innovation and adaptation, as well as the development of business linkages between small, medium and micro enterprises (SMMEs) with large companies.

The EDD Strategy was planned to be implemented from 2011 to 2016. A mid-term review of the Strategy that was expected to be undertaken in 2013 was not done. Nevertheless, the Ministry of Investment, Trade and Industry (MITI) was still keen on implementing the Government's agenda on economic diversification given the fact that the economy of Botswana is far from being diversified. Therefore, an evaluation of the EDD Strategy was sanctioned at the request of MITI. It was envisaged that the key findings and recommendations from the evaluation will be used to inform the development of the revised strategy. However, in general, the evaluation findings and recommendations fell short of

expectations to inform the development of the revised EDD Strategy, even though there are some important elements and lessons that could still be utilised for the development of the revised strategy.

In view of the above, the Government of Botswana through the Ministry of Investment, Trade and Industry with the support of the United Nations Development Programme requires the services of a multisectoral team with many years of experience in development economics, developing economic diversification drive strategies and costed implementation action plans, developing monitoring and evaluation frameworks and sustainable development interventions to develop the Botswana Revised EDD Strategy, its costed implementation action plan and an effective and robust monitoring and evaluation framework of the strategy. The team is expected to comprise a lead consultant with two other support experts who are equally competent to undertake the assignment.

2. **DETAILED TERMS OF REFERENCE** and instructions to bidders should be obtained from:  
<http://procurement-notice.undp.org/>

3. **SUBMISSION REQUIREMENTS**

**Technical and Financial proposals should be submitted in separate sealed envelopes** clearly marked: **“CONSULTANCY FOR THE DEVELOPMENT OF THE REVISED ECONOMIC DIVERSIFICATION DRIVE STRATEGY 2019 - 2024”** and be submitted to:

The Resident Representative  
United Nations Development Programme  
P.O. Box 54, Gaborone, Botswana  
**OR**

by email to [procurement.bw@undp.org](mailto:procurement.bw@undp.org)

4. **SUBMISSION DATE:** Proposals may be submitted on or no later than **04<sup>th</sup> June 2019** at 12:00 Noon (Botswana Time) via hand delivery, email or courier mail to the address below:

5. **REQUEST FOR CLARIFICATION**

Any request for clarification must be sent in writing, or by standard electronic communication to [enquiries.bw@undp.org](mailto:enquiries.bw@undp.org) UNDP Botswana will respond in writing or by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of the inquiry to all prospective candidates.