



**TERMS OF REFERENCE (TORs)**  
**FOR**  
**ECONOMY-WIDE MODELLING OF VARIOUS AGRICULTURAL POLICY**  
**SCENARIOS**

**Application Deadline:** 30<sup>th</sup> January 2020

**Category:** Professional Services

**Type of Contract:** Local Individual Contractor

**Languages Required:** English

**Starting Date:** Immediately

**Expected Duration of Assignment:** Maximum of 3 months

**I. INTRODUCTION AND BACKGROUND**

- I.1 South Africa's agriculture and agro-processing sectors has experienced aggregate stagnation in employment, production, and growth largely due to weak macroeconomic and market condition as well as the lack of inclusivity in players participating in the value chains leading to concentration of wealth and deepening dualism.
- I.2 The sector remains highly prioritised by government, business and labour partners for its contribution to food security, and potential for reducing poverty and inequality. The government in partnership with its social partners, that is labour and business, are in the process to formulate new strategies and plans to re-imagine the industrialisation of agriculture and agro-processing sectors to stimulate new jobs, inclusive growth and development.
- I.3 The United Nations Development Programme (UNDP) in support of the Department of Agriculture, Land Reform and Rural Development (DALRRD) would like to solicit an expertise of a suitably qualified individual contractor to analyse socio-economic impact of different growth strategies and structural reforms in the agriculture and agro-processing sectors.

## **2. PURPOSE**

2.2 These Terms and Reference seek to guide and secure the service of an experienced and knowledgeable economic modeler that can analyse socio-economic impact of different growth strategies and structural reforms in the agriculture and agro-processing sectors.

## **3. PROJECT DURATION**

The project should be completed within 3 months, ending at the end of April 2020.

## **4. PROJECT SCOPE**

The scope of work is over three months and will aim to support decision making on the Agriculture and Agro-Processing Masterplan Project of the Department of Agriculture, Land Reform and Rural Development. It will involve the following:

- 4.1 Administer a Computable General Equilibrium (CGE) model aimed to provide evidence-based and detailed economy-wide analysis of the impact of policy interventions or exogenous shocks on the local economy
- 4.2 Administer a CGE model (e.g. the UPGEM or SAGEM) in order to analyse key economic strategies and structural reforms to advice policymakers in the country.
- 4.3 Assessing and modelling primary agricultural sector data represented by agriculture, fishing and forestry industries.
- 4.4 Running of business-as-usual (BAU) baseline forecast scenarios and a wide range of policy scenarios (deviations caused by policy shock measured relative to the BAU baseline).
- 4.5 Establishing industry linkages.
- 4.6 Initially framing the social and economic impacts assessments to be undertaken in phase 2.

## **5. KEY DELIVERABLES**

The envisaged outputs and outcomes of the project includes the following:

- 5.1 Provide national and sectoral economy-wide impact analysis of investment strategies in primary sector agriculture and secondary sector agro-processing under different sets of assumptions, e.g. priorities regarding export competitiveness, food security, technical change, etc.
- 5.2 Provide national and sectoral economy-wide impact analysis of different policies and programmes regarding land allocation and use, R&D investments in agriculture, expanding export markets and tariff protection
- 5.3 Provide assistance to the Department of Agriculture, Land Reform and Rural Development, via the NAMC, to evaluate required investment in the agricultural and agro-processing sectors.

## 6. PROJECT REQUIREMENTS

The potential service provider must preferably have a strong technical knowledge and experience in using the General Equilibrium Model such as the UPGEM or SAGEM based on the GEMPACK software platform.

## 7. METHOD OF PAYMENT

7.1. Payment will be made in Rands only.

7.2. Every invoice payment will be made within 30 days on receipt of the invoice and supporting deliverables.

**Payment Schedule** (*subject to adjustment after PIP finalization*):

Deliverable	Payment	Timeframe
1. Project Implementation Plan (PIP) Finalization	25%	Within two (2) week of contract signing.
2. 1 <sup>st</sup> Draft Reports	40%	Within 2 months after signing of contract.
3. Final Reports	35%	Within 3 months and upon approval by UNDP & DALRRD

## 8. EXPERTISE AND COMPETENCIES REQUIRED

This assignment requires experienced Agricultural Economist who has experience with institutional and other agricultural commodity markets and knowledge in market access facilitation support.

The contractor must fulfil the following selection criteria:

**8.1 Education:** Individual Contractor must have Post Graduate Degree (Masters or PHD) in Economics, Agricultural or Development Economics with solid technical expertise on economic modelling.

**8.2 Knowledge, Skills and Experience:** Individual contractor must have a minimum of 5 years' traceable experience and technical knowledge in using the General Equilibrium Model such as the UPGEM or SAGEM based on the GEMPACK software platform.

**8.3 Working knowledge** of South African government, especially on the issue of agriculture, agro-processing, value chains and land reform and rural development programmes will be an added advantage.

## **9. PROJECT IMPLEMENTATION REPORTING**

9.1 The Individual Contractor shall submit draft and final reports which clearly present work undertaken outlining activities and outputs thereof. Any proposed deviations from the original project implementation plan shall be explained to the UNDP in writing and be approved by the UNDP Senior Management.

9.2 The project report (s) must be submitted in electronic formats. All such materials shall become the property of the UNDP and its development partner and no document may be reproduced, copied or distributed without prior written consent from UNDP and DALRRD.

## **10. INSTITUTIONAL ARRANGEMENTS**

10.1 The Individual Contractor will be:

- i. briefed by the Chief Director Policy Research & Legislation Development- DALRRD and UNDP Project Manager at the start of the assignment and will henceforth report regularly to CD PR&LD-DALRRD and UNDP Project Manager throughout the assignment.
- ii. Supervised by the Chief Director PR&D- DALRRD.

10.2 Will report progress to the UNDP and the Chief Director PR&LD (DRDLR).

10.3 The Individual Contractor will be expected to observe the highest professional and ethical standards throughout project implementation.

10.4 Project monitoring, control and evaluation will be jointly done by UNDP and the DALRRD. UNDP Project Manager will administer the progress, contractual obligations of the project and do quality assurance.

## **11. RELEVANT INFORMATION/DOCUMENTATION**

11.1 Information and related documents will be available on request from Chief Directorate: PR&LD in the DALRRD and all relevant role players.

- 11.2 The UNDP Senior Management will be available for consultation regarding related issues, progress briefings and any other matters related to smooth execution of the project and success thereof.

## 12. CONFIDENTIALITY

All information, discussions, documents and reports that arise from this assignment must be regarded as confidential. Only UNDP, or its development partner, shall have the right to make public the findings of this project.

## 13. APPLICATION REQUIREMENTS

The qualifying Individual Contractor is invited to submit a proposal to provide the above-mentioned services. The proposal should focus on addressing the Individual Contractor's ability to provide the services outlined in the Project Scope and Expected Deliverables. Please include the following:

- Cover letter stating the ability of the Individual Contractor to undertake this assignment
- Detailed CV indicating qualifications and relevant experience of an Individual Contractor.
- A proposal (technical & financial) indicating a description of the proposed approach to the scope of work, preliminary work plan with timelines, deliverables and detailed budget.

## 14. CRITERIA FOR SELECTION

Selection criteria will be based on functionality, knowledge and experience. Proposal will be weighted at a maximum of 100 points with 70% pass rate. The selection of the successful Individual Contractor with required expertise will be aimed at maximising the overall qualities in required areas of competence. This will be broken down in the following manner:

Criteria for Selection			Points Allocated
(As per RFQ or RFP)			Per Criteria
I		Technical Proposal	50
	a	Expertise and reputation of an Individual Contractor submitting Proposal demonstrating relevance of:	25

		<ul style="list-style-type: none"> <li>- Specialized Knowledge</li> <li>- Experience on Similar Programme / Projects</li> <li>- Experience on related Projects in the Country</li> </ul>	
	b	Proposed Work Plan and Approach: <ul style="list-style-type: none"> <li>- Is the scope of task well defined and does it respond to the TORs?</li> <li>- Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation of the project?</li> </ul>	25
2		<b>Knowledge, Skills and Experience</b>	<b>50</b>
	a.	Individual Contractor must have a Post Graduate Degree (Masters or PHD) in Economics, Agriculture or Development Economics.	20
	e.	<b>Knowledge, Skills and Experience:</b> Individual contractor must have a minimum of 5 years' traceable experience and technical knowledge in using the General Equilibrium Model such as the UPGEM or SAGEM based on the GEMPACK software platform.	15
	f.	Working knowledge of South African government, especially on the issue of agriculture, agro-processing, value chains and land reform and rural development programmes will be an added advantage.	15
<b>TOTAL TECHNICAL SCORE (Passing Rate = 70%)</b>			<b>100</b>

## 15. TERMS AND CONDITIONS

15.1 Awarding of the contract will be subject to the Individual Contractor's acceptance of UNDP Terms and Conditions.

15.2 UNDP reserves the right to terminate the contract in the event that there is clear evidence of non-performance, by the service provider.

15.3 The information contained in these TORs has been prepared to guide interested parties in making their own evaluation and does not purport to contain all the information that a consultant may require. A consultant must make every effort to adequately responds to the terms.

15.4 No material or information derived from the provision of the services under the contract may be used for any other purpose except for those of UNDP, except where duly authorised to do so in writing by the UNDP.

15.5 Copyright in respect of all documents and data prepared or developed for the purpose of the project by the service provider shall be vested in the UNDP and its partner.

## 16. CONTACT PERSON AND DETAILS

For any queries regarding the contents of these TORs and all other inquiries, please send them to procurement e-mail provided.