

Terms of reference:

TITLE: Eastern Cape Scenario development and recovery planning

Location: South Africa

Type of Contract: Professional Contract

Languages Required: English

Closing Date: 06th October 2020

Duration of Initial Contract: 6 months

Background

The United Nations (UN) in South Africa opportunely completed its United Nations Sustainable Development Cooperation Framework (UNSDCF), 2020-25, from which the United Nations Development Programme's (UNDP) Country Programme Country (CPD) 2020 -25, was determined. The documents articulate the UN/UNDP's programme of support to the Government in combatting the development challenges of poverty, unemployment and inequality; in close consultation with the Government of South Africa and other partners. The UNDP CPD 2020-25 is therefore strongly aligned to the Government's Medium-Term Strategic Framework (MTSF) 2019-2024 and the country's priorities both at the national and local levels.

According to the UNDP-led UN research on the Socio-Economic Impact of COVID-19 in South Africa, poverty and vulnerability, unemployment and inequalities in South Africa increases due to shocks from the health pandemic. An already unequal national situation has been made much worse as a result of the COVID-19 pandemic and the study indicates that it may take at least 5 years for the economy to return to pre-2019 levels of growth, employment and inequality unless a combination of innovative policy and actions are taken. Similarly, the UNDP-led UN Emergency Needs Assessment on the impact of COVID-19 on the most vulnerable indicated that the Eastern Cape is one of the most affected by the burdens of COVID-19. Poverty has significantly decreased in the Eastern Cape falling from 30.2% in 2001 to 12.7% in 2016 ¹, yet the Eastern Cape is the poorest of all of the country's nine provinces.

The Eastern Cape province ranks the lowest of South Africa's nine provinces on social, economic and development indexes. The province has low labour force participation, high youth and adult unemployment and high net-out migration. Government services, wages and expenditure are the main contributors to economic growth and employment; however the province does have pockets of internationally competitive export industries, notably in the automotive manufacturing industry and agriculture. The Eastern Cape recorded its first case of COVID-19 on 20 April 2020. By the end of August 2020, the province was ranked number four out of the nine provinces of South Africa, with

¹ SAMPI measures by province, Poverty Trends in South Africa 2006 and 2015

85 899 positive cases identified, 81 373 recoveries, and 2 869 deaths (National Health Department, 2020). The pandemic caused severe pressure on the health and social welfare systems countrywide, and particularly in the Eastern Cape where the primary health care system was already under strain. The dual dilemma of the pandemic, an already weak economy lockdown measures taken by the South African government to mitigate the effect of the pandemic has had a severe impairment on the circular flow of income, goods, and services, worsening both aggregate demand and aggregate supply.

The crisis has led to a rapid learning curve among policy and decision makers, increasingly recognizing that the plans, systems, and organisational cultures are unsuited for dealing with both known and unknown risks and events. As the pandemic subsides the focus is now shifting to recovery, albeit in a highly uncertain context contingent on external factors. The COVID-19 shock creates an opportunity to rethink assumptions and redesign the current plans and programmes of the provincial administration, from a fiscal, social, economic and institutional point of view.

In this regard, the UNDP is partnering with the Eastern Cape government to develop scenarios for socio-economic recovery for the Eastern Cape province.

Scenario development is part of a broad suite of strategic foresight tools and are well suited contexts of high uncertainty. Strategic foresight enhances existing policy and planning methods and is concerned with what will or might happen in the future. In a scenario development process, images of potential futures are developed, based on a systematic process of making assumptions about how the environment may change over time and what an institutions, business or region might be facing considering these possible future environments. Scenarios allow for testing the resilience and relevant of strategy by asking 'what if' questions.

The UNDP is seeking a suitably qualified 2 or 3-person team of foresight and modelling practitioners and/or experienced scenario facilitators and drafters to facilitate a process of scenario development for socio-economic recovery for the Eastern Cape for the period 2020-2030. They will work very closely with the key sectors and stakeholders in the province, and nationally as well.

Objectives of the project

- a) Develop a range of alternative scenarios for socio-economic development in the Eastern Cape in the Post COVID-19 context. The scenarios must consider the key uncertainties (risks and threats) the province is/will be facing in recovering from the twin crisis of economic recession and fiscal decline and the COVID-19 pandemic. The scenarios should also identify opportunities and how they can be leverages in a practical fashion.
- b) Design a provincial recovery strategy and provide an informed basis for policy review(s) in the context of a changing contextual and operating environment.
- c) Present to the provincial executive and key stakeholders in the province possible scenarios
- d) Enhance capacity of staff in Eastern Cape on Scenario Planning

Scope of work

The scope of work for this project is as follows

- 1) Detailed design of the scenario development process and an associated project plan.

- 2) Identify and analyse key forces and drivers of change in the last 3 years and for the period to 2030.
 - a. Conduct factor identification using PESTEL/STEEP framework, including collection of data and synthesis of analysis done by public sector, business, and industry associations, civil society, and research institutions.
 - b. Design and carry out online Delphi study or other appropriate online data collection process to collect diverse inputs into the factor identification process.
 - c. Scenario factor analysis, including identification of influencing factors.
- 3) Facilitate generation of scenarios and draft scenario storylines, relevant to Eastern Cape's growth, employment creation and development, taking into account previous work done both nationally (Indlulamithi scenarios) and industry analysis
 - a. Participatory generation of scenarios through a series of virtual and/or in-person workshops and engagements
 - b. Scenario storyline drafting.
 - c. Scenario stress-testing and validation.
- 4) Design and facilitate of policy evaluation / options analysis.
 - a. Development of recovery strategy
 - b. Establish implications for strategy and decision making across and within the scenarios.
 - c. Development of strategy roadmap
 - d. Drafting and production of sectoral reports.
- 5) Identify sectors and sub-sectors that are critical to spurring growth in Eastern Cape with emphasis to empowering youths and women.

The service provider will be working in collaboration with a team from Eastern Cape Office of the Premier, Eastern Cape Socio-Economic Consultative Council (ECSECC), Provincial Treasury, Department of Economic Development and other relevant institutions.

Deliverables

1. An inception report and project plan.
2. A report on environmental scanning, research and factor analysis.
3. Report detailing workshops conducted and outcomes (Scenarios).
1. Report on the scenario quantification/ modelling, projections, quantitatively, key milestones and target to 2030 including partnerships.
2. Sectoral analytic reports
3. A PowerPoint version of each report.
4. A presentation to UNDP, Eastern Cape project team and stakeholders is done for each phase of the project.

Deliverables and timeframes

Scope/Phase	Deliverable	Activities / Output	Estimated time	Percentage
Inception	An inception report and project plan.	Methodology and scenario process design.	1 week	20%

		Develop project plan.		
Key factor identification and analysis	<p>Report on environmental scanning, research and factor analysis.</p> <p>A PowerPoint version of the report.</p> <p>Presentation to reference group.</p>	<p>Environmental scanning/Desk research</p> <p>Collect and analyse secondary and administrative.</p> <p>Interviews with key partners including Government (National Treasury, DPME, CoGTA, SALGA, Department for SMMEs, NYDA, Gender Commission and so on) and the Chambers of Business)</p> <p>Design online survey/participatory data collection tool.</p> <p>Collect and analyse data.</p> <p>Carry out key factor analysis.</p>	6 weeks	30%
Scenario generation	<p>Report detailing workshops conducted and outcomes (Scenarios).</p> <p>A PowerPoint version of the report.</p> <p>Presentation to reference group.</p>	<p>Workshop/ game design</p> <p>Workshop(s) preparation: invitation, logistics and online platform set-up.</p> <p>Host and facilitate scenario generation workshop(s)/Scenario games.</p> <p>Scenario write-up and refinement.</p>	4 weeks	30%
Recovery strategy and scenario road mapping	Report on the scenario quantification/ modelling, projections, quantitatively, key milestones and target to 2030 including partnerships.	<p>Quantitatively modelling of scenarios.</p> <p>Development of recovery strategy and associated strategy roadmap,</p>	8 weeks	20%

	Sectoral analytic reports A PowerPoint version of the report. Presentation to reference group.	including proposing key interventions and partnerships.		
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Time frames

The project is expected to commence no later than mid-October, for a six-month period, with the final scenarios and policy options presented to the provincial exco no later than 31 March 2021.

Expertise and qualifications

The team should consist of, at a minimum:

- A project leader with
 - A Masters degree in social sciences, business and economic sciences, public policy, futures studies or related field
 - Professional experience in foresight research and practice, with examples of work produced in the last three years
- An economist with
 - A Masters degree in business or economic sciences
 - Professional experience in quantitative modelling and forecasting, with examples of work produced in the last three years
- A public policy or strategy specialist with
 - A Masters degree in social sciences, business and economic sciences, public policy, futures studies or related field
 - Professional experience in public policy analysis, development, foresight and/ research and practice, with examples of work produced in the last three years
- One or more team members should have extensive experience of facilitating scenario development for public and private sectors
- Strong written and verbal communication skills with the ability to effectively organize and communicate complex information in a clear and concise manner.
- Good knowledge of the Eastern Cape and South Africa socio-economic development context

Evaluation criteria

Criteria	Points
Understanding of scope of work and methodology	30

Team leader with a Masters degree in social sciences, business and economic sciences, public policy, futures studies or related field qualifications and minimum 5 years' experience	20
Economist with a Masters degree in business or economic sciences qualifications and minimum 5 years' experience	15
Public policy specialist with a Masters degree in social sciences, business and economic sciences, public policy, futures studies or related field and minimum 5 years' experience	15
Team or firm experience of facilitating scenario development and planning for public and private sectors	20
TOTAL	100

Reporting

The Consultants will report directed to a team of Eastern Cape and UNDP Officials through Ms Siv Helen Hesjedal and Mr Bongani Matomela.