



**UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)  
TERMS OF REFERENCE**

**CONSULTANCY SERVICES TO UNDERTAKE A COMPREHENSIVE STUDY ON THE IMPLEMENTATION OF  
THE AFRICAN CONTINENTAL FREE TRADE AREA AGREEMENT: ITS COSTS AND BENEFITS TO  
TANZANIA ECONOMY**

**General Information**

**Contract Type:** Individual National Consultant

**Location:** Tanzania

**Languages Required:** Fluent English and Swahili

**Duration of Assignment:** Four (4) Months

**Expected starting date:** 2<sup>nd</sup> August 2021

**Completion Date:** 31<sup>st</sup> Nov 2021

**Assignment Background/Context and Rationale**

**1.0 Background**

The African Continental Free Trade Area Agreement (AfCFTA) entered into force on 30 May 2019 following 54 out of 54 Member States signing the Agreement on 21 March 2018. The AfCFTA which effectively commenced on 1 January 2021, is based on, among other principles, the principle of *acquis*; which means the existing regional economic groupings including the East African Community (EAC) and Southern African Development Community (SADC) are the building blocks for this Agreement. The AfCFTA among other things aims to achieve: a single continent-wide market for goods and services and to promote the movement of capital and natural persons; redress trade imbalances amongst the Member States in the course of implementation; including establishing formidable presence in international markets. On the other hand, this Agreement also introduces a detailed legal framework that defined roles and responsibility and governs implementation. This initiative is therefore expected to support strengthening industrial sector; diversify production; and job creation.

It is in this regard, the AfCFTA is considered as a game changer in terms of fast tracking the pursuit of integration at regional and continental level. This is due to the fact that, the continental free trade area has been acknowledged as a key driver in realizing the following: the ambition of politically, economically, socially and culturally integrated African continent with the resulting developmental gains; and the structural transformation and industrialization of Africa as envisaged in AU Agenda 2063. It is envisioned that the AfCFTA brings varied opportunities in transforming the continent by alleviating poverty through boosting economic growth by supporting strengthening industrial sector, diversify production, availing job opportunities for millions of Africans, including informal cross border traders and accelerate the development of the continent in general.

## 1.1 Rationale of the Assignment

According to a report by the United Nation Economic Commission for Africa, the AfCFTA considered to be the world's largest free trade area covering more than 1.2 billion people and a combined GDP of 2.5 trillion. Taking cognizance of different levels of development among AfCFTA member states, it's probable that the AfCFTA would accrue uneven/imbalanced results and might negatively affect some sectors of the economy among member states. In this regard for Tanzania to achieve a balance opportunities and threats which are likely to be brought about by the AfCFTA, compulsory measures such as robust preparations including in-depth analyses/scanning to inform choice of activities and method of application are inevitable.

## 1.2 Scope

From that brief background, the government of Tanzania through the Ministry of Industry and Trade (MIT) deemed it necessary to undertake a comprehensive scanning of all sectors of the economy, to enable Tanzania to prepare for the implementation of the AfCFTA. The in-depth scanning/ analysis is expected to clearly reveal following critical information:

- i. AfCFTA benefits to sectors of the economy, costs and adjustments that are necessary to be undertaken to offset the negative effects on each sector.
- ii. Highlight the strength, weakness, opportunities, and challenges that are likely to be faced by all sectors of economy.
- iii. Providing recommendations aligned to strategies towards fruitful changes in-terms of supportive policies and legal framework, enabling environment to support value addition and competitiveness
- iv. Addressing the roles of Women and Youths in cross-border trade and facilitating needed to be part of the mainstream continental free trade area benefits
- v. Articulating roles of Informal sectors in cross-border trade and facilitating needed to participate in mainstream benefits of largest free trade

## 2.0 Objectives of the Assignment

### 2.1 Assignment Scope and Objectives

To accomplish the desired goal, MIT would like to seek the services of a very qualified consultant to undertake a comprehensive analysis that articulates the implications of AfCFTA on Tanzania economy and providing recommends on way forward. Thus, to comprehensively achieve this focused goal, this assignment will target to achieve following objectives:

The main objectives of this assignment:

- i. to assess the coherence between the AfCFTA and Tanzania's economic (all sectors) and industrial goals, taking into considerations priorities and national development needs in both Tanzania Mainland and Zanzibar.
- ii. to inform the Government; private sector and other stakeholders on the impact of implementation of AfCFTA in Tanzania in all sectors of the economy.
- iii. to bring critical recommendations/suggestions that should be undertaken by the Government to maximize the gains from AfCFTA while addressing the challenges highlighted.

### 2.1.1 Specific Objectives

Specifically, the study aims to achieve the following: -

- i. To undertake a comprehensive analysis of all sectors of economy and evaluate the socio-economic benefits and costs of the AfCFTA to Tanzania by looking at among others output, trade and social welfare.
- ii. To bring out challenges that are likely to affect each sector of the economy and suggestion on how to address them.
- iii. To harness the perspectives of the private sector on the benefits and costs of the agreement to businesses in all sectors and the overall macroeconomic spectrum; and
- iv. Assess role of Women and Youths including the Informal businesses/sector in this cross-border trade
- v. To thorough study the AfCFTA and bring out legal and economic issues that need to be addressed so as to align it to the national development objectives/programs.

## 3.0 Methodology, Key Roles, and Expected/Outputs

### 3.1 Methodology

The study will make use of qualitative and quantitative tools to gather and analyze data in all sectors of economy. The Consultant will be responsible for designing data collection tools and study methodologies necessary for the assignment and share this with the MIT Management for review and approval before undertaking the assignment.

The Consultant shall work jointly with a Team of designated MIT Officials. The duties will be agreed jointly by the Team undertaking the study under the leadership of the Consultant. The Consultant will cater for the costs of the Team of experts participating in the study

### 3.2 Roles of the IC:

- Conduct in-depth scanning/analysis in fulfilment of the scope and objectives of the assignment, in accordance to the proposed methodology -
  - i. Comprehensively scan all sectors of the economy, to enable Tanzania to prepare for the implementation of the AfCFTA. The in-depth scanning/ analysis is expected to clearly reveal following critical information
  - ii. Scan business environment both for Formal and informal sector
  - iii. For each sector, collect information on sectoral development needs, sectoral investment policies and legal framework improvement needed.
  - iv. Collect comprehensive information from private sector regarding the Agreement
  - v. Comprehensively articulate roles of Women, Youths, and Informal businesses in cross-border trade, identify challenges including other needs analysis
  - vi. Conduct cost and benefits analysis of the AfCFTA to businesses in all sectors and the overall macroeconomic spectrum
  - vii. Benchmark for competitiveness in-line with the principle of *acquis*, i.e. EAC & SADC, which are the building blocks for this Agreement.
  - viii. Synthesize needs and policies into a set of trade priority sectors.
  - ix. Synthesize needs and policies into a set of priority sub-sectors.

- x. Synthesize information all information and mirror image in-line with SWOT for each sector and dig deeper into Benchmarking.
- xi. Identify potential business models and/or sectors/sub-sectors worth to be capitalized on policy & regulatory framework harmonization and/or approximation to accelerate investment momentum.
- xii. Add range of supporting information that can enable policy makers, influence regulatory decisions, and trade facilitation environment to shape impactful deals.
- xiii. Organize and conduct interviews with public and private sector stakeholders to verify findings on the sector, subsector and region level across steps.

#### 4.0 Deliverables

##### 4.1 Expected Deliverables/Outputs

- i. An inception report detailing major components of the study; detailed work plan, highlighting operational methodology, data gathering, and data analysis instruments attached to the inception report;
- ii. (Comprehensive Study on the Cost and Benefit Analysis on the implementation of the AfCTA in all sectors of economy in Tanzania;
- iii. The National AfCFTA Implementation Strategy; and
- iv. Technical analytical paper and advice on the ongoing negotiations on the areas of Investment, Intellectual Property and Competition.

**Note:** The Consultant will be responsible for timely delivery of the reports as per the deadline.

##### 4.2 TIME FRAME

The assignment will last for a period of four (4) months from August - Nov 2021. The Consultant shall submit the inception report within seven days upon signing the Agreement. The final report of the study must be finalized and submitted before end Nov 2021.

Deliverables	Indicative time frame
Inception Report	One week
Draft Assessment Report	Four weeks
Final Assessment Report	Two weeks
Draft National AfCFTA Implementation Strategy	Four weeks
Final National AfCFTA Implementation Strategy	Two weeks
Technical Analytical Paper on Investment, Intellectual Property and Competition Policy	Three weeks

## 5.0 Institutional Arrangements

- The consultant will report to the Permanent Secretary responsible for of Industry and Trade, through the Director of Trade Integration (DTI) and UNDP Head of Inclusive Growth and Sustainable Livelihoods (IG&SL) Pillar.
- The consultant will work in collaboration with Technical support from MIT Technical Team and UNDP Inclusive Growth & Sustainable Livelihoods Team.

## 6.0 Required Qualifications

### Education Qualifications and Technical Competencies

- Advanced degree in trade development; preferably a Doctorate, in economics or development economics with an emphasis on international trade, trade law and trade facilitation issues, macroeconomics or closely related areas.
- The Consultant must be Tanzanian with more than 10 years of progressive responsible practical and research experience in regional integration and economic cooperation; domestic and international trade in the African and other developing countries context. Additionally, the Consultant is expected to possess experience in trade policy; trade negotiations and; economic analysis
- Knowledge of the Sustainable Development Goals and of different approaches driven by the UN development system (UNDS) to accelerate private sector participation in the 2030 Agenda.
- Strong knowledge of market context, of national development needs, and economic/political priorities.
- Familiarity with mixed methods research, particularly the navigation of statistical databases, stakeholder interviews and the navigation of statistical databases.
- Fluency in English and Kiswahili.
- Ability to facilitate multi-stakeholder sessions.

### Functional Competencies

- Ability to undertake in desk research and-depth analysis of public and donor development statistics (e.g. human development databases, ease-of-doing-business data, private investment flows) at subsector and subregion level, regional and national investment guides, and other relevant data sources.
- Ability to lead structured interviews with local investors to deepen learnings from desk research and source additional insights on the 'investability' of long-listed opportunity areas in the regional investment guides.
- Ability to shape and guide the research agenda by defining key questions which can be addressed through data-driven research; prioritizing data sources to be explored)
- Lead the collation of insights from multiple research sources into a master document, ensuring that data collected is of comparable breadth and depth (testing for the mutual exclusiveness of datapoints)

**Criteria for selecting the best offer**

The consultant should submit current and complete curriculum vitae, technical and financial proposal (in separate submissions) in English with indication of e-mail and phone contact. Applicants are requested to apply online using the following site: <http://jobs.undp.org>. Individual consultants will be evaluated based on the following methodology:

**Cumulative analysis:**

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

- Responsive/compliant/acceptable; and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. 70%-30%.
  - Technical Criteria weight; [70%]
  - Financial Criteria weight; [30%]

Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

**Technical Criteria – Maximum 70 points:**

- Relevance of education – 10 Points,
- Language skills – 5 Points,
- Knowledge of the area of work and expectation from the activities being covered-15 points,
- Relevance of professional experience in conducting assignments of similar nature and scope- 25 points,
- Experience in writing/publication- 15 points.

**Financial proposal - Maximum 30 points:**

Appropriateness shall be computed as a ratio of the proposal's offer to the lowest price among the proposals received by UNDP.

**Financial assessment:****A lump sum amount approach shall be used with the following expectations:**

- The lump sum amount must be "all-inclusive";
- The contract price is fixed regardless of changes in the cost of components;
- For duty travels, UN's Daily Subsistence Allowance (DSA) rates prevailing at the time of sourcing, for the duty station and all other cities indicated in the TOR as part of duty travel destinations will be used. This will give Offerors an indication of the cost of living in a duty station/destination, to aid their determination of the appropriate fees and financial proposal amount, but it does not imply that Offerors are entitled to DSA payment; and
- The initial payment includes the actual cost of the IC's travel to arrive at the designated Duty Station. This implies that the completion of the journey can be considered as one of the deliverables payable upon arrival.

**Approved by:**

**Name:** Amon Manyama

**Designation:** Programme Specialist – Head of Programmes

**Signature:**                     *Amon Manyama*                    

08-Jul-2021

**Date:** \_\_\_\_\_