



## Call for Proposals

for a study on

**Macroeconomic Policies, Foreign Direct Investment  
and Emerging Economic Sectors in Tanzania**



**COWI**



Co-funded by the  
European Union

## **Project Overview**

Although Tanzania has been considered as a model of performance in the fiscal arena, the country is at a crossroad of its strategic macro-economic development. The needs remain important in terms of public expenditure, health, water and sanitation<sup>1</sup>, education and poverty alleviation programs. The country has enough assets and resources to become a leader on sustainability and stability in the region. The human resources and skills' potentials are tremendous. Like many of its neighbours, Tanzania is facing challenges related to governance, tax administration, poverty alleviation, infrastructure, agricultural modernization, access to facilities in remote areas, and job opportunities for the youth. Stability, security and cohesiveness are among the country's long-term priorities.

Tanzania's population as well as urbanization are projected to grow substantially. The youth bulge represents an asset, as well as a challenge, for economic growth and transformation. A growing population will trigger an increased demand for infrastructure and amenities. Development is dependent on infrastructure, trade, Foreign Direct Investment, exports and an increased consumer base. Heavy Infrastructure investment into rail, port and roads is expected to bolster GDP.

The country is going through transformative times<sup>2</sup>, and has set out clear goals in the Tanzania Development Vision 2025. Tanzania experienced an increase in gross national income (GNI) per capita reaching \$1,080 in 2019, placing it over the threshold for lower middle-income status, but a lot remains to be done to reach the targets set to reach a middle income status. Although the economic growth has been sustained and the poverty rates declining, the absolute number of poor people actually increased from 13 million in 2007 to 14 million in 2019 due to a growing population<sup>3</sup>. Many Tanzanians remain vulnerable<sup>3</sup>, living just above the poverty line<sup>4</sup>, while the informal sector still represents an important part of the economy. In order to reach its objectives in a period where its economy is significantly challenged by the worldwide pandemic, further progress will require attention in terms of fiscal governance, inclusiveness, increasing budget and public expenditure.

**The global objective** of the project is to promote dialogue on economic resources, fiscal policy and governance in Tanzania and to create a platform for sustained dialogue, including public and private stakeholders at the sub-national level.

### **The specific objectives are:**

1. To promote and disseminate high quality and evidence-based research on policies, resources, economic and fiscal governance;
2. To nurture debate among public sector, private sector and civil society stakeholders on economic and fiscal governance issues;
3. To increase research capacity and expand the links, networks and collaboration among economic and governance research institutions in Tanzania.

More information on the project is available on [www.pilot4dialogue.com](http://www.pilot4dialogue.com)

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<sup>1</sup> According to the World Bank, issues related to water supply, sanitation, and hygiene (S.D.G.6) impose a US\$206 million toll on the country's annual gross domestic product.  
<sup>2</sup> Belghith, N.B.H., Karamba, R.W., Talbert, E.A. and De Boisseson, P.M.A., 2020. Part 2: Structural Transformation and Firms Performance (No. 147025, pp. 1-98). The World Bank, pp. 2-6

<sup>3</sup> Belghith, N.B.H., Karamba, R.W., Talbert, E.A. and De Boisseson, P.M.A., 2020. Part 1: Path to Poverty Reduction and Pro-Poor Growth (No. 147025, pp. 1-222). The World Bank, pp.14

<sup>4</sup> According to the World Bank, the international poverty line was of 1783.5 in Tanzania shilling (2018) or US\$1.90 (2011 PPP) per day per capita in 2018. The national poverty line was lastly estimated at 49,320 in Tanzania shilling (2018) per adult equivalent per month.



### **Eligibility and profile of the research applicants**

The proposal can be submitted by an individual researcher, a group of researchers or a research organization, with relevant expertise and experience in the following areas:

- **Macroeconomic policies**
- **FDI, custom duties and taxes and regional integration**
- **Emerging sectors such as Horticulture, Digital and Green Economy**

Experience in these additional areas is also required:

- **The implementation of SDGs**
- **Policy advocacy and dialogue**
- **Policy analysis**

### **Description of the study and policy briefs**

The study shall provide an **in-depth and detailed analysis** of Tanzania's macroeconomic policies, FDI, and regional integration with an analysis of emerging sectors such as horticulture, digitalization, and the green economy.

It should provide examples of **achievements, best practices and lessons** relating to FDI, regional integration, emerging sectors such as horticulture, digitalization and the green economy.

Comparison with neighbouring countries is welcome.

The study should adopt the following structure:

1/ **Review of literature:** This will include a state-of-the-art review of the relevant background data, and context;

2/ **Background documentation/Field research:** This section should include information on the interviews, focus group discussions, stakeholders and stakeholder interests, challenges, and different scenarios to be analysed.

3/ **Identification of good practices and lessons learned:** This will facilitate peer learning and knowledge exchange. This section should be the most important part of the study;

4/ **Main conclusions and recommendations:** This section will summarize the key findings and present key recommendations. We expect the research report to be about **70 pages** (Times New Roman, font size 12) , including tables and graphs. The final text should be between **15,000 and 20,000 words**.

In addition to the research report, we expect the selected experts to submit **3 Policy briefs** based on the findings. The outline of the policy briefs will be provided by the project Task Force and will be communicated to the selected expert(s).

The selected team will be required to send an elaborated draft of the study as well as of the first policy brief at least two weeks before a panel of experts that will be held online early September 2021. This panel of experts will provide an opportunity to discuss and get feedback on the draft study and policy brief.

The selected team will subsequently be required to send the final draft of the study as well as a draft of the second and third policy briefs at least a month before the consultation event, which will be held in November 2021 (exact dates to be confirmed).

The deadline for sending the inception report is two weeks after acceptance of the proposal. The final draft of the study and policy briefs will be reviewed by the project's scientific committee. The final documents should be provided not less than 6 months after the beginning of the assignment.

**The researcher's access to accurate and relevant data** is a condition and should be demonstrated in the proposal. The author(s) will keep the "authorship" and will be solely responsible for the quality and consistency of their study, while the data and results will be made public and shared with the National Authorizing Officer of the Ministry of Finance and Planning.

**Available Budget** for the study is 20,000 Euros, inclusive of direct costs, travel and accommodation, attendance to the above-mentioned events and any applicable taxes. The funds will be disbursed in instalments, 30% at the start of the assignment and 30% after delivery of the first draft of the study. The final 40% will only be paid upon satisfactory completion and acceptance of all deliverables by the Project Board.

**Procedure for Submission of Research Proposals:** Proposals of maximum 10 pages (word format, double spaced, font 12) including background, objectives, literature, sources, methods and tools to be employed, a proposed budget in euros, as well as experience and CVs of key researchers/analysts should be submitted to [info@pilot4dialogue.com](mailto:info@pilot4dialogue.com), [elise.feron@tuni.fi](mailto:elise.feron@tuni.fi) and [pascaline.gaborit@pilot4dev.com](mailto:pascaline.gaborit@pilot4dev.com) by **April 23<sup>rd</sup>, 2021**.

**Conditions:**

1/ The tenderer may at any time cancel or postpone the call for tender, before the selection of applicants is finalized. The justification for cancelling or postponing the call can be twofold:

- reasons due to the project's implementation of activities;
- if the quality of submitted research proposals is not deemed sufficient.

2/ The selected research team will need to familiarize themselves with Zoom online events.