**Terms of Reference: The cost of not going green**

1. **Background**

Guinea Bissau (GNB) has a surface of 36,125 km², 28,000 km² on land and 8,120 km² at sea, in addition to 88 islands and islets in the Atlantic (the Bijagós archipelago) of which only 17 are inhabited[[1]](#footnote-1). It has an ecologically rich and diverse Exclusive Economic Zone of around 123,725 square kilometers. Around 60% of the population are under 25 years of age. On average, agriculture, fishery and forestry contribute up to 47% GDP. Economic growth is highly erratic, fragile and narrow based. In 2019, the Gross Domestic Product (GDP) grew by 5%, mainly driven by private consumption and exports of cashew nuts, which account for more than 90% of exports, around 80% employment (mostly smallholder farming and seasonal daily labor) and 13% of government’s revenue. Fish and wood account for 7% and 3% of exports, respectively. Despite the diverse marine and terrestrial ecosystem, Guinea Bissau has not embarked on a strategic reflection on the costs of/opportunities for and risks of pursuing a green path to development and exploring its SIDS potential. The lack of vision and political will as well as weak governance prevented the development of a coherent developmental strategy built on a blue economy driven by green inclusive growth and sustainable development. Recurrent political and institutional crises have hampered a coherent approach to realizing the economic, social and environmental potentials.

However, Guinea Bissau has a unique opportunity to build a blue economy utilizing its SIDS characteristics and embark on a sustainable green path for development. Areas for green development may include:

* Renewable Energy to meet current and future needs
* Green and environment-friendly manufacturing built around the country’s agricultural and marine resources that maximize domestic value-added, generate employment and drive a more diversified economic growth
* Sustainable utilization of marine and other natural resources (e.g. fishery, aquaculture, agriculture, forestry, logging, and mining)
* Sustainable agricultural development
* Sustainable and inclusive Eco-tourism and recreation and resilient livelihood transition
* Governments in developing countries are often over-estimate the costs and the initial investments required for going green. Medium- and long-term benefits of going green as well as the negative externalities and opportunity costs associated with ‘not going green’ are often ignored. Additionally, the returns on investing in green solutions are also underestimated. Estimating such costs and returns on investment and taking them into account should be an integral component of the strategic policy and fiscal planning process towards an inclusive, green recovery.

1. **Purpose and objectives**
   1. Purpose

The main purpose of this study is to develop a methodology/toolkit and build a user-friendly dynamic working model to project all direct and indirect economic, social and environmental costs of foregoing a green path to development in Guinea Bissau in the short-, medium- and long-term in close collaboration with a local partner. The toolkit and the model should take advantage of UNDP data platform[[2]](#footnote-2). Additionally, the methodology/toolkit and model should be flexible and allow for projection updates as well as comparative analysis of alternative solutions and, thus, can be used as a planning tool.

* 1. Objectives

1. Develop a methodology/toolkit for estimating and projecting the opportunity costs and benefits of a green transition in Guinea Bissau
2. Build a user-friendly dynamic working model that will utilize available data and resources in collaboration with UNDP’s data analytics team
3. Calibrate the model and demonstrate its flexibility, updates, and dynamic features
4. Using the methodology/toolkit and the model, produce short-, medium-, and long-term projections of all current direct and indirect economic, social and environmental costs of not going green in monetary terms.
5. Identify the chief barriers to a green transition, including policy analysis and governance challenges, as well as associated social protection measures.
6. Select a local partner to be the custodian of the model and toolkit.
7. Build local capacity for future utilization of the toolkit and updating of the model
8. **Scope of work**
9. Building on UNDP’s disck review, review existing similar models, toolkits and methodologies, including impact assessments and costing models and methodologies in developing countries
10. Prepare a situation analysis of the current stage of development in Guinea Bissau, in close collaboration with the local partner
11. Prepare a short comparative analysis of other relevant developing countries (particularly SIDs) and elaborating lessons learnt
12. Utilize UNDP’s data platform to develop a methodology/toolkit and dynamic working model of estimating/projecting the opportunity costs of not going green, in close collaboration with the local partner
13. Prepare a study elaborating on the methodology/toolkit and the dynamic model and its calibration
14. Prepare a comprehensive user manual for future update
15. Prepare guidelines for data collection and updates to ensure the future applicability of the model and methodology/toolkit
16. Prepare a study estimating short-, medium-, and long-term projections of all economic, social and environmental direct and indirect costs of not going green in monetary terms. The study should identify chief barriers to a green transition, including policy analysis and governance challenges and provide policy recommendations.
17. Prepare an executive summary summarizing the key features of the model and the findings
18. Assess the capacity of the local partner
19. Prepare a training manual and deliver a short capacity development module to train local partner and planners on updating, calibrating and using the model and the toolkit
20. **Deliverables**
21. Literature review of relevant models and methodologies
22. Situation analyses of current developmental affairs in Guinea Bissau
23. Comparative analysis outlining experiences and lessons learnt from other SIDS and/or developing countries
24. The methodology/tools and the model (including all relevant documentations) to estimate the costs of not going green
25. short-, medium-, and long-term projections of all economic, social and environmental direct and indirect opportunity costs of a green transition in monetary terms, as well as development impacts (health, jobs, disaster and climate losses to business, GDP, etc.).
26. Short capacity development module
27. Selected national partners are trained and can use the toolkit and the model to estimate/project the costs of not going green
28. Training manual
29. Executive summary
30. Guidelines for data collection and updates
31. **Methodology**

The methodology of this study will be a desk review, modeling exercise and policy discussions with government officials, UNDP and other UN and partner agencies and key stakeholders. This TOR remains flexible to a team/contractor/firm (consultants) to propose an appropriate methodology under the circumstances of its purpose, objectives, and deliverables. With this consideration, the TOR proposes forming a Technical Working Group (TWG). The technical working group will comprise of UNDP-GNB senior economist and cluster heads in addition to technical members representing UNDP RBA, GNB ministry of planning and other relevant ministries, World Bank and key development partners. The TWG will guide the work of the consultants conducting the study, approve its proposed methodology, provide quality assurance, ensure timely delivery and review of deliverables. UNDP will prepare a list of detailed tasks for the consultants, to be attached to these TORs.

1. **Timeframe**

The study is estimated to take 6 months to complete from the date of singing contracts. The procurement process will take additional 2 months to complete. The estimated required working days are 90 working days.

1. **Coordination**

The consultants will work closely with a focal point/coordinator designated by UNDP-GBN under the supervision and guidance of the TWG.

1. **Reporting requirements**

The consultants conducting the study will report to UNDP-GBN RR/DRR.P and the TWG. The consultants will prepare a workplan with clear milestones and will present periodic progress reports/presentations on milestones and deliverables to the TWG.

1. **Logistic and technical support**

UNDP-GBN focal point/coordinator will be responsible for providing coordination and logistics support. The TWG will be responsible for providing technical support and guidance.

1. **Estimated Budget**

The estimated budget for this exercise is $170,000.00 USD

1. **Human resources**

A team of consultants that consists of a team leader, analyst/econometrician and modelling expert will be recruited. Preferably, the consultants should belong to a consulting firm / bureau of study.

1. **Workplan**

The consultants will submit a workplan with clear milestones and deadlines for deliverables after two weeks from the signing the contract

1. **Submission of proposals**

Consultants must submit updated CVs, technical and financial proposals by the advertised deadline in accordance with UNDP procurement guidelines to be considered for this assignment. The proposal must include a tentative workplan covering all deliverables in the TORs.

1. **Evaluation criteria**

The evaluation criteria will follow UNDP procurement guidelines in evaluating the technical and financial proposals as well as the credentials of applicants.

1. World Bank 2018, website <https://www.worldbank.org/en/country/guineabissau/overview> [↑](#footnote-ref-1)
2. https://sdgintegration.undp.org/accelerating-development-progressduring-covid-19 [↑](#footnote-ref-2)