

Terms of Reference

Measuring Social Mobility in Cape Verde

Economic Context and Background

Throughout the last decades, Cape Verde has gone through a process of economic and social transition that culminated in its graduation from the status of LDC in 2008. Cape Verde's economy grew on average at around six percent in real terms in the last decade ending in 2010 despite the sharp decline in domestic growth in 2008 and especially in 2009 as a result of the global economic and financial crisis of 2007 and 2008. Estimates based on recent IMF data also points to the remarkable improvement in growth volatility in the last decade; indeed, the 10-year period starting in 2000 saw a decline in growth volatility of around sixty percent of the levels observed in the 1990s. The latest government programme (2011) also emphasizes important gains toward poverty reduction in the last decade that resulted from the combination of a strong and less volatile economic growth and targeted policy interventions. Poverty rate in Cape Verde reached close to 27 percent in 2007 compared to 37 percent in 2001, which indicates that growth has helped lifting, at least, some groups of people out of poverty.

Despite the overall positive developments in Cape Verde in the last decade, there are a series of challenges that remain and that could risk the country's ability to continue to expand at a sustainable pace and to further advance in reducing the number of people living in poverty. Among the main social challenges are the ability of the economy to generate new and decent jobs and the disparities in terms of social and economic conditions between specific groups, sectors, and geographic regions.

The third Growth and Poverty Reduction Strategy Paper (GPRSP III) adopted in 2012 notes that income inequality in Cape Verde remains persistently high, with a Gini coefficient in 2007 of around 0.47 (on a scale of 0 to 1, where 1 is perfect inequality and 0 is perfect equality). The high level of inequality is a concern because it affects how effective growth is in reducing poverty.

One of the possibilities of why inequality remains high in Cape Verde, despite of a growing economy, is the ability of the economy to allow for upward mobility through job creation and social transfers.

Indeed, a closer look at the economic dynamics in Cape Verde shows that growth has relied on sectors, mostly connected to tourism, that have failed to generate jobs at a similar pace, and that there are risks that improvements in overall living conditions could backslide. The sectors of hotels and restaurants, for instance, grew almost six times faster than the national economy between 2000 and 2010, accounting almost 16% of GDP in 2010. Yet it supplied only 4.6% of all jobs in 2010, compared to 2.5% in 2000.

Reduction in poverty rates has also been imbalanced. An analysis based on the 2010 Demographic Census indicates that poverty rates on islands with the best tourism infrastructure, Sal and Boa Vista, are less than half of the national average. Meanwhile, poverty incidence in largely rural islands with limited tourism infrastructure such as Fogo and Santa Antão are well above the national average. Similarly, whereas poverty in urban areas dropped from 25% to 13.2 % between 2002 and 2007, poverty in rural areas improved only from 51.1% to 44.3%.

The current research proposal is part of an overall UNDP effort to support Cape Verde in its efforts to promote a more sustainable and inclusive growth. In May 2013, Cape Verde, with the support of UNDP, hosted an international seminar on inclusive growth and social protection that promoted a series of dialogues and exchanges on mechanisms to integrate social and economic policies to break poverty traps and assure a more long-term and sustainable inclusive model of growth. Tackling growth imbalances, social inequality, and promoting social mobility came up as important priorities as Cape Verde attempts to address its structural challenges and adapts its development model to its non-Least Developed Country (LDC) country circumstances.

Understanding, therefore, social mobility will help Cape Verde to more effectively advance with policies aiming at promoting a strong and more inclusive development model.

Beyond Cape Verde's context, this study would contribute to the understanding of the dynamics and drivers of social mobility in African countries. This is particularly important, considering the increased importance of promoting social mobility in the context of fostering inclusive and pro-poor growth. A case study on Cape Verde would, thus, not only inform national policy making but would also contribute to the still sparse applied literature in Africa on the subject. The case study, which should include a methodological note and a survey design, could also serve as a model for other countries in the region that face similar challenges with respect to inequality trends and limited data availability.

Objectives

In terms of empirical results, the study expects to measure social mobility in Cape Verde. It is also expected that by better understanding social mobility, the study will be able to identify weaknesses and shortfalls in the existing social policy framework. The results will be presented in a final report and will be the base for a policy dialogue organized in conjunction with the office of the Prime Minister.

Methodology

The study will comprise an analysis of national and survey data to identify trends, levels, and patterns of social mobility between and, when possible, within generations.

The study should include an analysis of the patterns of social mobility and how they are affected by some specific variables that include types of occupation, gender, level of education, access to remittances, region, and age (see for instance Jannuzi 2002). The methodology should include the construction of a socioeconomic classification of typical occupations in Cape Verde to use as a reference to measure mobility (see for instance Jannuzi 2003).¹

The consultancy will include the design of a social mobility survey questionnaire and the analysis of the results of a small scale survey. It will *not* include the implementation of the survey; this will be done separately by the United Nations in Praia under supervision of the senior economist. It is expected that the consultancy will support the definition of the sample.

¹ Januzzi, Paulo de Martino. Mobilidade Social no Contexto de Adversidades Crescentes no Mercado de Trabalho Brasileiro nos Anos 1990. *Economia e Sociedade*, Campinas, v. 11, n. 2 (19), p. 255-278, jul/dez 2002.
Januzzi, Paulo de Martino. Estratificação Socioocupacional para Estudos de Mercado e Pesquisa Social no Brasil. *São Paulo em Perspectiva*, 17 (3-4): 247-254, 2003.

The study will seek to identify the major drivers of social mobility. In particular, the study will analyze how social mobility relates to the labor market evolution and to the implementation of social policies in Cape Verde.

Key Tasks

- (1) Outline of the Study in close collaboration with the economics adviser with the UN Joint Office in Cape Verde and definition of research methodology;
- (2) Literature review and data collection/analysis (one mission to Praia, Cape Verde);
- (3) Field Research: design and support in the implementation of a small case survey to complement existing information on social mobility. It is expected that the consultant will support the design of the survey, definition of the sample, and will analyze the data resulting from the application of the survey. The implementation of the survey **is not object** of this consultancy;
- (4) Delivery of the first complete draft of the study to be shared and discussed with national partners. Study should be non-technical and intended for a wide audience of policy makers;
- (5) Presentation of preliminary results in a Forum in Praia, Cape Verde;
- (6) Final task includes the revision of the study in response to comments and suggestions and the delivery of the final version of the study.

The study should include a maximum of 30 pages of text, an executive summary of maximum 2 pages, appendices with charts, tables, and a thorough description of the data. The economics adviser with the UN Joint Office in Cape Verde will be supervising the study.

Length of the Consultancy

The consultancy includes 30 business days during a period of 4 months and should include one mission to the field (Praia, Cape Verde). A detailed outline must be presented by March 15, 2014. The survey design is expected to be completed by April 01, 2014. Draft 1 of the report is expected to be completed by May 15, 2014. Final report is expected to be concluded by June 15, 2014.

Proposed Deadlines

- (1) Outline of the Study and the definition of the research methodology (March 2014)
- (2) Literature review and preliminary data analysis (March/April 2014);
- (3) Field research and survey design (April 2014);
- (4) Presentation of preliminary results and the outline of the report (May 2014);
- (5) First draft of the report (May 2014);
- (6) Revised final draft (June 2014);

Products and Payment of Fees

Deliverables: Detailed outline of the study and the definition of the research methodology; data collected; survey design, conducted, and results presented; one draft, a final version of the study, and presentation.

Product	Proposed Deadline	Payment of Fees
Upon the signing of the contract	Upon contract signature	15%
Detailed Outline	15 March 2014	5%
Survey Design	01 April 2014	5%
Draft 1	15 May 2014	15%
Final Draft and Presentation	15 May 2014	60%

Qualifications

Preference will be given to candidates who have a:

- A Master or, preferably, a PhD in economics, social sciences or a related discipline, and experience with research design and analysis;
- Minimum of 3 years of research experience in economics or related discipline (relevant PhD research counts towards years of experience). Experience with analysis of social mobility as described in the terms of reference is desired;
- Excellent capacity for economic analysis and data organization, with proven previous experience in quantitative and qualitative analysis;
- Working knowledge of Portuguese is an asset;
- Excellent interpersonal, oral and written communication skills including the ability to give clear and concise presentations of complex material to a non-academic audience.

Guidelines for Submission of a Proposal

Electronic applications must be submitted by **09 March 2014** to procurement.cv@jo.un.org and should include the following:

1. A cover letter (in English or Portuguese) explaining the candidate (or lead author) interests and skills;
2. A copy of the resume (s) or UN P11;
3. A proposed outline of the study (in English or Portuguese) of a maximum of 3 pages, which should include a calendar of activities and a detailed budget proposal (the price proposal should be the Lump Sum Amount and all inclusive: *the term "All inclusive" implies that all costs - professional fees, travel costs, living allowances, communications, consummables, etc. that could possibly be incurred by the Contractor should be factored into the final amounts submitted*);
4. Sample of previous analytical work (in English, Portuguese, or French).
5. Offeror's Letter to UNDP Confirming interest and availability for the Individual Contract

Please write "Application for Consultancy: Measuring Social Mobility in Cape Verde" in the subject line of the email.

Proposals must include all four set of requested documents above. Proposals not meeting this requirement will not be considered.

Criteria for Evaluation of the Proposal

Individual consultants will be evaluated based on the following methodologies:

Cumulative analysis

When using this weighted scoring method, the award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

- a) responsive/compliant/acceptable, and
- b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

* Technical Criteria weight; [70%]

* Financial Criteria weight; [30%]

Only candidates obtaining a minimum of 70% of total point will be considered for the Financial Evaluation

Criteria	Weight	Max. Point
<u>Technical</u>	70%	100
Academic Qualifications	20%	20
Relevant Research Experience	30%	30
Methodology and Work Plan	30%	30
Competencies	20%	20
<u>Financial</u>	30%	100

Approving Manager

This TOR is approved by: [Ulrika Richardson-Golinski]

Signature 

Name and Designation Ulrika Richardson-Golinski, Resident Representative

Date of Signing 21/02/2014