



TERMS OF REFERENCE CONSULTANCY SERVICES ON FINANCIAL SUSTAINABILITY

JUNE 2022

1.0 BACKGROUND AND CONTEXT

REPOA was formed in 1994 in Tanzania with the mandate to contribute to the alleviation of poverty in its multiple dimensions through research and capacity building. Over time REPOA's mandate has expanded beyond the narrow focus of alleviation of poverty to encompass a more holistic approach to reducing poverty through promoting a robust socio-economic transformation for inclusive development.

REPOA's work programmes are guided by Strategic Plans developed every five years. The current five-year strategic plan 2020-24 was informed by the insights from the review of the implementation of the previous strategic plan (2015-2019); and the developments and concerns in national, regional, and global economies. The thrust of the strategy is to continue and consolidate the organization's mission of promoting socio-economic transformation for inclusive development through research, capacity building and policy dialogue.

REPOA's current research programme revolves around three interrelated strategic core research areas, namely:

1. Productive sectors and inclusive development – include Employment, Productivity & Competitiveness; Natural Resources in the transformation process; Trade, value chains, and Regional Integration; Informal Economy; Development financing; Demographic transition and impact on development; Food security and agriculture transformation; Migration and urbanisation and the Green Economy.
2. Gender and Human Development - include Social service provisioning; Social protection, deprivation, and vulnerability; Gender gaps in business and property ownership; Gender gaps in productive value chains; Gender gaps in enterprise creation and development; Gender gaps in labour and tradable markets and Gender & societal relations.
3. Governance, Accountability and Citizen Participation - include State, markets, and civil society; Development disparity and inequality; Deepening of decentralization and LED; Accountability and citizen engagement; and Managing for sustainability.

These are supported by two cross-cutting themes, namely Environment and Climate Change; and Technology; Innovation and Data.

The focus on these themes aims to generate robust and relevant knowledge to improve policy design and implementation, promote inclusion and gender equality, increase accountability, and expand the democratic engagement of citizens, all directed towards realizing the goal of enhancing the quality of people's lives in

Tanzania. REPOA employs various communication initiatives to facilitate access and use of its research findings by stakeholders involved in policy formulation, practitioners involved in implementation, advocacy organizations, and the public.

REPOA continues to make greater space for strategic research, enhance the synergy and complementarity among its strategic research and collaborative research, and forge strategic alliances with key stakeholders, including policy and decision-makers, to influence changes in their behaviors and actions. These changes are important to ensure that policies and interventions are aligned to addressing development obstacles and accelerating socio-economic transformation for inclusive development.

These responsibilities can be effectively undertaken with adequate and sustained financial resources. Like other independent research organisations in Africa and the developing world, REPOA heavily relies on overseas development assistance (ODA) for its operations. Recent reversals in ODA flows, as well as shifts in geopolitics, have undermined the effectiveness of independent research institutions in Sub Saharan Africa, including REPOA. This has brought back the long-standing and important discussion of the financial sustainability of REPOA.

2.0 PURPOSE

These Terms of Reference present the requirements of the consultant and the scope of work related to REPOA's financial sustainability endeavours. This exercise aims to examine REPOA's mandate as it has evolved, its funding structure, and its resource mobilization approach, and to assess potential avenues to enhance REPOA's financial sustainability considering the evolving financing landscape for think tanks/ research institutions. It also aims to initiate a new financial sustainability drive for REPOA, based on these assessments. This exercise seeks to inform REPOA's resource mobilization strategy, in line with its mandate, mission and linkages with its stakeholders, and pave way for institutional financial sustainability in the medium and long term.

3.0 SCOPE OF WORK

The scope of this consultancy will be the following:

i) The problem analysis

The consultant shall examine how the mandate of REPOA has evolved. The consultant may use the problem tree framework to examine the relevance of REPOA's mandate to its key stakeholders and the relevance and uniqueness

of its products and their linkage to the willingness of stakeholders to support the institution.

ii) Solution analysis

The consultant shall undertake a solution tree analysis informed by the outcomes of the problem analysis. The solution tree analysis is expected to provide concrete recommendations and actionable items to guide the Management and the Board in aligning REPOA's mandate with the needs of its targeted stakeholder on one hand, and the resource mobilization strategy on the other. The solution tree analysis must as much as possible draw from applicable financial sustainability strategies and models adopted by think tanks and how they have evolved in response to the change in the funding landscape. This will allow the consultant to map out viable sources of revenue with the potential to sustain REPOA's work, including, but not limited to domestic public funding, international public resources, and private sector financing (banks, philanthropies, foundations). large enterprises, etc.).

The sustainability of think tanks in the developed world has to a large extent been the result of the support extended by governments and private sectors; the consultant is encouraged to identify and propose an actionable strategy for mobilising non-traditional sources of financing including those related to the private and public sectors.

iii) REPOA Endowment Fund

One financing approach for the financial sustainability of institutions is the establishment of endowment funds. Most think tanks in OECD are sustained through a combination of endowment funds, core funding, and programme funds. Endowments are funded and operated under different modalities, but common sources are contributions from foundations, governments, wealthy individuals, corporations, and other types of donors. At the inception of REPOA, an endowment fund was established, often referred to as the sustainability fund. It was agreed that 5% of the programme funds would be set aside annually for this purpose, and any other funds available from other sources that could be saved from operational efficiency could also be transferred to this fund. This fund was held in a separate account, invested in a fixed deposit account and its uses were subject to the approval of the Board of Directors for specified purposes. However, core funding partners reversed their decision to contribute 5% to the endowment fund in 2009. The fund has since grown slowly from the returns on investments, primarily in fixed deposits with commercial banks.

On this basis, the consultant shall examine the history and trend of the REPOA endowment fund and recommend the best modality for growing (new funding and investment structure of the existing fund), and managing the endowment to ensure transparency, accountability, and optimal risk and return. In addition, the consultant shall guide REPOA in convening and attracting individual and institutional contributions to the endowment fund.

4.0 KEY ATTRIBUTES OF THE CONSULTANT

It is desired that the review team includes competent consultants with demonstrated:

- (i) Knowledge of how research institutes/think tanks operate
- (ii) Knowledge of the Tanzanian policy, research, and financial landscape as well as donor environment
- (iii) International experience in the knowledge and not-for-profit industries
- (iv) Expertise in organisational development
- (v) Knowledge and proven application of the problem and solution analysis framework
- (vi) Expertise in financial management and strategy development
- (vii) Convening and networking skills and experience

5.0 METHODOLOGY

This exercise is an important learning process for informing REPOA and its stakeholders, in addition to facilitating potential mechanisms to bridge current and future funding gaps as traditional funding modalities evolve. Various methodologies will be applied during the assessment to inform the respective areas problem tree analysis, solution tree analysis, and the endowment funding, including but not limited to:

- Literature review; Desk review of relevant REPOA documents, including Strategic Plan; Progress/performance reports, relevant annual Plans, publications (in local and international journals), media coverage, annual reports, various policies/framework/strategy papers for focus areas, monitoring and evaluation framework, performance indicators, guidelines, tools and training programmes and other relevant documents

- Stakeholder interviews with researchers, national and international think tanks collaborating with REPOA, research users (policymakers, CSOs and private sector organizations), media, development partners, members of the REPOA Board and staff, and other relevant stakeholders that the review team might deem appropriate.

6.0 TIMEFRAME AND REPORTING

This annual review exercise is expected to be implemented for three months from the 1st of July 2022. The exercise will be divided into two parts: Part one will focus on the problem analysis, and part two will focus on the solution analysis. These analyses will lead into a single report consisting of two parts, and both shall be written in English and shall include executive summaries outlining major findings, recommended strategies, and action plans.

7.0 DELIVERABLES

1. An inception report detailing the proposed methodology, work plan and timeframe and details of meetings with stakeholders (basis of the reviewer's selection and contract signing). The inception report will be presented to the Board before the commencement of the assignment.
2. Draft report on the problem analysis, (five weeks from the commencement date) to be discussed with the Management and Board
3. Draft report on the solution analysis and the proposed action plan (five weeks after the discussion on the problem analysis)
4. Report on REPOA's Endowment Fund review, recommendations, and action plan, including the public launch of the endowment fund, if adapted by the Board.
5. Final report combining 2, 3, and 4 above, two weeks after the completion of the launch of the endowment (if the Board adapts recommendations).

8.0 THE BIDDING PROCESS

Interested individuals should submit the following to the undersigned **no later than 30th of June 2022 at 16:00 hours**.

- a) The inception report responding to the ToRs, including detailed CVs of the consultants.
- b) The financial proposal to enable the consultant to deliver on the ToRs.

The evaluation of the inception report assigns a weight of least 80% to the technical part outlined in the inception report and 20% to the financial proposal.

Individuals may associate to form a team with complementary competencies.

The inception report and the financial proposals should be sent to the undersigned.

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