

28 February 2023

Call for bids for Research on the Utilization of Special Drawing Rights (SDRs) allocated to Nigeria and Ghana.

1. The Africa Network for Environment and economic Justice, ANEEJ, in partnership with the Africa Centre for Energy and Policy with support from Open Society Initiative for West Africa is seeking the services of two researchers to undertake an assessment of the Utilization of the Special Drawing Rights in Nigeria and Ghana

2. Project Background

Countries of the Economic Community of West African States (ECOWAS) are reeling under heavy debt burdens in the face of the global triple crisis of pandemic, economy and climate change.

The debt crisis in the Economic Community of West African States (ECOWAS) region has risen steadily in recent years. While IMF debt sustainability analysis as of February 2021¹ shows that the majority of countries in West Africa have remained in moderate debt distress, a further analysis indicates that debt accumulation prior to the outbreak of Covid-19 outpaces the ability of growth performance to support debt servicing.

The gap (percentage difference) between general gross government debt and debt service commitments (expressed as a percentage of GDP), significantly widened before the end of 2019. General gross government debt stood at 39.62 of GDP while debt service as percentage of GDP was at 1.03 percent in 2012. The situation deteriorated to 57.87 for general gross government debt and 1.87 percent for debt service in 2018². This is a clear indication that debt service compared to debt accumulation has been weak and potentially shows a reduced capacity of governments in the region to deal with their overall debt burdens without running into fiscal constraints.

Nigeria's Debt Management Office puts the total Public Debt Stock at USD 95,779.64 billion at December 31, 2021.³ Ghana's public debt stock shot up by €27.8 billion in April 2021 to €351.8 billion in December 2021, according to figures obtained from the Bank of

¹ <https://www.imf.org/external/Pubs/ft/dsa/DSAlist.pdf>

² World Economic Outlook Database by IMF

³ <https://www.dmo.gov.ng/debt-profile/total-public-debt/3856-nigeria-s-total-public-debt-stock-as-at-december-31-2021/file>

Ghana.⁴ Sierra Leone's debt is classified as being at high risk of debt distress, largely due to heightened solvency and liquidity risks arising from the COVID-19 pandemic.

As a direct response to the plight of addressing economic crisis unleashed by the pandemic, the International Monetary Fund (IMF) Board of Governors in August 2021 approved a new general allocation of \$650bn Special Drawing Rights (SDR) to help boost the liquidity of member countries, but \$420bn is allocated to advanced economies that in the real sense don't need them.⁵ African countries are to receive about US\$33.8 billion. Nigeria is allocated \$3.35 billion as its share.⁶ Ghana on its part, received \$1billion from allocation from SDR.⁷

It is against this background that ANEEJ, Nigeria in partnership with ACF, Ghana seeks to commission two experts in both countries to undertake the research.

3. Project Goal

To advocate for a faster and increased sustainable financing for a green and economic recovery in West African States, as well as for the establishment of a more equitable, effective and transparent multilateral debt-restructuring framework in West Africa.

4. Project Objectives

The specific objectives of the project are:

- a. To conduct Research on utilization of SDR in two West African Countries (Nigeria and Ghana) and advocate for, and monitor government spending of fiscal space arising from SDRs allocations in Nigeria and Ghana.
- b. To build a Strong Civil Society movement under the aegis of Economic Community of West African States Network on Debt and Development (ECONDAD) to raise public awareness that will catalyze people-led campaigns for transparent and accountable use of SDR allocation in Nigeria and Ghana.

5. REQUIRED SERVICE

- To undertake a research in any of Nigeria and Ghana on the Utilization of SDR. The researchers will give details of what was received and how it has been utilized since they were allocated in August 2021, identifying what areas/sectors of the economy benefited from the resources, what possible challenges and what worked well. The researchers should recommend what can be done better.

6. OTHER TERMS RELATED TO THE REQUIRED SERVICE

- Vendors are required to apply for the task indicating their preferred country option stating their plans on how they intend to carry out the service above.

⁴ <https://www.myjoyonline.com/ghanas-public-debt-increased-to-351bn-in-december-2021-debt-to-gdp-hits-80-1/>

⁵ https://repositorio.cepal.org/bitstream/handle/11362/47856/1/S2200199_en.pdf

⁶ <https://businesspost.ng/economy/nigeria-gets-3-35bn-sdr-allocation-from-imf/>

⁷ <https://mofep.gov.gh/press-release/2021-08-27/ghana-has-received-us1billion-allocation-from-the-historic-us650-billion-imf-sdr-allocation-to-boost-global-recovery>

- Detailed information regarding each options/plan including methodology to carry out the research should be provided.
- A detailed Terms of Reference for the service is attached alongside this call and will be the basis for signing a contract.

6.1 QUOTATION SHOULD INCLUDE THE FOLLOWING

- A signed application to undertake the research
- Detailed Curricular Vitae of the researcher(s).
- Copy of any previous research carried out.

6.1 CONTRACT DURATION

ANEEJ and ACF Africa intend to engage the successful bidder(s) for a period of 25 days.

7.1 ELIGIBILITY

All applicants should provide the following;

- A detailed resume showing their work experience in the relevant development sector but if applying as an organization, the Official registration documentation (certificate of incorporation, article, and memorandum of association) of the bidding company.
- Corporate or personal (if as an individual) tax identification number (TIN).
- Organization profile, licenses relating to the service being offered.
- Verifiable physical office address.

8.1 PROPOSAL SUBMISSION

ANEEJ will not accept any proposal submitted in any other way. Incomplete proposal will not be considered, and researchers who are currently providing these services to aneej must re-apply with all of the documentation attached as mentioned above.

9.1 SUBMISSION PROCESS

Interested researchers Should send soft copies of their proposal to procurement@aneej.org on or before 15 March 2023.

Note

Only qualified Vendor/researchers will be contacted