

TERMS OF REFERENCE



CONSULTANCY TO REVISE AND UPDATE THE SADC HARMONISED CONSUMER PRICE INDEX METHODS AND PROCEDURES IN SADC REGION BW-SADC-563158-CS-INDV

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1. BACKGROUND INFORMATION

1.1 Background

The Southern African Development Community (SADC) is a Regional Economic Community comprising 16 Member States, namely, Angola, Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Tanzania, Zambia, Zimbabwe. Established in 1992, SADC is committed to Regional Integration and poverty eradication within Southern Africa through economic development and ensuring peace and security.

Article 14 of the SADC Treaty establishes the SADC Secretariat as the principal executive institution of SADC. The Secretariat performs its mandate and functions within the policy, strategic and programme provisions outlined in the Regional Indicative Strategic Development Plan (RISDP).

Demand for quality and harmonized statistics has been on the rise to monitor progress in developmental agendas at national, regional, continental, and global level. The scope of data demand cuts across economic, social, and also on emerging issues such as climate change, disaster-risk, environment and others related. The implementation of statistical programmes to meet these demands requires substantial and sustainable financial resources. In this regard, support from development partners and donor institutions remains critical for the successful planning and execution of statistical activities. Among these activities, price statistics—particularly the Harmonised Consumer Price Index (HCPI)—are of strategic importance, as they serve as a key macroeconomic convergence indicator for monitoring and assessing economic integration and convergence within the region.

1.2 Current situation in the sector

Secretariat is prioritizing statistical capacity building as part of its implementation plan guided by its strategy, the Regional Strategy for Development of Statistics (RSDS) 2020-30. The RSDS seeks to strengthen the statistical systems of Member States and promote the production and harmonization of high-quality, timely, and internationally comparable statistics to support regional integration, evidence-based policymaking, and sustainable development. Capacity-building interventions are being implemented in a strategic and results-oriented manner to ensure lasting and measurable improvements in the ability of Member States to produce and disseminate official statistics.

The SADC Protocol on Statistics places significant emphasis on the quality and harmonisation of official statistics within the region. In particular, Article 26 stipulates that Member States shall make data quality a cornerstone of statistical work and ensure that statistical production is aligned with internationally recognised standards and quality assurance frameworks. Furthermore, Article 14 requires Member States to implement the recommendations of international manuals, guidelines, and best practices in the compilation of the Harmonised Consumer Price Index (HCPI). The importance of the HCPI is further reinforced by the SADC Finance and Investment



Protocol, under which the rate of inflation is identified as one of the key macroeconomic convergence indicators. As provided for in Article 3 of the Protocol, the monitoring of inflation performance across Member States is essential for assessing progress towards regional macroeconomic convergence and economic integration objectives.

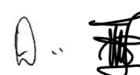
To support the implementation of these commitments, the SADC Secretariat developed the SADC Harmonised Consumer Price Index (HCPI) Methods and Procedures Manual during the period October 2024 to October 2025. The manual serves as the principal guiding framework for the compilation of both national and regional HCPIs across Member States. Its development was considered critical in addressing methodological and operational challenges identified during HCPI assessment and review missions conducted in Member States, which highlighted inconsistencies in concepts, data sources, compilation practices, and weighting methodologies.

The draft SADC HCPI Methods and Procedures Manual focuses primarily on:

- (i) providing guidelines to SADC countries to harmonize national practices with the objective of producing CPI that could serve both national and HCPI aims., including the calculation of expenditure weights, and the integration of these weights into HCPI compilation processes. Harmonization will regard basket coverage, households' consumption concepts, classification (migration to COICOP 2018), and other methodological issues relevant for the compilation of HCPI
- (ii) providing guidance on the incorporation of updated expenditure weights derived from Household Income and Expenditure Surveys (HIES), related household expenditure surveys, other sources of data into national HCPI frameworks;
- (iii) Consolidating the procedure for the transmission of the indices from the countries and the methodology to compile HCPI for the SADC area.

Through these measures, the manual aims to strengthen the comparability, consistency, and quality of price statistics across the SADC region, thereby enhancing the reliability of inflation indicators used for monitoring regional macroeconomic convergence and supporting evidence-based policy formulation.

During the period from October 2025 to March 2026, the SADC Secretariat engaged technical experts from National Statistical Offices (NSOs), the World Bank, and the International Monetary Fund (IMF) to review the draft of the Manual "Harmonised Consumer Price Index Methods and Procedures in SADC Region" and provide technical inputs for incorporation into the revised document. The consultative process was undertaken to ensure that the manual is aligned with the international standards established in CPI Manual (2020), with current national practices in the compilation of Consumer Price Indices (CPIs), reflects emerging methodological developments, and addresses concerns and recommendations raised by Member States during the review process.



The consultations also provided an opportunity to assess the practicality and applicability of the proposed methodologies, and weighting procedures within the diverse statistical environments of Member States. The resulting revisions are expected to strengthen the relevance, consistency, and operational feasibility of the manual, thereby facilitating the harmonised production of HCPIs across the SADC region and enhancing the comparability of inflation statistics used for regional monitoring and policy analysis.

Within this background and to continue the progress made in this area, Secretariat has planned an activity to revise and update the SADC HCPI Methods and Procedures Manual.

2. OBJECTIVES OF THE ASSIGNMENT AND EXPECTED RESULTS

2.1 Overall objective

The overall objective of this exercise is to revise and update the Manual “Harmonised Consumer Price Index Methods and Procedures in SADC Region”.

2.2 Specific objectives

The specific objective of this assignment is to revise and update the SADC Harmonised Consumer Price Index (HCPI) Methods and Procedures Manual to ensure consistency with current national CPI compilation practices, incorporate emerging methodological developments and international recommendations, address issues and recommendations identified by Member States during the review process, and strengthen the harmonisation, comparability, and quality of consumer price statistics across the SADC region. In addition, they are also intended to be applied or used as a tool for undertaking subsequent methodological reviews and training in the region as part of sustainable capacity building.

2.3 Expected results

The consultant is expected to achieve the following results in the following chronological order:

- (i) Inception report, detailing preliminary findings, approach/methodology for the task, a work plan, gaps identified, and remedial action to be taken to fill the gaps. The structure of the revised methodological document in terms of a draft table of content should also be provided at this stage;
- (ii) Draft Harmonized SADC HCPI methods and procedures, including scope of work as stated at Section 3 in this TOR and agreed issues in inception report; and
- (iii) Final version of Harmonised Consumer Price Index Methods and Procedures in SADC Region including Validation workshop report documenting inputs from Member States and Secretariat for amending in final report.

3. SCOPE OF WORK



3.1 Scope of work

Assignment will commence with a comprehensive review of the existing SADC Harmonised Consumer Price Index (HCPI) Methods and Procedures Manual, comprising approximately 70 pages, together with an annex of approximately 65 pages. The consultant will familiarize themselves with the current framework, methodologies, compilation procedures, and recommendations contained in the manual, as well as the comments and inputs received during the review process.

The revised manual shall:

- (i) Be streamlined and simplified to enhance its practicality and usability by price statistics experts and compilers within SADC Member States;
- (ii) Be aligned with relevant international statistical standards, guidelines, and best practices, including recent methodological developments in the compilation of Consumer Price Indices (CPIs) and Harmonised Consumer Price Indices (HCPIs);
- (iii) Provide a clear roadmap and implementation guidance to assist Member States in adopting and applying harmonised methodologies for the compilation of HCPIs and producing indices that fit the objective of producing a CPI indicator for SADC that avoids as much as possible any duplication across the countries;
- (iv) Address and incorporate comments, recommendations, and concerns raised by Member States, as well as technical inputs provided by international organisations and development partners during the review process; and
- (v) Strengthen the harmonisation, consistency, comparability, and quality of consumer price statistics across the SADC region to support regional integration, macroeconomic convergence monitoring, and evidence-based policymaking.

The scope of activities finally involves an online regional validation workshop with price statistics experts of NSOs, and Secretariat prior to finalization of the HCPI methods and procedures and subsequent submission to the SADC Statistics Committee for consideration and approval.

3.2 Geographical area to be covered

The revised and updated SADC HCPI methods and procedures will be used by SADC Member States.

3.3 Target groups

In revising and updating SADC Harmonised Consumer Price Index Methods and Procedures in SADC Region, the consultant will work closely with the SADC Secretariat Research and Statistics Unit, responsible for statistical matters in SADC. At Member States level, the task shall include engagement with price statisticians for information collection and an online regional validation workshop.

4. QUALIFICATION AND EXPERIENCE REQUIREMENTS



This assignment is expected to be carried out by a consultant with in-depth knowledge in consumer price indices. The specific profile is provided below:

Qualifications and Skills

- A minimum of a Degree in statistics, economics or related field. A Master's degree and above shall be an advantage.
- Written and oral fluency in the English language is essential. Knowledge of French and Portuguese would be an asset.
- Excellent oral and written communication, analytical, presentation and report writing skills in English Language.
- Excellent time management and organizational skills to prioritize workload and deliver needful during the training week.

General Professional Experience

- The Consultant must have at least 15 years of specific experience in undertaking and managing statistical functions in the area of prices statistics.

Specific Professional Experience

- At least ten (10) years' experience in collection, production, dissemination, revision of weights, and rebasing of HCPI at national/international level;
- Demonstrated experience in the development of HCPI guidelines and tools at national/international level;
- Experience in undertaking at least three (3) technical assistance/capacity building in the area of HCPI in developing countries, preferably in Africa, as a resource person.

The expert must be independent and free from conflicts of interest in the responsibilities they take on.

Note that civil servants and other staff of the public administration, of the partner country or of international/regional organizations based in the country, shall only be approved to work as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well as proof that the expert is seconded or on personal leave.

5. REPORTING REQUIREMENTS AND TIME SCHEDULED FOR DELIVERABLES

5.1 Reporting requirements

The consultant shall operate under the guidance of the Senior Officer – Research & Statistics and direct supervision of Officer – Research and Statistics responsible of price statistics.



All the deliverables shall be delivered to the Officer – Research and Statistics who shall assess and review the deliverables in line with the requirement of the Term of the References; and approved by the Senior Officer- Research and Statistics.

The consultant will continuously (via monthly reports/ email /zoom/ calls) update the Secretariat on progress and/or challenges with the drafting of the Regional Guideline. All reports shall be in electronic format in MS Word. The Expert shall work with the Secretariat up to the end of the assignment, shall have delivered the following in electronic format within three (3) months:

Name of report	Content	Time of submission
Inception report	A final detailed inception report outlining the consultant's understanding of the assignment and the approach to be employed.	No later than 7 days after the start of implementation
Draft Final Report	Draft SADC HCPI methods and procedures.	8 weeks after submission of inception report
Final Report	Revised SADC HCPI methods and procedures SADC Harmonised Consumer Price Index Methods and Procedures in SADC Region and Regional Validation Report.	3 weeks after submission of draft methods and procedures.

5.2 Submission and approval of report

The reports referred to above must be submitted to the project manager identified in the contract. The reports must be written in English. The project manager is responsible for approving the reports.

5.3 Project management

Overall responsibility for supervision of the Consultancy will lie with the Officer – Research and Statistics. The Consultant shall be responsible for the operational day-to-day management and coordination of the consultancy work.

5.4 Management structure

The Consultant shall report to the Officer – Research and Statistics and perform the assigned tasks.

6. LOGISTICS AND START DATE

6.1 Location

The assignment is commissioned by the SADC Secretariat based in Gaborone, Botswana. However, this Assignment will primarily be executed through desk research and virtually. Therefore, there will be no travelling to the SADC Secretariat offices in Gaborone, Botswana.

6.2 Office accommodation

None required

6.3 Facilities to be provided by the contracting authority

No facilities will be provided since the assignment will be done remotely.

6.4 Facilities to be provided by the contractor

No facilities will be provided since the assignment will be done remotely.

6.5 Equipment

No equipment is to be purchased on behalf of the contracting authority / procuring entity as part of this service contract or transferred to the contracting authority / procuring entity at the end of this contract. Any equipment related to this contract that is to be acquired by the procuring entity must be purchased by means of a separate supply tender procedure.

6.6 Start date and period of implementation

The intended start date is as soon as both parties have signed the contract agreement and the period of implementation of the contract will be 90 calendar days from the date of signing the agreement.

7. MONITORING AND EVALUATION

7.1 Definition of indicators

The indicators to be used are timeliness, technical coverage and analytical quality of the Report as detailed in the section 5 above.

7.2 Special requirements

The Consultant must declare any potential conflict of interest between the provision of the requested services, and other activities in which, a member of their consortium or group (s), or any expert proposed in their offer is engaged.

8. ASSUMPTIONS AND RISKS

8.1 Assumptions underlying the project

It assumed that the consultant would be procured within the reasonable timeframe and activities implemented within the schedule provided of 90 calendar days spread over 3 months.

8.2 Risks

The nature of the assignment presents negligible risks associated with the consultancy. Some of the foreseen risks are the following:

Possible risks	Risk Level	Mitigation Measures
1. Unavailability of key stakeholders to provide relevant information due to change in the working environment	Medium	Plan and communicate ahead with key stakeholders; have more than one communication means

9. FINANCIAL PROPOSAL

9.1 Financial proposal

The financial proposal should include all consultancy fees and all costs.

9.2 Schedule of payment

Payments for the assignment shall be related to the reports and their approval as follows:

20% of the contract price shall be paid upon submission of an acceptable Inception report;

60% of the contract price shall be paid upon submission of an acceptable draft report.

20% of the contract price shall be paid upon submission of an acceptable final report and regional validation report.



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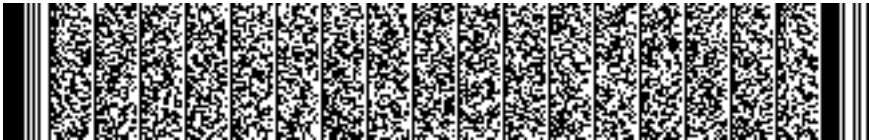
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