

**DRAFT TERMS OF REFERENCES (TORS)
FOR
HIRING OF INSTITUTION TO CONDUCT RESEARCH STUDY FOR
P&D DEPARTMENT**

1. BACKGROUND

The Planning and Development Department, Government of Punjab, is the principal planning organization at the provincial level. It coordinates and monitors development programs and activities of various departments of the provincial government. The Planning & Development Department is one of the main actors in the growth of the economic potential of the province.

The mandate of the Planning & Development Department includes provision of technical support and coordination to various Government departments in their planning activities. The department is also the main government agency working with foreign donors in the province. The main objectives of the department are as follows:

- Formulation of provincial government economic policies and strategies
- Formulation of long and short term plans
- Physical and fiscal monitoring of development projects
- Appraisal and approval of development projects
- Resource allocation, re-appropriation of development funds
- Determination of key areas for foreign assistance and preparation of sector-wise portfolio for foreign assistance
- Policy formulation with respect to private sector development and public private partnership (PPP)
- Coordination with Federal Govt. for Public Sector Development Program

2. STATEMENT OF PROBLEM

A high crime rate and weak criminal justice system have many adverse repercussions for the economic growth and development and translates into bleak business and investment prospects.

- A weak security and high violent crime rate negatively impacts the investment climate and can discourage or interrupt both domestic and foreign investment, and hence growth.
- It leads to higher cost of doing business, because of the need to employ different forms of security, and diverts investment away from business expansion and productivity improvement, and may lead to a less optimal operating strategy.
- It leads to business losses, arising from looting, arson, theft, extortion and fraud.
- It leads to loss of output because of reduced hours or loss of workdays arising from outbreaks of violence.

- It can also cause a permanent shut-down of firms or relocation to less crime-prone countries.
- It erodes the development of human and social capital and thus constrains the potential for growth.
- It diverts public resources excessively away from productive uses that potentially have much higher impact on social development and growth, to areas such as police, justice, the security system etc.

Since P&D is the coordinating body for all provincial departments and has a huge stake in formulating policies and budgets as well as the Annual Development Plan (ADP), it is essential to understand the bearing that the security situations may have on the operations of the departments and the business and investment climate so as to inoculate appropriate security and criminal justice systems. In context of this, P&D Department intends to hire the services of a research think tank to conduct a study on **'Impact of Security and Criminal Justice System on Business & Investment and Economic Growth'**.

3. SCOPE OF THE WORK

The study shall elaborate on the importance of having better security and criminal justice systems in place which can have an impact on the business and investment in addition to economic growth and socio-economic development. The study can help P&D Department to devise policies and systems for cultivating the business and investment environment and encouraging Foreign Direct Investment and Public-Private Partnerships.

The institution will be tasked to conduct an extensive study on the Impact of Security and Criminal Justice System on Business & Investment and Economic Growth, highlighting the following points of consideration:

- Study of the cost of crime as a percentage of the GDP and crime related factors hampering the economic growth.
- Study on the relationship between unemployment and crime.
- Analysis of the impact of crime/security issues on the Foreign Direct Investment and the Tourism industry
- Analysis of the role and importance of security and criminal justice system in business and investment growth.
- Analysis of the business and investment climate of Punjab.
- Best practices and case study examples of other developing as well as developed countries.
- Recommendations and way forward to improve the security and criminal justice system to particularly enhance business prospects.

4. DELIVERABLES

The Consultant Team shall submit a comprehensive report on all finding of tasks listed above to the P&D Department.

5. CORE COMPETENCIES AND ATTRIBUTES OF THE ACADEMIC INSTITUTE

- **Strategic Vision:** high level understanding of security and criminal justice systems and economic trends and opportunities and challenges they present for sustainable development.
- **Leadership:** proven intellectual leadership in economic development and security studies.
- **Rigorous analytics:** ability to undertake, oversee and guide researches and analyze economic development issues within the broader framework of Human Resource development.
- **Knowledge and Learning:** Champions new techniques, methodologies and technologies that enable and promote the dissemination and transfer of knowledge and best practices.
- **Sound Management:** the ability to manage one or more teams, working for or on the research or development planning.

6. SELECTION PROCEDURE AND FORM OF CONTRACT

The institution will be selected following Quality and Cost Based Selection (QCBS) criteria under the PPRA 2014 for selection of institutes for consultancy services.

7. DURATION

The assignment is expected to be completed in about TWO months' time.