

Call for Research Proposal – 12th Round

The South Asia Network of Economic Research Institutes (SANEI) is the South Asian arm of the Global Development Network (GDN). SANEI is a non-profit, regional initiative established in 1998, to foster networking amongst economic research institutions in the region for establishing strong linkages pertaining to broader concerns of South Asian development.

SANEI is inviting Research Proposals for its 12th Round of Regional Research Competition within the thematic focus '**Trends and Fluctuation in Global Commodity Prices and Their Implications for South Asian Countries**'. A brief exposition of the theme can be seen at Annex 1. The proposals could relate to a single South Asian country or cover more than one country within a comparative framework. During evaluation, preference will be given to proposals covering more than one South Asian country and submitted for collaborative research by researchers from institutions of these countries.

Eligibility:

- Proposals can be submitted by researchers from all relevant areas of social sciences.
- Applicants must be nationals of any of the following countries in South Asia: Bangladesh, India, Nepal, Pakistan, and Sri Lanka, and should be currently resident in these countries.
- Applications may be submitted by individuals or a team of researchers.
- An applicant cannot submit more than one proposal or be a member of more than one research team. A SANEI Steering Committee Member cannot be a project holder or a researcher in a SANEI supported project
- A formal application must be made by the institution (e.g. universities, research institutes or non-profit organizations) with which the applicant is affiliated and if the project proposal is funded, the institution will be responsible for the administration of the grant.

Guidelines for Proposal Submission

Proposals must include the following components:

- A **cover sheet** clearly specifying the project title, names of principal researchers, e-mail address, contact address, and contact telephone numbers.
- An **abstract** of no more than 200 words outlining the significance of the research and the **methodology** to be used.

- Proposal should be submitted in **Microsoft Word** format
- A research proposal of no more than **ten (10) doubled-spaced** pages
- Font: **Times New Roman**; Size: 12
- Page Number: Bottom right hand corner
- Page Setup: left indent: 1 inch; right indent: 1 inch; top: 1 inch; bottom: 1 inch
- A brief **survey of literature** and some indication of the availability of data.
- A **bibliography** of the relevant literature
- Short **CVs** of participating researcher/s (not more than ten pages).
- Information on how many other project/s the researchers/s will be involved at the same time along with the proposed study.
- The proposed budget on a separate sheet in the format below. **All figures must be in US\$**. If more than one institute is involved, the budget must clearly state the expenses for each institute in respect of all cost-heads.

| SI | Heads | Institute-1 | Institute-2 | Institute-3 |
|----|---|-------------|-------------|-------------|
| 01 | Salaries | | | |
| 02 | Field Survey/ Data Collection | | | |
| 03 | Books, Stationary and Software | | | |
| 04 | Communications | | | |
| 05 | Travel for workshop/ Conference | | | |
| 06 | Subtotal | | | |
| 07 | Overhead (5% of the subtotal to be retained by SANEI) | | | |
| 08 | Total | | | |
| 09 | Grand Total | | | |

Guidelines for Funding

- Maximum funding per proposal will be US \$ 10,000 for a single country study; US\$ 20,000 for a two country study; US\$ 30,000/- for a three country study
- Grants are awarded for one year only. The grant is awarded in US dollars.
- **No funds will be paid directly to the individuals.**
- Grants cannot be used for buying personal computers, hardware and other acquisitions of a capital nature.

The disbursement pattern would be:

- 25% upon award of the grant and signing of the contract
- 50% upon receipt of the progress report at the mid-point of the grant
- 25% upon receipt of final deliverables from the grant.

5% of the grant will be deducted if there are any delays in submitting the final draft of the paper.

Proposal Review:

Selection will be made on a competitive basis. The Research Advisory Panel (RAP) of SANEI comprising of internationally renowned economists will evaluate the research proposals.

Evaluation Criteria

The evaluation of the research proposals will be based on:

- Clarity of the proposed research question
- Originality (preference will be given to proposals that develop new methodologies or use the transition experience to obtain new insights into fundamental questions rather than those that call for mechanistic application of conventional techniques to new data).
- Use of the most modern and appropriate techniques.
- Cost effectiveness.

Last date of submission of the Research Proposal: 31 August 2010

The proposal should be forwarded both by email to saneibd@gmail.com with copy to saneibd@yahoo.com and by post to the following address:

Dr. Mustafa K. Mujeri

Coordinator SANEI & Director General BIDS

Secretariat

South Asia Network of Economic Research Institutes (SANEI)

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E-17 Agargaon, Sher-e-Bangla Nagar

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Annex – 1

Concept Note on the Theme for 12th Round of SANEI Studies**Trends and Fluctuation in Global Commodity Prices and Their Implications for South Asian Countries**

It is claimed that over the years, structural changes in the global economy have significantly tightened the links between world growth and commodity prices especially since it is further claimed that growth has become more commodity-intensive and the world commodity supply curve is becoming increasingly less elastic. In addition, likely tightening of environmental policies over the long run may make the commodity supply curve even steeper in future reinforcing the sensitivity of commodity prices to world economic growth.

In recent years, it is also suggested that the world has witnessed extreme volatility in major commodity prices. Although such price instability in the world market affect all countries, the consequences can be much greater for developing countries due to many factors such as narrow production base and weakness in the structure of the macro economy. Given that a large proportion of the commodities experiencing wide price fluctuation happen to be food items, the poverty impact of instability in world commodity prices could be substantial. Sustaining economic growth with rising commodity prices is also difficult for several reasons. One of the key concerns of these developments is that sustaining high economic growth over the long run is likely to become more difficult than in the past especially for the developing countries.

The 12th round of SANEI studies will address the issues contributing to widened fluctuations in domestic prices in individual South Asian countries in relation to world commodity prices. The studies will first examine analytically and empirically with comparable and reliable time series data the validity of the above claims. Second, if at least some of the claims are found to be valid, they will identify, again analytically and empirically, the domestic and international factors contributing to observed fluctuations in domestic commodity prices, assess the impact of such price fluctuations on the domestic economy of individual countries, and recommend policy responses. The studies would be analytical in applying economic theories and the use of appropriate econometric tools of time series analysis, bring in relevant national and international political economy

considerations and facts. Purely anecdotal stories and descriptions, unsupported by analysis should be avoided.

The scope of the studies could cover, among others, any of the following aspects relevant to individual or a group of countries in South Asia. These are meant only to be suggestive. Researchers are free to choose other researchable topics, provided they can be shown to be relevant to the theme:

- Impact of climate change, fragility of ecosystems, and loss of biodiversity on production possibilities and scope of dematerializing consumption especially in the developed countries provided these are well founded and not pure speculations
- Macroeconomic policies and their scope for protecting the economy, particularly the poor and vulnerable from adverse price shocks
- Scope for accelerating the rate of economic growth, making it sustainable over time, and making its fruits to be widely shared through domestic and international policies and increasing the provision of public social goods
- Addressing world supplies and dealing with export restrictions, and trade embargoes, if any
- Possible adverse impact of AoA (Agreement on Agriculture) under WTO
- Policies toward food security focusing on: developing internationally competitive domestic capacities in agriculture using various measures available in the WTO such as special and differential treatment of developing. Least developed and landlocked countries, AoA (Agreement on Agriculture) safeguards and negotiating special safeguards if necessary, and redefining tariff bounds as intervals rather than single numbers. All these should be done for developing a dynamic and competitive agriculture and not for costly protection
- Strengthening AoA (Agreement on Agriculture) provisions on export prohibition
- Use of risk management instruments including forward and future price contracts
- Domestic pricing policies/subsidies for commodities in South Asian countries: implications for the impact of movements in world commodity prices on domestic prices
- Impact of global price changes on domestic economies and their fiscal implications