



**The African Global Value Chains (AfGVC) Research Network**

**Request for Proposals: Paper Award**

**Economics and Governance of Global Value Chains in Africa**

Supported by



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#### **Economics and Governance of Global Value Chains in Africa**

#### **Background**

Anecdotal evidence indicates that Africa as a whole is heavily engaged in GVCs, although cross-country heterogeneity abounds. However, Africa's engagement in GVCs is largely through forward integration with most firms in the region specializing in upstream phases of the global production system and network that provide primary inputs<sup>1</sup>, and products with less scope for quality differentiation and moving up the value-added ladder of the chain<sup>2</sup>. With the existing low initial production capabilities in the region, it is feared that these countries may be locked into these low-value stages of the value chain that could limit the possibility of upgrading.

Rigorous research on GVCs through the lens of a developing country has largely focused on countries in Latin America or South and East Asia. Although multilateral institutions such as the African Union (AU), The African Development Bank and The World Bank have in recent times made efforts to understand the trajectories of GVCs, and their gains and implications in the context of African countries, there is still little- yet growing- research on Africa's role and participation in GVC.

To help fill these research gaps, the German Institute of Development and Sustainability (IDOS), in cooperation with the United Nations Economic Commission for Africa (UNECA) and the African Center for Economic Transformation (ACET), invites African scholars to submit proposals that address African GVC-related research questions. This call is part of the [Research Network Sustainable Global Supply Chains](#) project and is funded by the German Ministry for Economic Cooperation and Development (BMZ). The call is open for all African researchers. However, young/early career African researchers based in Africa are particularly encouraged to submit their research proposals.

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<sup>1</sup> Foster-McGregor, N., Kaulich, F., & Stehrer, R. (2015). Global Value Chains in Africa. *UNU-MERIT Working Papers*, (#2015-024).

<sup>2</sup> Owusu, S. (2021). *Powering structural transformation and productivity gains in Africa: The role of global value chains and resource endowments* (#2021-022).

## Topics

Beyond the topics listed below, we also welcome proposals that address other research questions that fit with the call and make novel contributions to GVC research in Africa. We encourage submissions of research proposals applying either qualitative or quantitative methods or mixed methods. We also welcome contributions using case study approaches or micro and macro-level data.

### **(1) Africa's participation in GVCs:**

- How have African countries' participation and position in GVC evolved? Can we identify patterns of specialization across sectors, regions, and time? What factors explain such specialization patterns? Which firm- and country characteristics matter for GVC participation and upgrade? What role for policy?
- What are the economic and welfare effects of GVCs participation and position in Africa? Do GVCs contribute to inequality through distributional impacts between production factors, firms, workers, or economies? Is there evidence of social upgrading within different value chains or across sectors? What is the role of women in Africa's GVC participation and potential welfare implication thereof? How do informal firms contribute to Africa's GVC integration?

### **(2) Sustainability and African engagement in GVCs:**

- What are the implications of the increasing demand for sustainable production and/or higher sustainability standards (e.g., certification schemes and voluntary standards) and/or regulations (government and/or industry self-regulation) on African firm's engagement in GVCs?
- Which sustainability standards have proven most attractive to firms and why?
- What are the consequences of such standards on employment, wages, competitiveness, and growth opportunities of local firms?

### **(3) Geopolitics and Megatrends:**

- How are global megatrends such as armed conflicts, trade disputes, pandemics, and technological progress (servicification, digitalization, automation) restructuring GVCs?
- Do new technologies like Industry 4.0 or blockchain facilitate sustainable production in GVCs, e.g., by improving monitoring systems and reducing costs for involved firms?
- What are the potential effects of the AfCFTA on the development of African regional and global value chains? To what extent should African countries try to develop domestic forward and backward linkages instead of specializing in their given comparative advantage? What implication does the AfCFTA hold for the competitiveness of suppliers and/or Africa's industrialization prospects? Proposals focusing on industry analysis and case studies are highly encouraged here.

### **(4) Governance of GVCs:**

- How do power asymmetries in specific value chains affect access and prospects for future upgrading?
- What does the global market structure look like from an industrial organization perspective? Are the industries competitive or oligopolistic? Are they prone to barriers to entry? Detailed investigations of certain sectors or particular products

from an industrial organization perspective will be useful to assess African economies' entry, survival and upgrade conditions and restrictions.

**(5) Agricultural value chains:**

- What are the various local factors that affect the capacity of African countries to meet global- and regional value chains requirements?
- What are the impacts of global food, fertilizer and energy crisis on African consumers and producers (studies related to trade shocks)?
- What role does the rise of African supermarkets play in agri-food supply chains?
- How can African households and food systems be evaluated and measured from a food supply chain - perspective?

**(6) Emerging new order for GVC:**

- What is the impact of new industrial policies such as EU carbon border tax or the German/French HRDD laws on the integration of African countries in GVCs?
- What are the potential implications of the EU's regulation on "deforestation-free value chains" for different value chains (e.g. for cotton and cocoa value chain)?

**Submission**

Individuals as well as organizations based in Africa are welcome to submit proposals. **The research proposal should be limited to 5 pages, excluding the cover page and references.** Please use 12-point font, 1.5 line spacing, and standard margins. The cover page should contain the complete contact information of the researcher(s) and a 200-word abstract. The proposal should clearly state the research objectives, study design, data sources (if applicable), and policy relevance.

**Please submit your proposals as PDF by email to Dr. Nora Aboushady via [nora.aboushady@idos-research.de](mailto:nora.aboushady@idos-research.de)** stating "AfGVC Submission" in the subject line. Please also submit the CVs of the authors. Submission of a budget is not required. Any submission and research proposal related questions should be directed to [nora.aboushady@idos-research.de](mailto:nora.aboushady@idos-research.de), stating 'AfGVC Query' in the subject line.

**Review**

A review commission at the German Institute of Development and Sustainability (IDOS) will evaluate the research proposals based on the relevance of the research question, its fit with the call, overall coherence, policy relevance, and the proposed methodology. Based on this assessment, the review commission selects the highest-ranked (up to 6) papers for the Paper Award.

## **Award and payment schedule**

Selected and completed research papers will be awarded up to 5000 Euros. These funds are expected to cover all expenses of the proposed research (including data collection or research assistance).

Upon selection of the winning proposals, an upfront payment of 2,500 € will be disbursed to the selected author(s) if they agree to develop the proposal into a full paper (7,000 – 12,000 words). The selected author(s) are expected to submit a **first draft of the full paper by 30 October 2023** and a **final draft by 15 March 2024**. The final payment of 2,500 € will be disbursed upon receipt of the final draft. If several authors contribute, the distribution of the award must be agreed internally among the authors.

## **Deliverables**

Expected deliverables include a **working paper and a one-page summary** of the main findings by 15 March, 2024. The working paper must be written in English and will be considered for publication in the [Sustainable Global Supply Chains Discussion Paper Series](#). Authors will be invited to present their work at the events organized by the Research Network Sustainable Global Supply Chains.

If accepted for publication in a peer-reviewed journal before 31 July 2025 and subject to the availability of funds, the authors will be offered an author contract specifying that IDOS will publish the paper Open Access under the CC-BY 4.0 license, allowing the author to publish in other formats, too, as long as the rights bestowed on IDOS according to CC-BY 4.0 are not infringed.

## **Timeline**

15 July 2023 – Submission of proposals

15 August 2023 – Decision on proposals is communicated to the author(s)

30 October 2023 – Submission of first draft papers

15 December 2023 – Review commission sends back comments to the author(s)

15 March 2024 – Submission of the final draft

Bonn, 7 June 2023