



INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: 3 October 2017

Reference: LEB/CO/IC/183/17

Country: Lebanon

Description of the assignment: International Expert to Conduct a Study on the Customs Revenues in the Arab Customs Union.

Project name: Strengthening Arab Economic Integration for Sustainable Development.

Period of assignment/services: 4 Months.

Proposals should be submitted online through the UNDP job site at <https://jobs.undp.org/> no later than; **17 October 2017 at 11:59 P.M Beirut Local Time. Proposals will not be received through email.**

Any request for clarification must be sent in writing to the e-mail Procurement.lb@undp.org. The UNDP Procurement Unit will respond in writing by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all consultants.

1. BACKGROUND

The project supports modernization and reform of trade and trade-related policies by Pan Arab Free Trade Area (PAFTA) Member States as part of deepening Arab economic integration towards the establishment of the Arab Customs Union (ACU) through gradual upgrading of performance of PAFTA. Built upon the initial progress of the Executive Program towards development of the ACU, undertaken in recent years, project activities aim at strengthening the capacity and capability of Arab policy makers at the regional level, and include specific interventions to support target countries as appropriate.

The objective of the study is to assist Member States in their Arab Customs Union (ACU) negotiation process, and to provide an evaluation and full analysis of the issues, being subject to negotiations by Members, relating to suitable mechanisms of revenue collection, transfer of collected revenue and those of revenue distribution (i.e., through adopted formulas or prescribed set up) among Member States. The

study also targets development of policy recommendations on the said mechanisms within an integrated environment for the ACU. As characteristics to a Customs Union (CU), flows of goods, capital and factors of production circulate without any impediment within the countries being members of the CU.

Goods being imported from non-Members into the CU could be subject to a common tariff in force, and application of trade policies and measures uniformly in the CU. This study will look into a number of aspects and features of the Common External Tariff (CET), directly and indirectly, as a pillar to achieve detail understanding of revenues to be collected by Member States. It will also investigate operational modalities of collection, mechanisms of administration of collected revenue, and of its re-allocation/distribution for policy making purposes.

Outputs of the study will be used as a basis for the ACU negotiations and agreement, among Member States, on mechanisms of management of revenue collected in support of sustainable and inclusive economic growth in Members States.

The areas to be covered by the study include the following among others:

- Provision of highlights on the role of the External Common Tariff (CET) and its importance in determining mechanisms of the revenue collection and formula of revenue sharing;
- Conduct of assessment of the objectives and rationale for agreement mechanisms of management of revenue collected, including specific modalities of distribution or re-allocation of revenues collected on international trade into Member States within the ACU framework;
- Development of the objectives of mechanisms of the proposed revenue collection and sharing formula including its distributive mechanisms;
- Overview of the links between the proposed revenue collection mechanism and sharing formula on one hand, and the key national policy objectives of the Member States on the other hand.

2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK

The deliverables and outcomes of the study would consist of key findings from practical experiences and research resulting from a detailed and comprehensive analysis undertaken by the expert. It includes, among other issues, an assessment of the economic and fiscal impacts of the ACU (in hypothetical scenarios) on the Customs revenues and other fiscal challenges that might be encountered by Member States when the ACU comes into operation. To that end, it is essential to present facts and operational information, in a structured manner, with evidence-based analysis to substantiate policy recommendations and suggestions of holistic directions.

Particular focus would be on the definition of the customs revenues concept within the customs union framework (specifically the ACU), and preparation of CET scenario (in simulation mode with assumptions from economic analysis perspectives) with identified mechanisms of the proposed collection of revenues, and formula of sharing of pooled revenue, once collected. That will also include main features, characteristics, ability of smooth implementation in an effective manner; outcomes of the study would

also consider concrete modalities of assistance to Member States in their negotiations and addressing the main challenges in implementation.

In achieving the objectives of the study, the expert will establish clear work methodologies that enable a fact-based analysis and evidence-supported assessment. In this pursuance, operational modality of the conduct of the analysis and major outlines of development shall be agreed upon in advance to its effective implementation. Moreover, the assignment targets a throughout review of collection and administration of revenues within the ACU, including the Customs revenues, in particular, detailed mechanisms of revenue collection, re-allocation and distribution should be addressed in support of completion of negotiations and activation of the ACU.

The expert will meet and consult with relevant officials and stakeholders in Member States and the League of Arab States (LAS) Secretariat to discuss issues identified in the Terms of Reference and to gather statistical data and more economic/fiscal information in function of requirements for the study. The assignment should include an analysis of the scope of interaction and, to which extent trade and fiscal policies are effective for the purpose of deepening economic integration and what re-adjustments need to be undertaken by Member States in heading towards the ACU. Upgrading the framework and performance of PAFTA could be a part of this analysis.

The expert will review pertinent experiences of other Customs unions in several trade groups such as GCC, of EU, ECA, COMESA, among others and adapted into the ACU to serve the purpose of the study. Good practices should also be analyzed in support of policy making related to the ACU. The expert will coordinate with LAS Technical Secretariat who will liaise with Member States and facilitate visits, as well as provide statistical information and data required related to the study.

The study should address the following technical issues:

- Possible impacts of the CET on the Customs revenues in the Member States;
- Possible impacts of the CET on the VAT (value added tax), and the excise;
- Possible impacts of CET on the tax regime and national revenues rather than Customs revenues and VAT;
- Concept of public revenue and administration of collected revenue within the ACU environment;
- Analysis of the statistics of customs revenues on the basis of data being provided by individual Member States, as well as budgets and taxations of the last three years for detail understanding of trade and economic structure (i.e... industry, agriculture);
- Analysis of Customs revenues, refunds, drawbacks and para-fiscal revenues that are collected by Customs authority in each Member State in the last three years;
- Impacts of the overlapping memberships by any Arab country as it participates or is member to more than one regional, or bilateral trade arrangement;
- Technical analysis for the migration of the tariff nomenclature under PAFTA towards the CET of ACU.

For additional information, please refer to ANNEX I – Terms of Reference

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

I. Academic Qualification:

- Master's Degree or equivalent in international trade, business administration, economics, trade and development or related field.

II. Years of Experience:

- At least 15 years of practical experience in international trade and customs unions affairs;
- Demonstrated experience in performing similar assignments, in the Arab region is an asset.

III. Technical experience:

- Proven experience in a professional background in economics, trade policy and economic and trade data analysis;
- Extensive experiences in public finance (revenue) and taxation systems preferably in Arab region.
- Exposure to customs procedures and tax systems at international level is a highly-valued asset;
- Extensive expertise in the customs unions administration field, such as customs revenues collection, revenue sharing and payment mechanisms, import/export processing procedures, and compliance with international rules and enforcement, as well as knowledge regarding the best international/regional practices in customs unions administration in order to provide guidance on the legislative aspects of revenue administration, in addition to strategic planning and organizational and trade-related issues;
- Expertise in quantitative and qualitative data collection, analysis and statistical methodologies, in particular within governmental fiscal statistics, as well as compilation and dissemination of fiscal and trade data of one or more countries supported by experience in the areas of fiscal policy and trade policy analysis;
- Knowledge in the compilation and dissemination of balance of payments and investment schemes statistics, conducting surveys, trade and fiscal data collection, and compilation of foreign direct investment statistics, as well as an understanding of the effective use of information technology in customs administrations and modern tax is also required;
- Ability to perform economic researches and summarize findings in a concise and professional format;
- Experience in the development of trade and fiscal analysis;
- Experience in developing and implementing economic researches, impact assessment studies with a particular focus on those related to arrangements of a customs union;
- In-depth understanding of customs revenues administration and economic and fiscal impact on customs revenues within a customs union framework.

IV. Language Requirements

- Fluency in written and spoken English and Arabic is required. French is an asset.

V. Key Competencies:

○ *Corporate*

- Demonstrates integrity and fairness, by modeling the UN/UNDP's values and ethical standards;
- Promotes the vision, mission and strategic goals of UNDP;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Knowledge of Arab region (Arab economies and trade) and institutional environment is a must.

○ *Functional*

- Background knowledge about the SDGs, United Nations and UNDP;
- Strong analytical and synthesis skills;
- Ability to work independently and achieve quality results with limited supervision and within tight schedules;
- Strong quantitative and qualitative research skills;
- Excellent writing, editing and oral communications skills;
- Strong analytical and synthesis skills, as well as presentation and drafting skills;
- Good teamwork and interpersonal skills;
- Flexibility and ability to handle multiple tasks and work under pressure;
- Excellent computer skills especially Word, Excel and Power Point.

○ *Leadership*

- Demonstrated ability to think strategically and to provide credible leadership;
- Demonstrated intellectual leadership and ability to integrate knowledge with broader strategic overview and corporate vision;
- Demonstrated flexibility in leadership by performing and/or overseeing the analysis/resolution of complex issues;
- Ability to conceptualize and convey strategic vision from the spectrum of development experience.

○ *Managing Relationships*

- Demonstrated well developed people management and organizational management skills;
- Excellent negotiating and networking skills with strong partnerships in academia, technical organizations and as a recognized expert in the practice area.

○ *Managing Complexity*

- Ability to address global development issues;
- Demonstrated substantive leadership and ability to integrate knowledge with broader strategic, policy and operational objectives.

○ *Knowledge Management and Learning*

- Ability to strongly promote and build knowledge products;
- Promotes knowledge management in UNDP and a learning environment in the office through leadership and personal example;
- Seeks and applies knowledge, information and best practices from within and outside of UNDP;
- Provides constructive coaching and feedback;

- Demonstrates a strong capacity for innovation and creativity in providing strategic policy advice and direction.
- *Judgment/Decision-Making*
 - Mature judgment and initiative;
 - Proven ability to provide strategic direction to the project implementation process;
 - Independent judgment and discretion in advising on handling major policy issues and challenges, uses diplomacy and tact to achieve result.

4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS.

Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

(I). Technical **Proposal**:

(i) **Letter to UNDP Confirming Interest and Availability for the Individual Contractor (IC) Assignment**

(ii) **Explaining why** you are the most suitable for the work

(iii) P11 (Personal History Form) including past experience in **similar projects** and at least **3 references**, mentioning the references' e-mails addresses.

5. FINANCIAL PROPOSAL

- **Lump sum contracts**

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables. Payments are based upon output, i.e. upon delivery of the services specified in the TOR as follows:

<i>Milestone</i>	<i>Estimated Due Date</i>	<i>Payment</i>
<u>Milestone 1:</u> After successful delivery of Output 1.	30 working days following contract signature	Up to 25% of total contract amount disbursed following the satisfactory delivery of Output 1
<u>Milestone 2:</u> After successful delivery of Output 2.	20 working days following successful completion of Output 1	Up to 20% of total contract amount disbursed following the satisfactory delivery of Output 2
<u>Milestone 3:</u> After successful delivery of Output 3.	40 working days following successful completion of Output 2	Up to 30% of total contract amount disbursed following the satisfactory delivery of Output 3

<u>Milestone 4:</u> After successful delivery of Output 4.	30 working days following successful completion of Output 3	Up to 25% of total contract amount disbursed following the satisfactory delivery of Output 4
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In order to assist the requesting unit in the comparison of financial proposals, **the financial proposal shall include a breakdown of this lump sum amount (including travel, per diems, and number of anticipated working days).** The financial proposal shall be presented using the enclosed format of Appendix a - Annex III.

Travel:

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

6. EVALUATION

Individual consultants will be evaluated based on the following methodology:

Cumulative analysis

When using this weighted scoring method, the award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

- a) responsive/compliant/acceptable, and
- b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

** Technical Criteria weight; [70%]*

** Financial Criteria weight; [30%]*

Only candidates obtaining a minimum technical score of 70 points would be considered for the Financial Evaluation.

Criteria	Weight	Max. Point
<u>Technical Competence</u>	70%	100
<ul style="list-style-type: none"> • Criteria A: Master's Degree or equivalent in international trade, business administration, economics, trade and development or related field. 		20
<ul style="list-style-type: none"> • Criteria B: At least 15 years of practical experience in international trade, operations and functions of customs unions. 		40
<ul style="list-style-type: none"> • Criteria C: Proven experience in a professional background in economics, trade policy and economic and trade data analysis. 		20
<ul style="list-style-type: none"> • Criteria D: Exposure to customs procedures and tax systems at an international level. 		20
<u>Financial (Lower Offer/Offer*100)</u>	<u>30%</u>	100
<u>Total Score</u>	Technical Score * 0.7 + Financial Score * 0.3	

How to apply:

The consultancy is open for all International consultants who meet the selection criteria and propose a competitive fee.

Interested consultants are requested to apply online using the UNDP jobs portal at <https://jobs.undp.org/>

The job site does not allow to submit multiple files. At the time of preparing the application, consultants are requested to copy the CV/P11, and upload the file as word or PDF to the job site.

ANNEXES

ANNEX I - TERMS OF REFERENCE (TOR)

ANNEX II - INDIVIDUAL CONSULTANT CONTRACT AND GENERAL TERMS AND CONDITIONS

**ANNEX III - OFFEROR'S LETTER TO UNDP CONFIRMING INTEREST AND AVAILABILITY FOR THE
INDIVIDUAL CONTRACTOR (IC) ASSIGNMENT**