

TERMS OF REFERENCE

Location	Solomon Islands
Application deadline	26 th April 2019
Type of Contract	Individual Contractor
Post Level	International Consultant
Consultancy Title	Solomon Islands customs digital payment consultancy
Languages required:	English
Duration of Initial Contract:	30 billable days- 10 days home based and 20 days in Honiara, Solomon Islands

BACKGROUND

Solomon Islands' customs & Excise division (SICED) is a division of the Ministry of Finance and Treasury (MoFT), mandated with revenue collection, managing the security and integrity of the Solomon Islands borders from the illegal movement of goods and people and facilitating trade. SICED ensures compliance with border related laws and administers a range of schemes to assist local industries to contribute to economic growth of the country

The Solomon Islands economy relies heavily on daily import of staple goods and exports through its sea ports, therefore any unnecessary situations of delays in customs clearance results in a significant negative impact both on the nation's supply of goods for its population as well as the timely and reliable collection of revenue to finance government programmes. To mitigate such predictable and unpredictable custom clearances, SICED deployed the use of the computerized ASYCUDA system, and went live on the 15th June 2015.

The ASYCUDA system; a computerized customs management system, a software developed by the United Nations Conference on Trade & Development Organization (UNCTAD). It handles manifests and customs declarations, accounting procedures, transit and suspense procedures. It generates trade data that can be used for statistical economic analysis.

ASYCUDA was initially developed to assist with compilation of foreign trade statistics in their member countries. However, this required the involvement of computerized/electronic Customs clearance offices, and the modernization of Customs clearance procedures, to achieve quality results, thus the development of ASYCUDA.

Current Situation; In the Solomon Islands, the Customs & Excise division too, is using the ASYCUDA system to electronically manage trade and customs procedures such as manifest handling, customs declarations, accounting, transit procedures, suspense procedures and e-payments. Because of the ASYCUDA system, SICED has for the past two years surpassed its annual revenue collection targets. Presently, approximately six (6) Million SBD¹ of revenue is collected daily, mostly by cheque and for value under SBD 5,000 for cash payments. However, an important element of e-payments remains a missing link and challenge.

The return to manual and slow customs process is felt and acerbated during weekends, holidays and out of working hours when commercial banks are closed. In such scenarios, a customs officer

¹ 1 USD=8.0906 SBD April 2019 exchange rates

must be physically present to administer tax collection processes at the site of the cargo ship or airplane terminal. This has resulted to cash related risks, delayed clearance of goods, loss of valuable time, amongst others.

SICED has previously held meetings with some commercial banks but with little success. As a result, SICED, through the Deputy Controller Customs, made a formal request to the UNCDF-PFIP for Technical support for an experienced payment and DFS expert who will conduct a scoping mission aimed at identifying the missing link to allow e-payments between the ASYCUDA system to commercial banks, provide technical advice on how to close the missing link and provide a workplan to implement recommendations.

DUTIES AND RESPONSIBILITIES

Scope of Work

The following will be the scope of this assignment;

1. Conduct an analysis of commercial banks'
 - a) Appetite in partnering with SICED for customs e-payments.
 - b) Analyze the status of commercial banks' existing technology infrastructure and assess their capabilities to allow for e-payments and integrations with the ASYCUDA systems.
 - c) Identify for any technical upgrade requirements to be considered for e-payments functionality between commercial banks and ASYCUDA system.
 - d) Prepare a cost estimate for required technology and integrations needs identified in b) & c) above.
 - e) Study the available commercial banks' customer user interfaces and analyze their appropriateness for easy adoption and use for clients of SICED. Interfaces will include online banking, mobile banking, EFTPOS, amongst others.
2. Conduct a client analysis from amongst current ASYCUDA users to establish their appetite for e-payments for customs, their fears, pain points, design requirements, amongst others.
3. Conduct an internal institutional capacity assessment at SICED to establish readiness to accept and manage e-payments, reconciliations, reporting, monitoring, legal and regulatory environment amongst others.
4. Prepare an evidence-based payment flows map covering all types of payment transactions from customers to SICED including the type, frequency, amounts, mode of these payments together with any other pertinent information for assessing payment flows.
5. From the above (1,2&3) support SICED with developing a workplan to be considered for implementation of e-payments for customs through the ASYCUDA system

6. Conduct a risk, secrecy and security analysis for e-payments from the perspective of customs' clients, banks and SYCUDA system

Expected Outputs and Deliverable

1. A detailed report and recommendations to allow e-payments for customs. This must answer all areas mentioned in point 1 (of the scope).
2. A client analysis report of ASYCUDA system users on their perceived fears/risks for e-payments, their pain points, their suggestions for design requirements, amongst others. This must be accompanied with recommendations and solutions to address identified challenges to support client onboarding and use for e-payments.
3. A Siced institutional capacity assessment report for its readiness to accept and effectively manage e-payments for customs. This must be accompanied with solutions/recommendations to close any identified capacity gap
4. A detailed analysis report for possible secrecy, risks and security concerns to be considered during implementation. This must be accompanied with mitigations and solutions to address identified concerns from Customs' clients, banks and ASYCUDA.
5. A detailed workplan for implementation of e-payments for customs through the ASYCUDA system.
6. Specific recommendations to PFIP in relation to future support for the digitization of payment flows.

Institutional Arrangement

- a) The successful bidder will provide their own work equipment, computer programmes, printing, telephone and internet connectivity for this activity.
- b) When the consultant is in Honiara, work space will be provided at Siced and occasionally at the PFIP office, subject to availability

Duration of the Work

The consultancy is planned for a total of 30 working days covering both in-country and home based.

- 2 days of desk research, preparation, initial calls/discussions with PFIP and Siced
- 15 days of conducting in-country studies, stakeholder engagements and analysis
- 5 days for analysis and submission of initial findings to PFIP and through PFIP to Siced
- 3 days for draft report submission
- 5 days for submitting final report after incorporating feedback from Siced & PFIP. From the receipt of draft report PFIP will take 2 working weeks to provide responses.

Duty Station

- The consultant will be based in Honiara, Solomon Islands

COMPETENCIES

- Strong interpersonal and communication skills;
- Strong analytical, reporting and writing abilities skills;
- Ability to plan, organize, implement and report on work;
- Ability to work under pressure and tight deadlines;
- Proven experience in similar assignment of large and medium sized e-payments initiatives covering a minimum of three projects
- Proficiency in the use of office IT applications and internet in conducting research;
- Excellent presentation and facilitation skills.
- Demonstrates integrity and ethical standards;
- Positive, constructive attitude to work;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.

REQUIRED SKILLS AND EXPERIENCE**Educational Qualifications:**

- At least a bachelor's degree in business, finance, humanities or related discipline. Master's degree in the same or related discipline preferred but not compulsory

Experience

- At least seven years of experience in e-payments, payments technology and digital financial services in developing countries.
- Previous experience of implementing payment integration projects linked to digital financial services, minimum two projects
- Working knowledge and experience of implementing payment integration using low-fidelity solutions in developing markets
- Pacific experience is desirable

Language requirements

- Fluency of English language is required;

Price Proposal and Schedule of Payments**Cumulative analysis**

The award of the contract shall 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 set of weighted technical criteria (70%). and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.

Technical Criteria for Evaluation (Maximum 70 points)

- At least a bachelor's degree in business, finance, humanities or related discipline. Master's degree in the same or related discipline preferred but not compulsory - 5%
- Experience in similar payments assignments covering minimum two projects – 20%
- Demonstrated knowledge and seven years' implementation experience in technology for payments and Digital financial services – 20%
- Proposed methodology/approach - 25%

Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

Documentation required

Interested individual consultants must submit the following documents/information to demonstrate their qualifications. Please group them into **one (1) single PDF document** as the application only allows to upload maximum one document:

- **Letter of Confirmation of Interest and Availability** using the template provided in Annex II.
- **Personal CV or P11**, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references.
- **Technical proposal**, including a) a brief description of why the individual considers him/herself as the most suitable for the assignment; and b) a methodology, on how they will approach and complete the assignment. **[Only request b) If applicable.**
- **Financial proposal**, as per template provided in Annex II. Note: National consultants must quote prices in United States Dollars (USD).

Incomplete proposals may not be considered.

Annexes

- Annex I - [Individual IC General Terms and Conditions](#)
- Annex II – [Offeror's Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template](#)

Proposal Submission

For further information concerning this Terms of Reference, please contact: **Krishnan Narasimhan**, Deputy Programme Manager - PFIP, UNDP Pacific Office Fiji, Suva, on e-mail krishnan.narasimhan@uncdf.org / telephone (679) 3227520.

Completed proposals should be submitted to etenderbox.pacific@undp.org no later than **5pm (Fiji Time) 26th April 2019**.

Incomplete applications will not be considered, and only candidates for whom there is further interest will be contacted.