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## INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: 23/08/2019

Country: KYRGYZSTAN

Description of the assignment: ref. SDG IC 19/025, International Consultant on E-fiscalization

Project name: UNDP "Strategic partnership, innovation and communication" Project

Period of assignment/services: 12 effective person days (within September 2019), including field mission to Bishkek.

<b>Proposal Submission Address</b>	United Nations Development House, 160, Chuy Avenue, Bishkek, Kyrgyz Republic Receipt of bids will be made only during working hours from 09.00 – 17.00PM  Subject: <b>SDG IC 19/025: International Consultant on E-fiscalization</b>  <b>Incomplete proposals will be rejected at the moment of evaluation!</b>
<b>Deadline of Submission</b>	Date and Time: <b>05 September 2019, 14:00 (+6 GMT, Bishkek time)</b>
<b>Allowable Manner of Submitting Proposals</b>	<input type="checkbox"/> Courier/Hand Delivery <input type="checkbox"/> Electronic submission of Bid <sup>[1]</sup> , please refer to <b>Conditions and Procedures for electronic submission and opening.</b> <b>Conditions and Procedures for electronic submission and opening:</b> <input type="checkbox"/> Official Address for e-submission: <a href="mailto:tender.kgz@undp.org">tender.kgz@undp.org</a> <input type="checkbox"/> Free from virus and corrupted files <input type="checkbox"/> Format: PDF files only. The Proposal should be protected with separate password (please see instructions on <a href="http://www.images.adobe.com/content/dam/Adobe/en/products/acrobat/pdfs/adobe-acrobat-xi-protect-pdf-file-with-permissions-tutorial-ue.pdf">http://www.images.adobe.com/content/dam/Adobe/en/products/acrobat/pdfs/adobe-acrobat-xi-protect-pdf-file-with-permissions-tutorial-ue.pdf</a> ) <input type="checkbox"/> Password <b>must</b> not be provided to UNDP until the date and time of Bid Opening as indicated in Section "Instruction for Electronic Submission" below <input type="checkbox"/> Max. File Size per transmission: <b>10 MB</b> ; <input type="checkbox"/> Max. No. of transmission: 10 <input type="checkbox"/> Mandatory subject of email for the Technical proposal: "Tender for International consultant to develop a GEF-project document"; <input type="checkbox"/> Virus Scanning Software to be Used prior to transmission; <input type="checkbox"/> Time Zone to be Recognized: Kyrgyzstan (GMT+6); <b>Instruction for Electronic Submission</b> The Proposer may choose to submit the proposal by e-mail to <a href="mailto:tender.kgz@undp.org">tender.kgz@undp.org</a> . Having prepared the Proposal in paper format the entire Proposal should be scanned into .pdf (Adobe Acrobat) format file and attached to one or more e-mail(s).
<b>Date, time and venue for opening of Proposals</b>	Date and Time: <b>05 September 2019, 14:05 (+6 GMT, Bishkek time)</b>  Venue: UNDP Country office / UN House; 160, Chui avenue, Bishkek, Kyrgyzstan.

Any request for clarification must be sent in writing, or by standard electronic communication to the address or e-mail indicated above [procurement.sdg.kg@undp.org](mailto:procurement.sdg.kg@undp.org). UNDP will respond in writing or 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.

<sup>[1]</sup> Ssecurity features (e.g., encryption, authentication, digital signatures, etc.) are strictly required and must be enforced to ensure confidentiality and integrity of contents.

## BACKGROUND

According to the National Statistics Committee, the shadow economy in Kyrgyzstan in 2018 was about 23-24% of GDP. However, experts assess the shadow sector of the Kyrgyz economy is about 50% of GDP<sup>1</sup>, with the high level of informal transactions in the private sector maintained as a result of among other regulatory, tax and custom administration issues.

In line with the Government's Programme "Trust, Unity and Creation" 2018–2023 that underlines the key role of digital technologies and their crosscutting nature in addressing key development challenges, the e-system of tax administration and remote administration methods have been launched under the Law of the Kyrgyz Republic "On amending certain legal acts on implementation of e-fiscalization of tax procedures" that includes the following:

- Implementation of mandatory track and trace system (labeling of goods) by means of identification and tracking systems;
- Transition to electronic invoices in the form of e-documents "E-invoices" and creation of E-invoices information system, including virtual warehouse of tax payers, national catalog of goods and VAT risk management analysis;
- Cash register (CR) infrastructure, including identity and security with the transaction function in real-time and development of an information system allowing analysis of the information transmitted through CR based on single record of goods and services.
- Simplification and unification tax regimes for small and medium business.

Since December 2018, UNDP in close cooperation and coordination with the Prime Minister Office, State Tax Office and the Ministry of Economy of the Kyrgyz Republic implements an "Innovations for Governance" Project, which provides technical assistance in finalizing the e-system of tax administration, developing institutional legislative base, and introducing innovative approaches required for its realization.

To date, UNDP has assisted the government to reach important progress with the rapid assessment of the necessary legislation and infrastructure of the Kyrgyz Republic, development of a prototype of E-INVOICE platform and initiating piloting solutions for electronic fiscal administration. Rapid implementation of fiscal system transformation is of extreme importance to ensure country's effective benefit from entry into the Eurasian Economic Union. Next steps will require the further refinement of the tools and pilot testing at scale to develop an effective implementation strategy, aligned with key tax administration functions and related reforms.

The Government and the private sector of Kyrgyzstan are engaged in a quite active dialogue on tax reform and corruption risks and how to address them. There are a few improvements in the business environment about inspections and e-governance, but many systemic problems remain unresolved and require joint development efforts. The strategic and comprehensive reform aiming at strengthening accountability and increasing transparency of fiscal system obviously evolves considerable politico-economical risks, which requires the development of a strategic and tactical implementation approach, in order to gain mutual support and being effective.

The government of the Kyrgyz Republic has had initial discussions with potential partners for financing the scaled initiative, but the framework for such a partnership needs to be carefully shaped, especially among potentially multiple contributing donors and development partners. It will require also defining the mutual accountability principles that will be jointly discussed, elaborated and accepted by the partners supporting the reform.

### 1. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED WORK

Please refer to Terms of Reference attached as Annex 1

### 2. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

- Master's degree in economics, finance, business administration or other relevant discipline;
- Proven experience working with Tax, Custom including International trade & shipment and digital payments;
- Strong experience in working with development banks and/or international donor agencies is an asset.
- Experience in implementing similar reform initiatives in practice, as a public sector employee, or representative of development organization/ private company or an NGO.
- Excellent knowledge of English, knowledge of Russian is an asset;

### 4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS

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

- a) Completed Letter of Confirmation of Interest and Availability using the template provided by UNDP;

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<sup>1</sup> Kyrgyzstan in 2018: Growing GDP and debt, decreasing investments, The Times of Central Asia, <https://www.timesca.com/index.php/news/26-opinion-head/20665-kyrgyzstan-in-2018-growing-gdp-and-debt-decreasing-investments>

- b) Personal CV and/or P11 Personal History form, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate;
- c) Copy of ID card;
- d) Copy of diploma/certificate on higher education;
- e) Financial Proposal that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs, as per template provided. If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP. See Letter of Confirmation of Interest template for financial proposal template.

Documents with a subject “**SDG IC 19/025, International Consultant on E-fiscalization**” should be submitted no later than 14:00pm (local time), 05 September 2019 by the address indicated above.

**NOTE: Incomplete proposals will be rejected at the moment of evaluation**

## 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 (i.e. whether payments fall in installments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount (including travel, per diems, and number of anticipated working days).

**Preferred currency of proposal: USD**

### 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 and daily allowance exceeding UNDP rates. Should the IC wish to travel on a higher class he/she should do so using his/her own resources.

### ***The Individual Contractor under the terms of this Contract includes his/her travel:***

Within the framework of this Terms of Reference, 1 trip is envisaged: Bishkek (1 trip with 4 overnights).

**Please include all travel-related costs while preparing your financial proposal.**

## 1. EVALUATION

Individual consultant will be evaluated based on the methodology of cumulative analysis.

The award of the contract of individual consultant should be made to the person 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.

Total score=Technical Score + Financial Score

Technical Criteria weight - 70%, 700 scores maximum

Financial Criteria weight - 30%. 300 scores maximum

Only candidates obtaining a minimum of 490 from 700 points in the Technical part of evaluation would be considered for the Financial Evaluation.

The lowest technically qualified proposal receives 300 points and all the other technically qualified proposals receive points in inverse proportion according to the formula:

$$P=Y*(L/Z), \text{ where}$$

P=points for the financial proposal being evaluated

Y=maximum number of points for the financial proposal

L= price of the lowest price proposal

Z=price of the proposal being evaluated

The selection of candidates will be done in 3 stages:

**1st stage:** Prior to detailed evaluation, all applications will be thoroughly screened against eligibility criteria (minimum qualification requirements) as set in the present TOR in order to determine whether they are compliant/non-compliant:

<b><u>Eligibility Criteria</u></b>	
1	Master’s degree in economics, finance, business administration or other relevant discipline;

**2nd stage:** Technical Evaluation/Desk Review

Short-listed candidates will be evaluated based on the following criteria:

<b>Criteria</b>	<b>Weight</b>	<b>Max. Point</b>
Technical:	70%	700
<b>Experience, including:</b>		<b>Maximum 600 points, including:</b>
For every project of experience working with Tax, Custom including International trade & shipment and digital payments - 100 points per project, but not more than 300 points in total		300
For every project/initiatives of work experience in implementing similar reform initiatives in practice, as a public sector employee, or representative of development organization/ private company or an NGO - 50 points per every project/initiatives, but not more than 200 points in total		200
Experience in working with development banks and/or international donor agencies		100
<b>Skills/competencies, including:</b>		<b>Maximum 100 points, including:</b>
English language 40 points - fluent 20 points– not fluent		40
Russian language 60 points - fluent 30 points– not fluent		60

**3rd stage:** Financial evaluation (according to the method described above):

<b>Only candidates obtaining a minimum of 490 points from 700 points at the Technical Evaluation/Interview would be considered for the Financial Evaluation.</b>		
Financial	30%	300

The candidate achieving the highest cumulative score for both Technical and Financial evaluations will be recommended by the Evaluation Committee for contracting.

#### **ANNEXES**

**ANNEX 1 - INDIVIDUAL CONSULTANT TERMS OF REFERENCES**

**ANNEX 2 – CONFIRMATION OF INTEREST AND SUBMISSION OF FINANCIAL PROPOSAL**

**ANNEX 3 – SAMPLE CONTRACT FOR THE SERVICES OF AN INDIVIDUAL CONTRACTOR**

**ANNEX 4 – INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS**