

REQUEST FOR PROPOSAL (RFP)

NAME & ADDRESS OF FIRM

DATE: January 7, 2021

REFERENCE: UNDP/RFP/11/2021

Dear Sir / Madam:

We kindly request you to submit your Proposal for **The Study on 'Doing Business in Nepal'.** Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals may be submitted on or before **1700 hours (Nepal Standard Time)**, **Sunday**, **April 25**, **2021** and via email to procurement.np@undp.org.

The technical and financial proposals should be in separate email messages mentioning the following subject lines:

Technical Proposal: UNDP/RFP/11/2021- Technical Proposal- {Bidder's Name} Financial Proposal: UNDP/RFP/11/2021- Financial Proposal- {Bidder's Name}

Your Proposal must be expressed in the English, and valid for a minimum period of 90 days.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files. The proposals submitted by email must be limited to a maximum of **25 MB** (each transmission) and no more than **6** email transmissions

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail, and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty-five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

http://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions.html

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link:

https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscc/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

Shiva Prakash Adhikari Procurement Associate

4/6/2021

Description of Requirements

Context of the Requirement

The current 15th Plan of Nepal has targeted to achieve annual average economic growth rate of 9.6 per cent. To achieve this growth rate, high level of investment is required in the economy. It is estimated that only 39 per cent of total investment requirement in the plan period will be invested by the public sector remaining will come from the private and the cooperative sectors. So, the role of private sector in creating employment opportunities and producing goods and services in the economy is vital. In this regard, Nepal must focus on harnessing the true potential of Nepal's private sector in all sectors.

On the other side, private sector cannot increase their investment without the positive support and creation of investment friendly environment by the government. "Doing Business" is based on the principle that economic activity benefits from clear and coherent rules. Good rules create an environment where new entrants with drive and innovative ideas can get started in business and where productive firms can invest, expand and create new jobs. Doing Business captures several important dimensions of the regulatory environment affecting domestic firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency.

Nepal has made some noteworthy progresses in easing doing business which has been reflected in the 'Doing Business Index' report of the World Bank, 2020. This shows that Nepal has jumped to 94th position from the 110th in 2019. However, no significant improvement was seen in the investment amount in the economy. Therefore, more efforts are required in providing a business-friendly environment with world-class infrastructure and better tax frameworks. Hence, despite some progresses so far, much remains to be done giving special focus to the federal context in which we operate and how sub-national governments as newly formed entities with relatively low budget absorption capacity and skills can better enhance the overall ease of doing business in Nepal.

In this context, National Planning Commission has planned to initiate reform agendas for better recovery through dialogues between key stakeholders of the private sector, government agencies, research institutions and think tanks etc. The discussion will also be facilitated by research on key areas of critical concern which need immediate reform, identification of relevant agency for reform with special focus on the role of sub-national governments. Therefore, National Planning Commission (NPC) intends to hire a consulting firm to study on the doing business in Nepal.

Implementing Partner of UNDP

N/A

Brief Description					
of the Required	As mentioned in	the ToP			
Services	As mentioned in the Tox				
List and	As mentioned in the ToR				
Description of	As mentioned in the Tox				
Expected Outputs					
to be Delivered					
Person to	Division Chief R	esearch and Ex	rologation Division National Plans	ning Commission	
Supervise the	Division Chief, Research and Exploration Division, National Planning Commission and Portfolio Analyst, UNDP Nepal Country Office				
Work/Performanc		u., o o, o	, par country contact		
e of the Service					
Provider					
Frequency of	As needed and n	nentioned in th	e ToR		
Reporting					
Progress Reporting	As needed and n	nentioned in th	e ToR		
Requirements					
·					
Location of work					
	☑ At Contractor'				
Expected duration	100- person wor	k days spread o	over 3 months		
of work					
Target start date	1 st May 2021				
Latest completion	31 st July 2021				
date					
Travels Expected	Yes (at least 3 Provincial headquarters)				
. Tavels Expected	Tes (at least 5 FT	Ovincial ficadq	uai ters)		
Travels Expedied		Treat	·		
Expected	Yr		Brief Description of Purpose	Target	
Expected		Estimated	·	Target Date/s	
Travels Expected	Yr Destination/s	Estimated Duration	Brief Description of Purpose of the Travel	Date/s	
Travels Expected	Yr Destination/s Surkhet	Estimated Duration 5 days	Brief Description of Purpose of the Travel To conduct workshop with	_	
Travels Expected	Yr Destination/s Surkhet (Karnali	Estimated Duration 5 days (excluding	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders	Date/s	
Travels Expected	Yr Destination/s Surkhet	Estimated Duration 5 days	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the	Date/s	
Travels Expected	Yr Destination/s Surkhet (Karnali Province)	Estimated Duration 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs	Date/s	
Travels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal	Estimated Duration 5 days (excluding travel days) 5 days	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with	Date/s May 4 th week	
Travels Expected	Yr Destination/s Surkhet (Karnali Province)	Estimated Duration 5 days (excluding travel days) 5 days (excluding	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders	Date/s May 4 th week	
Travels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini	Estimated Duration 5 days (excluding travel days) 5 days	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with	Date/s May 4 th week	
Travels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province)	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs	Date/s May 4 th week	
Tavels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the	Date/s May 4 th week June 2 nd week	
Travels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province) (Janakpur)	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with	Date/s May 4 th week June 2 nd week	
Travels Expected	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province) (Janakpur)	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days) 5 days (excluding	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders	Date/s May 4 th week June 2 nd week	
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	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province) (Janakpur)	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs	Date/s May 4 th week June 2 nd week	
Special Security	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province) (Janakpur) Province 2	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs	Date/s May 4 th week June 2 nd week	
	Yr Destination/s Surkhet (Karnali Province) Butwal (Lumbini Province) (Janakpur) Province 2	Estimated Duration 5 days (excluding travel days) 5 days (excluding travel days) 5 days (excluding travel days)	Brief Description of Purpose of the Travel To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs To conduct workshop with province level stakeholders and meeting with the entrepreneurs	Date/s May 4 th week June 2 nd week	

Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)					
Implementation Schedule indicating breakdown and timing of activities/sub- activities	☑ Required ☐ Not Required				
Names and curriculum vitae of individuals who will be involved in completing the services	☑ Required ☐ Not Required				
Currency of Proposal		upees			
Value Added Tax on Price Proposal	 ☑ must be inclusive of VAT and other applicable indirect taxes ☐ must be exclusive of VAT and other applicable indirect taxes 				
Validity Period of Proposals (Counting for the last day of submission of quotes)	☐ 60 days ☑ 90 days ☐ 120 days In exceptional circumstance validity of the Proposal beyo Proposal shall then confirm whatsoever on the Proposal	nd what has the extensi	been initially inc	licated in this RFP. The	
Partial Quotes	☑ Not permitted				
Payment Terms	Outputs	%	Timing	Condition for Payment Release	

	Submission of Inception Report.	20%	Within days	20	Within thirty (30) days from the date of meeting the following
	Draft policy brief of bottlenecks in operation of businesses, foreign investment and sub-national governance Draft report of Doing Business Survey Draft compendium of discussion series reports, Draft set of recommendations on Industrial Enterprise Act, Foreign Investment and Technology Transfer Act and Companies Act for improving Doing Business Draft detailed report of feasibility study for preparation of Unified Investment Legislation Sharing of all reports to the national level workshops before finalization Submission of final report.	40%	Within days Within days	75	a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.
Person(s) to review/inspect/ approve outputs/complete d services and authorize the disbursement of payment	Division Chief, Research and Explo and Portfolio Manager, UNDP Nep		Division, N	ationa	al Planning Commission
Type of Contract to be Signed	 ☑ Purchase Order ☑ Contract Face Sheet (Goods and-or Services) UNDP (this template is also utilized for Long-Term Agreement4 and if LTA will be signed, specify the document that will trigger the call-off. E.g., PO, etc.) ☐ Other Type of Contract [pls. 				·
Criteria for Contract Award					

	☑ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)
	☑ Full acceptance of the UNDP Contract General Terms and Conditions (GTC).
	This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non-acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the	Technical Proposal (70%)
Assessment of	☑ Expertise of the Firm [200]
Proposal	☑ Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan [300]
	☑ Management Structure and Qualification of Key Personnel [200]
	Financial Proposal (30%) To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.
UNDP will award the contract to:	☑ One and only one Service Provider
Contract General Terms and Conditions ¹	☐ General Terms and Conditions for contracts (goods and/or services)
	Applicable Terms and Conditions are available at: http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html
Annexes to this RFP	 ☑ Form for Submission of Proposal (Annex 2) ☑ General Terms and Conditions (Annex 3) ☑ Detailed TOR (Annex 4)

 $^{^1}$ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

	UNDP Nepal			
Contact Person for	Procurement Unit			
Inquiries	query.procurement.np@undp.org			
(Written inquiries				
only) ²	Written inquiries must be submitted mentioning RFP Ref: UNDP/RFP/11/2021, on			
	or before 5:00PM, 19 th April 2021. UNDP shall respond to the inquiries by posting			
	queries and responses in UNDP Website:			
	http://np.undp.org/content/nepal/en/home/procurement.html. Inquiries received after			
	the above date and time shall not be entertained.			
	Any delay in UNDP's response shall be not used as a reason for extending the			
	deadline for submission, unless UNDP determines that such an extension is			
	necessary and communicates a new deadline to the Proposers.			
	The Financial evaluation will be carried out only for the technically qualified			
Other Information	submission that pass the minimum technical score of 70% (490 points) of the			
[pls. specify]	obtainable score of 700 points in the evaluation of the technical proposals.			
	The Financial Proposal and the Technical Proposal MUST BE SUBMITTED			
	SEPARATELY and each of them must be submitted individually. Failing to			
	submit the Technical and Financial Proposals in separate emails by following			
	the instruction as mentioned above will be treated as non-responsive.			

Proposed Technical Evaluation Criteria:

I. Expertise of firm / organisation submitting proposal (Points obtainable 200 Points)	
1.1 Reputation of Organisation and Staff (Competence / Reliability)	70
1.2 Litigation and Arbitration history	10
1.3 General Organisational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management	
controls)	20
1.4 Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to	
access specialised skills.	10
1.5 Quality assurance procedures, warranty	10
Sub total (1.1 to 1.5)	
1.6 Relevance of:	
- Specialised Knowledge	20
- Experience on Similar Programme / Projects	20

² This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

GRAND TOTAL (I+II+III)	700
Total of PERSONNEL (3.1+3.2	200
Sub Total for Private Sector Development Expert	100
Excellent in writing reports and communication	10
and local government and other relevant policies related to the assignment	35
Good understanding of the Government of industrial polices of federal, provincial	40
At least 10 years of experience in research related to the assignment	40
Master's degree in Economics, Development Studies or in any other development related social sciences	15
3.2 Private Sector Development Expert -1	
Sub Total for Team Leader/Public Policy Expert	100
Fluent in English both in speaking and writing	10
Priority will be given to the person having prior work experience in preparation of higher-level policy and strategy documents for Government of Nepal	20
Should have the knowledge of government policies act, legislations related to doing business in Nepal	35
S/he should have at least 15 years of experiences in the research and private sector development	25
Minimum Master's Degree (Preferably Ph.D. degree) in Economics, Business Management, Business Administration, Development Studies, Public Policy and related disciplines of Social Sciences	10
3.1 Team Leader/ Public Policy Expert -1	
III. Personnel (Points obtainable 200 Points)	
Total for Proposed Work Plan and Approach (II)	300
2.7 Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	50
2.6 Is the scope of task well defined and does it correspond to the TOR?	50
2.5 Is the conceptual framework adopted appropriate for the task?	50 50
2.4 Is there evidence that the proposal been prepared based on an in-depth understanding and prior knowledge of the project environment?	
2.3 Are the different components of the project adequately weighted relative to one another?	30
2.2 Have the important aspects of the task been addressed in sufficient detail?	50 20
II. Proposed Work Plan and Approach (Points obtainable 300 Points)2.1 To what degree does the Offer or understand the task?	
Total for Expertise of firm / organisation submitting proposal (I) H. Brangad World Blan and Approach (Beints obtained 200 Beints)	200
Sub Total for 1.6 Total for Expertise of firm / experientian submitting proposal (I)	80
- Work for UNDP/ major multilateral/ or bilateral programmes	20
- Experience on Projects in the Region	20

Annex 2

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL³

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁴)

[insert: Location].
[insert: Date]

To: [insert: Name and Address of UNDP focal point]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions:

A. Qualifications of the Service Provider

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following:

- a) Profile describing the nature of business, field of expertise, licenses, certifications, accreditations;
- b) Business Licenses Registration Papers, Tax Payment Certification, etc.
- c) Latest Audited Financial Statement income statement and balance sheet to indicate Its financial stability, liquidity, credit standing, and market reputation, etc.;
- d) Track Record list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;
- e) Certificates and Accreditation including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.
- f) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

³ This serves as a guide to the Service Provider in preparing the Proposal.

⁴ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

C. Qualifications of Key Personnel

If required by the RFP, the Service Provider must provide :

- a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
- b) CVs demonstrating qualifications must be submitted if required by the RFP; and
- c) Written confirmation from each personnel that they are available for the entire duration of the contract.

D. Cost Breakdown per Deliverable*

	Deliverables [list them as referred to in the RFP]	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive)
1	Deliverable 1	20%	
2	Deliverable 2	40%	
3	Deliverable 3	40%	
	Total	100%	

^{*}This shall be the basis of the payment tranches

E. Cost Breakdown by Cost Component:

Description of Activity	Remuneration per Unit of Time	Total Period of Engagement	No. of Personnel	Total Rate
I. Personnel Services		0.0.		
1. Team Leader cum Public Policy	Days	60 days	1	
Expert				
2. Private Sector Development Expert	Days	40 days	1	
II. Out of Pocket Expenses				
1. Travel Costs				
2. Communications				
3. Others, if any				
III. Other Related Costs				

[Name and Signature of the Service Provider's Authorized Person]
[Designation]
[Date]



Annex 3

General Terms and Conditions of Contract

http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html

Annex 4

Terms of Reference For The Study On 'Doing Business in Nepal'

Type: Consulting Firm

Duration: 100-person work days spread over three months

Starting date: April, 2021

Duty Station: Kathmandu, Nepal

Reporting: Chief, Research and Exploration Division, National Planning Commission

Project: Accelerating Implementation of SDGs in Nepal (AISN)

1. BACKGROUND

The current 15th Plan has targeted to achieve annual average economic growth rate of 9.6 per cent. To achieve this near to two digits economic growth rate, high level of investment is required in the economy. The public sector investment alone is not sufficient to fulfill the investment requirements of the 15th Plan. Moreover, the Constitution of Nepal has also highlighted the role of the three pillars of the economy viz. public, private and cooperative sectors in the overall growth process of the economy. Similarly, the role of private sector in creating employment opportunities and producing goods and services in the economy is paramount. The role of private sector becomes important especially given the bleak picture painted by multilateral agencies of the future prospects of post-COVID-19 recovery. Undeniably, in order to emerge from a pandemic induced crisis, Nepal must focus on harnessing the true potential of Nepal's private sector in all sectors.

However, the private sector alone cannot increase their investment without the positive support and creation of investment friendly environment by the government. The government has an important role to play in promoting and fostering the private sector through streamlining procedures for creating investment friendly climate. Moreover, government can crowd-in the private sector by easing doing business for increasing investment and bringing businesses in operation.

"Doing Business" is based on the principle that economic activity benefits from clear and coherent rules. Such rules are much more effective in promoting growth and development when they are efficient, transparent and accessible to those for whom they are intended. The strength and inclusivity of the rules also have a crucial bearing on how societies distribute the benefits and finance the costs of development strategies and policies. Good rules create an environment where new entrants with drive and innovative ideas can get started in business and where productive firms can invest, expand and create new jobs. Doing Business captures several important dimensions of the regulatory environment affecting domestic firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting

minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency.

Nepal has introduced new initiatives to improve its business environment. As a result of efforts by the Government of Nepal in improving doing business, Nepal has made some noteworthy progresses in easing doing business which has been reflected in the 'Doing Business Index' i.e. jumped to 94th position from the 110th in 2019 (Doing Business Index Report, World Bank, 2020). However, no significant improvement was seen in the investment amount in the economy. Therefore, it seems that more efforts are required in providing a business-friendly environment with world-class infrastructure and better tax frameworks. The proper implementation of structural reforms can improve the business climate across the nation even in a situation of inflation and help the economy in reaching in the lower ranking position in the coming years. So, despite some progresses so far, much remains to be done giving special focus to the federal context in which we operate and how sub-national governments as newly formed entities with relatively low budget absorption capacity and skills can better enhance the overall ease of doing business in Nepal.

In this context, National Planning Commission has planned to initiate reform agendas for better recovery through dialogues between key stakeholders of the private sector, government agencies, research institutions and think tanks alike. The discussion will also be facilitated by research on key areas of critical concern which need immediate reform, identification of relevant agency for reform with special focus on the role of sub-national governments. Therefore, National Planning Commission (NPC) intends to hire a consulting firm to study on the doing business in Nepal.

2. OBJECTIVE

The major objective of this study is to assess the overall business operation environment in order to formulate and/or revise strategies to improve doing business index of Nepal so as to increase private sector investment in the economy. Moreover, the specific objectives of the consulting work are:

- To identify and analyze the policy gaps and operational problems associated with the Industrial policy and other relevant policies and also with three key legislations for improving doing business i.e., current Industrial Enterprise Act, Foreign Investment and Technology Transfer Act and Company Act etc.
 - To document policy brief of bottlenecks in operation of businesses, foreign investment and sub-national government bodies,
 - To carry out feasibility study for the preparation of Unified Investment Legislation,
 - To carry out 'Doing Business Survey' to support the overall study

3. SCOPE OF WORK/TASKS

The following is the scope of work, but not limited to, for the Consulting firm:

1) Desk study of the Global Doing Busines indicators,

- 2) Analyze and study of the best doing business practices in the other countries,
- 3) Identify key bottlenecks in doing business in Nepal specially in following three key areas,

i. Operation of businesses

This includes identification of key legislations concerned with registration of businesses, the procedure for registration (all steps must be identified), registration requirements that are dual in nature, registration requirements in the federal context, and operation requirements under the prevailing law (includes the study of various requirements of relevant agency to be met for yearly operations).

ii. Foreign Investment

This includes the identification of key legislations concerned with foreign direct investment in Nepal, detailed procedure for approval of foreign investment and operation of any entity with foreign investment, registration requirements that are dual in nature, any jurisdictional issues existent with relevant agencies and procedures for repatriation.

iii. Sub-national governance

This includes identification of powers conferred to the sub-national government in relation to operation of businesses and a detailed study of at least 3 provinces and actions taken thereof.

- 4) Prepare a policy brief based on the actions of point 3 above.
- 5) Organize discussion in at least 3 provinces and develop compendium of discussion series reports that provides an actionable list of items for the National Planning Commission to consider when exercising its role as an apex planning institution.
- 6) Discuss the findings of the aforementioned activities with relevant stakeholders.
- 7) Identify and analyze the problems associated with three key legislations: Industrial Enterprise Act, Foreign Investment and Technology Transfer Act and Companies Act.
- 8) Provide suggestions on Industrial Enterprise Act, Foreign Investment and Technology Transfer Act and Companies Act for improving doing business.
- 9) Conduct a Doing business survey

The proposed survey will create an evidence base to support National Planning Commission develop appropriate responses for easing the business environment. Special focus must be given to federal nature of Nepal. Three major outputs will be required by the survey:

- Evidence based identification of constraints to operation of business in Nepal.
 This will include the pre-registration and post registration phase.
- ii. Evidence based identification of constraints for the formal operation of businesses in Nepal.

iii. Clear, sequential and actionable policy and programme steps/recommendation based on evidences gathered.

Consultant is free to design the method and approaches of the survey. However, a sample of minimum 80 formal businesses and 40 informal businesses will be required regardless of the survey approach.

10) To carry out feasibility study for the preparation of Unified Investment Legislation. This will look into the laws applicable for investment and operation of business, their relation with each other, any inconsistencies in related legislation and possible steps for harmonization through preparation of unified legislation.

4. METHODOLOGY

The consultant will follow the following, but not limited to, the following methodology to complete the assignment

- i. Desk review of the relevant literatures
 - To stock take the laws and policies prepared for easing doing business in Nepal (Industrial Enterprise Act, Nepal Investment Act, Unified Investment Law, Foreign Investment and Technology Transfer Act, Companies Act, Industrial Policy etc.)
 - International literatures to document best practices relevant to Nepalese context
- ii. Consultation meetings with at least 3 provinces with inclusive of geographical variation i.e Mountain, Hill and Terai (including the representatives of the business federations) to achieve the outputs of the study,
- iii. Conduct different surveys/studies as required by the assignment,
- iv. Preparation of draft reports,
- v. Presentation of draft reports in the meeting with wider stakeholders to be organized by the National Planning Commission to seek feedbacks,
- vi. Finalize the reports incorporating the relevant suggestions received and submission to the National Planning Commission.

5. DELIVERABLES

The immediate outputs will be the following

- 1) Policy brief of bottlenecks in operation of businesses, foreign investment and subnational governance,
- 2) Compendium of discussion series report,

- 3) Set of recommendations on existing Industrial Enterprise Act, Nepal Investment Act, Foreign Investment and Technology Transfer Act and Companies Act and Industrial Policy for improving Doing Business,
- 4) Detailed report of feasibility study for the preparation of Unified Investment Legislation,
- 5) National level workshop to present the findings of the study,
- 6) Comprehensive report of Doing Business Survey

6. TECHNICAL TEAM AND WORKING PERSON DAYS

It is assumed that the human resources to be proposed by the consulting firm will be as following;

S. N.	Resource Person	No.	Workin g days	Rate in US \$ or NPRs	Amount in US\$ or NPRs
1.	Team Leader cum Public	1	60		
	Policy Expert				
2.	Private Sector Development	1	40		
	Expert				

7. REQUIREMENTS OF THE CONSULTANCY FIRM AND STUDY TEAM

The Team Leader cum Public Policy Expert and Private Sector Development Expert should have the following qualification and experience:

S/	Experts	Qualification and Experiences
N		
N 1	Team Leader cum Public Policy Expert	 Minimum Master's Degree (Preferably Ph.D. degree) in Economics, Business Management, Business Administration, Development Studies, Public Policy and related disciplines of Social Sciences, S/he should have at least 15 years of experiences in the research and private sector development, Should have the knowledge of government policies act, legislations related to doing business in Nepal, Priority will be given to the person having prior work experience in preparation of higher-level policy and strategy documents for Government of Nepal, Fluent in English both in speaking and writing

2.	Private	Sector	•	Master's degree in Economics, Development Studies
	Developme	nt		or in any other development related social sciences,
	Expert		•	At least 10 years of experience in research related to
				the assignment,
			•	Good understanding of the Government of industrial
				polices of federal, provincial and local government
				and other relevant policies related to the assignment,
			•	Excellent in writing reports and communication.

Competencies of the Consulting Firm:

- The firm should have minimum 5 years of experience in undertaking at least 3 similar assignments in areas of integrated research, policy formulation and analysis, evaluation studies in the areas of business development, economic development, private sector development etc.
- Should have demonstrated analytic capacity and demonstrated ability to review, process, analyse and synthesise complex, technical information to produce high quality reports,
- Should have working experience with and in partnership with government line agencies in the field of policy review and formulation, private sector development etc.

8. PAYMENT SCHEDULE

The Consulting firm will be paid the agreed amount as below after the approval of the deliverables by National Planning Commission:

S.N.	Deliverables	Timeframe	Payment schedule
1.	An Inception report with a detailed methodology and a time bound work plan with key deliverables	Within 20 days of signing the contract.	20 % payment after approval of the inception report
2.	 Submission of: Draft policy brief of bottlenecks in operation of businesses, foreign investment and sub-national governance Draft report of Doing Business Survey Draft compendium of discussion series reports, Draft set of recommendations on Industrial Enterprise Act, Foreign Investment and 	Within 75 days of signing the contract	40 % payment after approval of the draft report

	Technology Transfer Act and Companies Act for improving Doing Business • Draft detailed report of feasibility study for preparation of Unified Investment Legislation • Sharing of all reports to the national level workshops before finalization		
3.	Submission of final reports/documents of all as mentioned in the point 2 above	Within 90 days of signing the contract	40 % payment after approval of the final report

9. WORKING ARRANGEMENT

The Consulting firm will work under the direct technical guidance of Division Chief, Research and Exploration Division, National Planning Commission and administrative supervision from UNDP Nepal Country Office. The firm will also work in close collaboration with National Project Director, National Project Coordinator and AISN project team to administer the task in producing deliverables. The Experts during the assignment, shall demonstrate synergies with relevant government agencies (federal, provincial and local) business organizations (FNCCI, CNI, FNCSI, NMEFEN etc.) and UNDP and adopt strategy to complete the assignment within the given timeframe.

The Consulting firm will be provided the documents with relevant data and information necessary for the execution of the tasks under this assignment. However, the firm will be responsible for managing own working station and equipment (i.e. laptop, internet, phone, printer/scanner etc. and should have reliable internet connection).

10. ESTIMATED BUDGET

The financial proposal should be all-inclusive in accordance to the format mentioned in the Request for Proposal (RFP) which should cover the cost of human resources, cost of consultation meetings and travel required (if any) during the course of assignment.

11. EVALUATION METHOD

Applicants will be evaluated on the basis of combined evaluation methodology based on the evaluation criteria taking into consideration the technical strengths of the firm along with the expertise of the consultants.