



## REQUEST FOR PROPOSAL (RFP) (For Low-Valued Services)

NAME & ADDRESS OF FIRM	DATE: June 17, 2022
	REFERENCE: <b>UNCDF/SOM/RFP 92505/2022/001</b>

Dear Sir / Madam:

We kindly request you to submit your Proposal for **Consultancy to revise and finalize a framework for the intergovernmental fiscal relations in Somalia**.

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals may be submitted on or before Friday, July 01, 2022 and via email,

[uncdf.procurement@uncdf.org](mailto:uncdf.procurement@uncdf.org)

Your Proposal must be expressed in **English** and valid for a minimum period of 120 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 UNCDF 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 Technical Proposal and Financial Proposal files **MUST BE COMPLETELY SEPARATE and sent separately and clearly marked as either "TECHNICAL PROPOSAL" or "FINANCIAL PROPOSAL,"** as appropriate. Each document shall include the Proposer's name and address.

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 UNCDF 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 UNCDF, 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 UNCDF'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 UNCDF after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNCDF 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 UNCDF/UNDP in this link: <http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html>

Please be advised that UNCDF 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.

UNCDF'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/protestandsanctions/>

**UNCDF encourages every prospective Service Provider to** prevent and avoid conflicts of interest, by disclosing to UNCDF 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.

UNCDF implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNCDF, as well as third parties involved in UNCDF activities. UNCDF expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : [http://www.un.org/depts/ptd/pdf/conduct\\_english.pdf](http://www.un.org/depts/ptd/pdf/conduct_english.pdf)

**Thank you and we look forward to receiving your Proposal.**

**Sincerely yours,**

*Mkhululi Ncube  
Programme Manager, UNCDF Somalia Office  
6/13/2022*

## Description of Requirements

Context of the Requirement	<p>The UN Joint Programme on Local Governance and Decentralized Service Delivery in Somalia (UN JPLG) is a five-year joint programme comprising of ILO, UNCDF, UNDP, UN-HABITAT and UNICEF.</p> <p>The Programme’s overall goal is “creating an enabling environment for improved service delivery and greater stability, through improved legal, policy and system frameworks and building the knowledge of those working in and with local governments.” JPLG commenced in April 2008 and has now entered its third phase (2018-2023). JPLG works with the Federal Government of Somalia, the Governments of Puntland, Somaliland, Southwest, Jubaland, HirShabelle, Galmudug, local governments, communities and non-state actors.</p> <p>UNCDF is the UN’s capital investment agency for the world’s 48 least developed countries (LDCs). With its capital mandate and instruments, UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. This last mile is where available resources for development are scarcest; where market failures are most pronounced; and where benefits from national growth tend to leave people excluded. UNCDF’s financing models work through two channels: savings-led financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development. UNCDF financing models are applied in thematic areas where addressing barriers to finance at the local level can have a transformational effect for poor and excluded people and communities.</p> <p>Under the JPLG projects, UNCDF among others is specifically responsible for providing technical assistance to fiscal decentralization, local revenue mobilization and implementation of a discretionary Local Development Fund (LDF) modality for</p>
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	<p>enhancing locally prioritized service delivery and enhancing capacities for sub-national Public Financial Management (PFM)</p> <p>UNCDF supports the review and development of policy, legal and regulatory frameworks for fiscal decentralization and local revenue mobilization including innovative approaches for resource mobilization that leverage the private sector, diaspora, and financial institutions. UNCDF also focuses on drafting proposals for upgrading the Inter-Governmental Fiscal Transfer (IGFT) systems in Puntland and Somaliland and preparing the design for a state-level IGFT system for the new Federal Member States (FMS).</p> <p>Within this context, UNCDF seeks the services of a firm to support certain aspects of its work. The nature of the work is described below.</p>
Implementing Partner of UNCDF	ILO, UNDP, UN-HABITAT, UNICEF, Federal Government of Somalia
Brief Description of the Required Services <sup>1</sup>	<p><b><u>Key Results Expected</u></b></p> <p>In consideration of the draft option paper titled “Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’ in a multi-level governance system”, the firm will undertake the following functions:</p> <ol style="list-style-type: none"> <li>1) <b><i>Political economy analysis.</i></b> Conduct a brief political and economic situational analysis of Somalia and how it has a bearing on the country’s fiscal decentralization agenda. Draw implications of the political and economic situation in Somalia on the assignment of expenditure and revenue responsibilities, revenue collection and inter-governmental fiscal relations.</li> <li>2) This assignment will also include: <ol style="list-style-type: none"> <li>a. Conducting a full and critical assessment of the assignment of powers, functions, expenditure, and revenue responsibilities across the different levels of government.</li> <li>b. Making recommendations on revenue mobilization, improving revenue collection and diversification,</li> </ol> </li> </ol>

<sup>1</sup> A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

	<p>improving sharing and administration of public sector revenues at all levels of government.</p> <ul style="list-style-type: none"> <li>c. Making recommendations on the appropriate vertical and horizontal division of Revenue</li> <li>d. Making recommendations on improvements in intergovernmental fiscal relations based on (a), (b) and (c) above.</li> </ul> <p>3) <b><i>Finalizing a regulatory framework for intergovernmental fiscal relations in Somalia</i></b> that will regulate fiscal relations (focusing on clarification of the vertical and horizontal division of revenue, the expenditure assignments, revenue assignments and intergovernmental fiscal transfers) between the Federal, State and LGs in Somalia. This framework will be linked to the on-going constitutional review process and the development of the fiscal decentralization roadmap.</p> <p>4) <b><i>Discus and validate</i></b> the final deliverable with respective stakeholders.</p> <p>5) Translate the above into Somali.</p> <p>The above pieces of work will necessitate support to FGS and FMS to generate an inter-government fiscal relations policy (informed by findings the analyses above) detailing the proposed: functional responsibilities between the different tiers of government, revenue assignments and the nature of inter-governmental fiscal relations.</p>
List and Description of Expected Outputs to be Delivered	<ul style="list-style-type: none"> <li>1. Brief Inception Report with workplan agreed with UNCDF upon signing of a contract</li> <li>2. Revised Report on “<i>Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’ in a multi-level governance system</i>”. The focus of the revision is on facilitating discussion among FGS and FMS on emerging options for intergovernmental fiscal transfers in a multilevel governance system in Somalia.</li> <li>3. A framework document with political economy assessment and a set of practical steps/road map to promote fiscal decentralization and intergovernmental fiscal relations in Somalia. The document is to be discussed with relevant national partners and international organizations. This document should be translated in</li> </ul>

	Somali																
	4. A report on the outcome of a validation workshop aimed to discuss and endorse final deliverables of the assignment																
Person to Supervise the Work/Performance of the Service Provider	<i>Programme Manager</i>																
Frequency of Reporting	<i>Bi-weekly</i>																
Progress Reporting Requirements	<ul style="list-style-type: none"> <li>• Inception Report</li> <li>• Draft Report on “<i>Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’</i>”</li> <li>• Final framework document on “<i>Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’</i>” after validation workshop</li> </ul>																
Location of work	<input checked="" type="checkbox"/> Exact Address/es Mogadishu with travel to New federal member states (Jubaland, Hirshable, Southwest, Galmudug and BRA) <input type="checkbox"/> At Contractor’s Location																
Expected duration of work	40 days																
Target start date	15 July 2022																
Latest completion date	2 September 2022																
Travels Expected Travel cost should be part of financial proposal	<table border="1"> <thead> <tr> <th>Destination/s</th><th>Estimated Duration</th><th>Brief Description of Purpose of the Travel</th><th>Target Date/s</th></tr> </thead> <tbody> <tr> <td>NFMS</td><td>10 days</td><td>Data collection</td><td>TBD</td></tr> <tr> <td>Mogadishu</td><td>1 days</td><td>Consultation workshop with stakeholders</td><td>TBD</td></tr> <tr> <td>Mogadishu</td><td>1 day</td><td>Validation workshop with stakeholders</td><td>TBD</td></tr> </tbody> </table>	Destination/s	Estimated Duration	Brief Description of Purpose of the Travel	Target Date/s	NFMS	10 days	Data collection	TBD	Mogadishu	1 days	Consultation workshop with stakeholders	TBD	Mogadishu	1 day	Validation workshop with stakeholders	TBD
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Special Security Requirements	<input type="checkbox"/> Safety and security of the Service Provider’s staff shall be the responsibility of the Service Provider and not by UNCDF																
Facilities to be Provided by UNCDF (i.e., must be	None. All costs needed to achieve the deliverables set forth in this RFP are to be included in the financial proposals from the applicant/bidding																

excluded from Price Proposal)	entity (transport, professional fees, software, hardware, communication, consumables, etc.)									
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required Must be included in the technical proposal and must capture activities to be undertaken in order to achieve milestones required for the disbursement of payment									
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required									
Currency of Proposal	<input checked="" type="checkbox"/> United States Dollars									
Value Added Tax on Price Proposal <sup>2</sup>	<input type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input checked="" type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes									
Validity Period of Proposals ( <i>Counting for the last day of submission of quotes</i> )	<input checked="" type="checkbox"/> 120 days  In exceptional circumstances, UNCDF may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.									
Partial Quotes	<input checked="" type="checkbox"/> Not permitted									
Payment Terms <sup>3</sup>	<table border="1"> <thead> <tr> <th>Outputs</th><th>Percentage</th><th>Condition for Payment Release</th></tr> </thead> <tbody> <tr> <td>Upon submission of an Inception Report with detailed workplan</td><td>20%</td><td>Within thirty (30) days from the date of meeting the following conditions:</td></tr> <tr> <td>Upon submission of revised Report on "Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and 'making</td><td>30%</td><td>a) UNCDF's written acceptance (i.e., not mere receipt) of the</td></tr> </tbody> </table>	Outputs	Percentage	Condition for Payment Release	Upon submission of an Inception Report with detailed workplan	20%	Within thirty (30) days from the date of meeting the following conditions:	Upon submission of revised Report on "Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and 'making	30%	a) UNCDF's written acceptance (i.e., not mere receipt) of the
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	decentralization work' in a multi-level governance system"			quality of the outputs; and
	Upon submission of a framework document with political economy assessment and a set of practical steps to promote fiscal decentralization and intergovernmental fiscal relations in Somalia	30%		b) Receipt of invoice from the Service Provider.
	Upon submission of a report from a validation workshop – An endorsed framework document with political economy assessment and a set of practical steps/road map to promote fiscal decentralization and intergovernmental fiscal relations in Somalia	20%		
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Programme Manager			
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract for Professional Services			
Criteria for Contract Award	<input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNCDF 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.			
	<b><u>Technical Proposal (70%)</u></b>			

Criteria for the Assessment of Proposal	<input checked="" type="checkbox"/> Expertise of the Firm 20% <input checked="" type="checkbox"/> Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan 25% <input checked="" type="checkbox"/> Management Structure and Qualification of Key Personnel 25%  <b><u>Financial Proposal (30%)</u></b> To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNCDF.
UNCDF will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider
Annexes to this RFP <sup>4</sup>	<input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3) <sup>5</sup> <input checked="" type="checkbox"/> Detailed TOR <input type="checkbox"/> Others <sup>6</sup> <i>[pls. specify]</i>
Contact Person for Inquiries (Written inquiries only) <sup>7</sup>	<i>UNCDF Procurement</i> <i>Please send email to</i> <a href="mailto:uncdf.procurement@uncdf.org">uncdf.procurement@uncdf.org</a> Any delay in UNCDF's response shall be not used as a reason for extending the deadline for submission, unless UNCDF determines that such an extension is necessary and communicates a new deadline to the Proposers.
Other Information <i>[pls. specify]</i>	Please use this as subject reference when submitting the proposal: <b>UNCDF/SOM/RFP 92505/2022/001</b>

## FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>8</sup>

*(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery<sup>9</sup>)*

[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 UNCDF in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNCDF 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 UNCDF 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 UNCDF, indicating description of contract scope, contract duration, contract value, contract 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.*

<sup>8</sup> This serves as a guide to the Service Provider in preparing the Proposal.

<sup>9</sup> 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\***

	<b>Deliverables</b> <i>[list them as referred to in the RFP]</i>	<b>Percentage of Total Price</b> <i>(Weight for payment)</i>	<b>Price</b> <i>(Lump Sum, All Inclusive)</i>
1			
2			
3			
	Total	100%	

*\*This shall be the basis of the payment tranches*

**E. Cost Breakdown by Cost Component [This is only an Example]:**

<b>Description of Activity</b>	<b>Remuneration per Unit of Time</b>	<b>Total Period of Engagement</b>	<b>No. of Personnel</b>	<b>Total Rate</b>
<b>I. Personnel Services</b>				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a . Expertise 1 (International)				
b. Expertise 2 (National)				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
<b>II. Out of Pocket Expenses</b>				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
<b>III. Other Related Costs</b>				

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

# CONSULTANT TERMS OF REFERENCE

<b>Location:</b>	<b>Somalia</b>
<b>Application Deadline:</b>	<b>1 July 2022</b>
<b>Assignment Description:</b>	<b>Consultancy to revise and finalize a framework for the intergovernmental fiscal relations in Somalia</b>
<b>Languages Required:</b>	<b>English and Somali</b>
<b>Starting Date:</b>	<b>15 July 2022</b>
<b>Expected Duration</b>	<b>40 Days Working days</b>

Any request for clarification must be sent in writing, or by standard electronic communication to the address or email indicated above. UNCDF 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.

## 1. BACKGROUND AND CONTEXT

The UN Joint Programme on Local Governance and Decentralized Service Delivery in Somalia (UN JPLG) is a five-year joint programme comprising of ILO, UNCDF, UNDP, UN-HABITAT and UNICEF.

The Programme's overall goal is "creating an enabling environment for improved service delivery and greater stability, through improved legal, policy and system frameworks – building the knowledge of those working in and with local governments." JPLG commenced in April 2008 and has now entered its third phase (2018-2023). It expanded geographically with average annual work-plans and budgets of USD 25 - 32M / year. JPLG works with the Federal Government of Somalia, the Governments of Puntland, Somaliland, Southwest, Jubaland, HirShabelle, Galmudug, local governments, communities and non-state actors.

UNCDF is the UN's capital investment agency for the world's 48 least developed countries (LDCs). With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. This last mile is where available resources for development are scarcest; where market failures are most pronounced; and where benefits from national growth tend to leave people excluded. UNCDF's financing models work through two channels: savings-led financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development. UNCDF financing models are applied in thematic areas where addressing barriers to finance at the local level can have a transformational effect for poor and excluded people and communities.

Under the JPLG projects, UNCDF among others is specifically responsible for providing technical assistance to fiscal decentralization, local revenue mobilization and implementation of a discretionary Local Development Fund (LDF) modality for enhancing locally prioritized service delivery and enhancing capacities for sub-national Public Financial Management (PFM)

UNCDF supports the review and development of policy, legal and regulatory frameworks for fiscal decentralization and local revenue mobilization including innovative approaches for resource mobilization that leverage the private sector, diaspora, and financial institutions. UNCDF also focuses on drafting proposals for upgrading the Inter-Governmental Fiscal Transfer (IGFT) systems in Puntland and Somaliland and preparing the design for a state-level IGFT system for the new Federal Member States (FMS). In coordination with Somali government counterparts, UNCDF will also support design and establishment of Local Government Finance Commissions in Puntland and Somaliland; drafting and validating of financing strategies and a dedicated financing vehicle for Mogadishu; development of Capital Investment Plans (CIP) and LG Financing Strategies; and research on a mobile platform for diaspora funds mobilization.

## 2. DESCRIPTION OF RESPONSIBILITIES OF CONSULTANTS

The assignment will fall within the following Outcome areas

- 1: Policy, Legal and regulatory frameworks on local governance and
- 2: Local governments have the capacity to deliver equitable and sustainable services, promote economic development and peace.

### Specific Objectives

More specifically the firm will undertake the following functions:

In consideration of the drafted option paper “Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’ in a multi-level governance system”:

- 6) ***Revise and facilitate endorsement of the emerging options for intergovernmental fiscal transfers in a multilevel governance system in Somalia.*** Design, prepare and facilitate discussions among the relevant national and international partners on the options outlined in the aforementioned options document, recommendations and comments collected, and include them in the paper where applicable.
- 7) ***Political economy analysis.*** Conduct a political economic analysis to inform about dimensions currently existing or emerging in Somalia that influence or will influence fiscal decentralization and suggest ways how using this information may inform policy and programming discussion, facilitate a participatory exercise of assigning expenditure responsibilities, revenue collection and inter-governmental fiscal relations. This will include:
  - a. Conducting a full assessment of the assignment of powers, functions, and expenditure responsibilities across the different levels of government.
  - b. Recommendations on revenue mobilization, improving collection, diversification and improving coordination, sharing and administration of public sector revenues at all levels of government.
  - c. Recommendations on improvements in intergovernmental fiscal relations based on a & b above.
- 8) ***Finalizing a framework for intergovernmental fiscal relations in Somalia*** that will regulate fiscal relations (focusing on clarification of the vertical and horizontal division of Revenue, the expenditure assignments, revenue assignments and intergovernmental fiscal transfers) between the Federal, State and LGs in Somalia. This framework will be linked to the on-going institutional structures for reform management more specifically the on-going constitutional review process and the development of the fiscal decentralization roadmap.
- 9) ***Discus and validate*** the final deliverable as per the table 3 with respective stakeholders. Translate into Somali.

This will necessitate support to FGS and FMS to generate an inter-government fiscal relations policy (informed by findings the analyses above) detailing the proposed: functional responsibilities between the different tiers of government, revenue assignments and the nature of inter-governmental fiscal relations.

### 3. DELIVERABLES/ EXPECTED RESULTS

Deliverables/Outputs	Target due dates	Review/approvals
Brief Inception Report with workplan agreed with UNCDF upon signing of a contract	22 July 2022	UNCDF
Revised Report on “ <i>Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’ in a multi-level governance system</i> ”. The focus of the revision is on facilitating discussion among FGS and FMS on emerging options for intergovernmental fiscal transfers in a multilevel governance system in Somalia.	5 August 2022	UNCDF and national counterparts
A framework document with political economy assessment and a set of practical steps/road map to promote fiscal decentralization and intergovernmental fiscal relations in Somalia. The document is to be discussed with relevant national partners and international organizations. This document should be translated in Somali	26 August 2022	UNCDF and national counterparts
A report from a validation workshop aimed to discuss and endorse final deliverables of the assignment	2 September 2022	UNCDF

#### 4. KEY PERFORMANCE INDICATORS AND SERVICE LEVEL

- A kick-off meeting will be conducted at the beginning of the assessment to agree on the minimum standard of services acceptable. UNCDF must be informed and be part of decision-making if there are any deviations from the sampling protocol, tool change, or any other augmentation. Changes to the team are requested in writing.
- At least two progress meetings will be required per output. The first meeting will be to discuss the planning and the second meeting will be to approve the deliverables.
- Monitoring of progress shall be measured both per the activities of the contractor as well as the performance of the UNCDF partners involved in the assessment.
- The contractor will be asked to organize progress calls with UNCDF.
- Payments will be linked to the approval of deliverables. Should a deliverable not meet the standard agreed upon, UNCDF will withhold payment and discuss remedial actions with the contractor.

### 5. ASSIGNMENT DURATION

The duration of the assignment will be **40 days** from the date of signing the contract. All the work must be finalized before **2<sup>nd</sup> September 2022** at the latest.

Duty Station

The selected international consultant will be required 80% at the duty station while the national consultant will be home-based with expected travel. Costs related to travels within the country and in-out of Somalia will be covered by UNCDF.

## **6. FACILITIES TO BE PROVIDED BY UNCDF**

No facilities will be provided by UNCDF

All costs needed to achieve the deliverables set forth in this RFP are to be included in the financial proposals from the applicant/bidding entity (transport, professional fees, software, hardware, communication, consumables, etc.)

## **7. PAYMENT SCHEDULE**

UNCDF shall effect payment to consultants after approval of the above-mentioned deliverables.

- 1) Upon submission of an Inception Report with a detailed Workplan – 20%
- 2) Upon submission of the revised Report on “Intergovernmental fiscal relations in Somalia: Fiscal federalism, fiscal decentralization and ‘making decentralization work’ in a multi-level governance system” – (30%)
- 3) Upon submission of a framework document with a political economy assessment and a set of practical steps to promote fiscal decentralization and intergovernmental fiscal relations in Somalia – 30%
- 4) Upon submission of a report from a validation workshop – An endorsed framework document with political economy assessment and a set of practical steps/road map to promote fiscal decentralization and intergovernmental fiscal relations in Somalia. - 20%.

## **8. REQUIREMENTS FOR EXPERIENCE, COMPETENCE, AND QUALIFICATIONS**

### **Requirements of the Successful Consulting Firm**

- The firm should have successfully conducted similar study assignments in Somalia and/or the Eastern African Region with proven excellent results.
- Should have experience in the field of fiscal decentralization, public expenditure or finance management, and intergovernmental fiscal relations, with at least three such assignments in the last five years.
- Ability to mobilize a team of experts in various disciplines relevant to the scope of the study.

### **Required qualifications and skills for team leader**

#### **Education:**

- Ph.D. or master’s degree in public finance, economic policy, public policy, or any relevant subject.

#### **Experience:**

- A minimum of 10 years of experience in the field of fiscal decentralization, public expenditure or financial management, and intergovernmental fiscal relations.
- Demonstrated sound knowledge and understanding of fiscal decentralization issues, particularly in post-conflict and transitional countries.
- Demonstrated experience in the design and implementation of grant transfer mechanisms.
- Sound experience of developing local fiscal management systems and subsequent management of a Local Development Fund or similar grant transfer mechanisms.
- Demonstrated experience in designing and/or managing local government finances, including tax/revenue assignment and administration as subnational borrowing.
- Experience in the assessment of government systems and processes.
- Experience in international development partner support to Least Developed Countries in Africa.

- Demonstrated expertise and knowledge of governance issues in Somalia and/or the Eastern African Region is desirable.

**Language Requirements:**

- Demonstrated excellence in written and spoken English is essential.

**Required qualifications and skills for the team member**

**Education:**

- Master's degree (preferable) or bachelor's degree (with extensive experience) in public finance, economic policy, public policy, or any relevant subject.

**Experience:**

- A minimum of 5 years of experience in the field of fiscal decentralization, public expenditure or financial management, and intergovernmental fiscal relations.
- Demonstrated sound knowledge and understanding of fiscal decentralization issues, particularly in post-conflict and transitional countries.
- Demonstrated experience in the design and implementation of grant transfer mechanisms.
- Sound experience in developing local fiscal management systems and subsequent management of a Local Development Fund or similar grant transfer mechanisms.
- Demonstrated experience in designing and/or managing local government finances, including tax/revenue assignment and administration as subnational borrowing.
- Experience in the assessment of government systems and processes.
- Experience in international development partner support to Least Developed Countries in Africa.
- Demonstrated expertise and knowledge of governance issues in Somalia and/or the Eastern African Region is desirable.

**Language Requirements:**

- Demonstrated excellence in written and spoken English and Somali is essential.

**APPLICATION PROCESS AND EVALUATION METHOD**

**EVALUATION METHOD**

The award of the contract shall be made to the firm 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. Example 70%-30%.

\* Technical Criteria weight; 70%

\* Financial Criteria weight; 30%

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

Technical Criteria – Maximum 70 points

Criteria

**Management structure and qualification of key personnel: (25 points)**

- Key personnel 1 – Team Leader: Should have A minimum of 10 years of experience in the field of fiscal decentralization, public expenditure or finance management, and intergovernmental fiscal relations. Sound experience in developing local fiscal management systems and subsequent management of a Local Development Fund or similar grant transfer mechanisms. Demonstrated experience in the design and implementation of grant transfer mechanisms. Demonstrated experience in designing and/or managing local government finances, including tax/revenue assignment and administration as subnational borrowing, also please see required education above- 15
- Key Personnel 2 -Team Members - Should have A minimum of 5 years of experience in the field of fiscal decentralization, public expenditure or financial management, and intergovernmental fiscal relations. Sound experience in developing local fiscal management systems and subsequent management of a Local Development Fund or similar grant transfer mechanisms; also please see required education above. 10

**The expertise of the Consulting Firm: (20 points)**

- The firm should have successfully conducted similar study assignments in Somalia and/or the Eastern African Region with proven excellent results. Should have experience in the field of fiscal decentralization, public expenditure or finance management, and intergovernmental fiscal relations, with at least three such assignments in the last five years. Ability to mobilize a team of experts in various disciplines relevant to the scope of the study.

**Description of approach/methodology and its appropriateness to the implementation plan/assignment- (25 points)**