



African Union Development Agency (AUDA-NEPAD)

REQUEST FOR EXPRESSION OF INTEREST (REOI)

CONSULTANCY SERVICES – FIRMS SELECTION

CONSULTANCY SERVICES TO CONDUCT FINANCE AND TAX ASSESSMENT AND DEVELOPMENT OF INTEGRATED FINANCING STRATEGIES AND PLANS (IFSPs)

PROCUREMENT NUMBER: 84/NPCA/OCEO/CDD/QCBS/2019

INTRODUCTION

At the 31st Ordinary Session of the Assembly of African Union Heads of State and Government in Nouakchott, Mauritania, July-2018, a decision was officially adopted to transform the NEPAD Planning and Coordination Agency (NPCA) into the African Union Development Agency (AUDA-NEPAD).

The establishment of AUDA-NEPAD is part of the overall institutional reforms of the African Union (AU). The Report of H.E President Paul Kagame on the institutional reforms of the AU presented to the Summit, January 2017, proposed a number of recommendations. The report clearly articulated major strategic issues that AU needs to address to deliver the promises of the Founding Fathers.

The AU Assembly of July 2018 approved the establishment of AUDA-NEPAD as the technical executive agency and development anchor of the continent with its distinct legal identity and defined by its own statute, to deliver against the development priorities articulated by the AU.

It is against this backdrop that the African Union Development Agency (AUDA-NEPAD) is undertaking an assessment of national financial flows and tax systems in seven (7) countries (Uganda, DRC, Malawi, Somalia, Mozambique, Kenya and Benin) with the purpose of developing Integrated Financing Strategies and Plans (IFSPs) to enhance Domestic Resource Mobilization (DRM). The AUDA-NEPAD serves as the African Union's development agency and implementing body of Agenda 2063 – the continent's strategic framework for socio-economic transformation over a period of 50 years. It is in this context that the AU Development Agency through various programmatic interventions supports the capacity of Member States for sustainable development. The AU Development Agency's mandate is to: coordinate and execute priority regional and continental projects to promote regional integration towards the accelerated realisation of Agenda 2063; strengthen capacity of African Union Member States and regional bodies; advance knowledge-based advisory support; undertake the full range of resource mobilisation; and serve as the continent's technical interface with all Africa's development stakeholders and development partners.

Accordingly, the Government with support of the African Union Development Agency (AUDA-NEPAD) seeks to engage and obtain the services of a skilful Consulting Firm to work with an International Consultant and Regional Resource Person to undertake exercise.

An integrated solution is required for African Countries to achieve goals and targets that are set in National Development Plans and related Country Results Frameworks (CRFs) within the framework of Agenda 2063's First Ten-year Implementation Plan and the United Nations Agenda 2030. This complex context presents significant challenges for governments particularly where traditional fiscal planning, tax collection and budget systems still pertain.

At the heart of this objective is the need for sustainable financing, and the enhancement of countries' capacity for DRM. It is a challenge for African countries to increase DRM capacities if there is no readily available data on the nature and structure of all financial flows, as well as, on national fiscal and tax management.

Therefore, there is need for countries to have a systematic and integrated way of assessing national financial flows for adequate information upon which to plan for the enhancement of DRM and related implementation capacities. Hence, the need for countries to develop and implement Medium and Long-term Integrated Financing Strategies and Plans (IFSPs). This will help ensure that both private and public funds are effectively mobilized, aligned and put to best use towards sustainable financing and desired development results.

This initiative is linked to the existing continental work of the African Union (AU) in tracking and monitoring development results in all countries working with the other institutions and the Regional Economic Communities (RECs), within the framework of both Agenda 2063 and Agenda 2030. Therefore, the AUDA-NEPAD with partners are combining efforts to help strengthen capacities at the country level towards sustainable financing and results

OBJECTIVES

The Finance and Tax Assessment Consultancy is a key element to support governments identify their strengths and weaknesses and guide in the development and implementation of Integrated Financing Strategies and Plans (IFSPs) towards sustainable resource mobilization and financing for national development.

Evidence from the tax systems and management assessments will facilitate the modernization and strengthening of country tax and revenue collection systems and related services for enhanced Domestic Resource Mobilization capacities. Specifically:

The IFSPs takes into account the social, economic and environmental dimensions of development and analyses the roles that different development finance flows play for or against sustainable development. Importantly, IFSPs have the potential to focus on multiple equity dimensions which include investments made in the poorest geographic regions and sectoral specifics such as Infrastructure, agriculture, science and technology, manufacturing and skills development. The IFSPs will particularly provide:

- Planning, finance and other ministries, with data and analysis on the changing trends in development finance;
- Policy makers with evidence to support the development of a holistic vision of fiscal planning and management systems beyond the traditional public sector budgeting;
- An overview of the evolving financing flows, their allocation and contribution to national priorities and results for more informed allocation and alignment;
- Substantive base upon which to evaluate the functions and responsibilities of national institutions and their associated policies in the management or influence in directing individual flows to high impact productive sectors of the economy; and

- Analysis of the interface and complementarities between different sources of development financing in achieving national priorities.

SCOPE OF THE ASSIGNMENT

Duties and Responsibilities of the Consulting Firm

- Support the focal ministry in mobilizing key institutions and national stakeholders for the assessment;
- Literature (home-based) collection and review of data focusing on policy documents, studies and relevant analytical reports for a detailed mapping and analysis of sources of development finance;
- Assessment of Country Results Frameworks vis-à-vis the National Development Plans and cost implications looking at trends over past 3 - 10 years;
- Conduct consultations and interviews with key stakeholders during the research focusing on infrastructure, agriculture, mining and extractives, and skills development;
- Mapping, analysis and estimation of financial flows and tax systems and their interface, as well as, trends to determine the nature, quantity, horizon per target sector of the flows;
- Develop a related financial flows dashboard for decision support;
- Develop the National Integrated Financing Strategy and Plan (IFSP);
- Set in motion the strengthening of cross-government coordination for integrated public finance management and enhancement of domestic resources;
- Propose measures for increasing the tax collection and systems;
- Coordinate the planning, facilitation and delivery of the validation workshop for input by domestic stakeholders for actionable recommendations from the Finance and Tax Assessment Report; and
- Attend related regional meetings for learning and exchange.

EXPECTED OUTPUTS:

The Consulting Firm is expected to deliver the following outputs:

- a. **Development Finance and Tax Assessment** – Assessment of the government’s past and current financing flows, policies and institutional structures and propose a roadmap and plan for implementation of identified recommendations including ways to align development finance with Country Results Frameworks;
- b. **Mapping Report** outlining gaps and opportunities of existing national tax system and management practices with analysis of revenue streams and use, accessibility of tax information and propose a suitable and more efficient integrated tax system and management model, with prospective analysis; and
- c. **Integrated Financing Strategy and Plan** – Develop medium to long term financing strategy and plan, targeting specific flows or instruments using evidence from the finance and tax assessment to enhance sustainable financing for development.

The African Union Development Agency (AUDA-NEPAD) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

Interested firms must provide information indicating that they are qualified and experienced to perform the services:

1. An Official signed Letter from an authorized official, expressing interest of the firm to participate in the Consultancy;
2. General profile and background of the firm which should elaborate the following:

- a. Core Business of the firms
 - b. Names of authorized representatives of the firms (Power of Attorney).
 - c. In the cases of Consortiums/Partnerships/Associations shall be required to submit Joint venture Agreements/Joint Association letters stating the lead firm.
 - d. Commercial Registration and Tax Registration Certificates of the firms attaching Registrations and Tax certificates documents;
3. Experience of the Firm in handling consultancy services of a similar nature; and
 4. Availability of Professional Key Staff with Suitable Qualifications and experience in the field of assignment;

Reporting and Time Schedules: The duration of assignment is expected to be eight (8) months. The Consultant will report directly to the Government's Oversight Team (OT) and Regional Resource Person.

Consultants may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications. Firms from African Union Members States and/or joint ventures will have an added advantage.

A Consultant will be selected in accordance with the Quality and Cost Based Selection (QCBS) method set out in the AU Procurement Guidelines.

This is an Expression of Interest (EOI) only; submission of Financial Proposals is not applicable at this stage.

NEPAD Agency reserves the right to verify any information provided by prospective entities/individuals and false information will lead to disqualification. The NEPAD Agency reserves the right to cancel or reject any or all EOIs without stating any reason.

Expressions of interest must be delivered to the address below by the **26th July 2019 by 14:30 hours (South African Time)** and should be clearly marked as "**CONSULTANCY SERVICES TO CONDUCT FINANCE AND TAX ASSESSMENT AND DEVELOPMENT OF INTEGRATED FINANCING STRATEGIES AND PLANS (IFSPs) REF: 84/NPCA/OCEO/CDD/QCBS/2019**".

EOIs can also be sent by email, addressed to the address below. Interested Consultants may also obtain further information at the address below during office hours (08:00 - 17:00 South Africa time):

The Chairperson, Internal Procurement Committee (IPC)

African Union Development Agency (AUDA-NEPAD)

230, 15th Road, P. O. Box 218 Midrand,

1685 Johannesburg, South Africa

Email: bathom@nepad.org , ngonik@nepad.org and procurement@nepad.org

Attention of: Procurement Division