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| **Terms of Reference for Provision of Legal, Regulatory and Tax advisory services** |

1. **Background**

iDE is an international NGO with over 30 years of experience in designing and delivering market-based anti-poverty programs in 11 countries. We are a world leader in making markets work for the poor as well as the longest established market development specialist NGO in Bangladesh. iDE believes that markets can be a powerful force for improving smallholder prosperity by creating income and livelihood opportunities for poor rural households.  iDE Bangladesh currently has eight projects in agricultural mechanization and markets, water, sanitation and hygiene (WASH), and access to finance with a focus on women’s economic empowerment and climate-smart technologies.

1. **Program Overview:**

The **Feed the Future Bangladesh Cereal Systems Initiatives for South Asia Mechanisation Extension Activity (CSISA-MEA)** is a five-year project, funded by USAID and implemented by CIMMYT and its partners: International Development Enterrprise (iDE) and Georgia Institute of Technology (GT). CSISA-MEA, building on the work of a first phase of the project, will expand access to services for farmers that mechanise labor-intensive agricultural operations through improved machinery manufacture, marketing and service provision. CSISA-MEA will enhance agricultural resilience, productivity and profitability by improving the productivity, competitiveness and efficiency of domestic agricultural machinery manufacturing, assembly, use, and servicing through building local manufacturing capacity, improving quality of manufacturing practices, increasing workplace safety, and strengthening the agriculture mechanization market ecosystems. This will be done while generating business opportunities for collaboration with US manufacturing firms, technical institutions, and financial advisory companies. The activity will also focus on developing appropriately trained gender-inclusive workforce, with a special focus on linking and supporting market actors and manufacturing micro-, small-, and medium- sized enterprises (MSMEs) in Bangladesh

As part of its activities the project will improve access-to-finance (“A2F”) for entrepreneurs and small businesses involved in agricultural machinery manufacturing, sales or service provision. In particular, the project will explore means to mobilize market-based capital, primarily from private sector lenders, investors, donors, and development finance institutions to provide this financing.

1. **About the Assignment:**

iDE is seeking proposals from a reputed Bangladeshi firm (“Adviser”) to engage with the CSISA MEA project to provide short-term advisory services on Bangladeshi legal, regulatory and taxes.

iDE is seeking to engage a reputed Bangladeshi firm (“Adviser”) to provide advisory services on Bangladeshi legal, regulatory, and tax pertaining to the planned creation of Bangladeshi financing vehicle(s), structure(s) and instrument(s) (collectively, the “Transaction”) to mobilize non-bank capital from onshore and offshore institutional investors to fund the purchase, lease, or rental of agricultural equipment by Bangladeshi individuals of small businesses. The Transaction would need to be tax efficient and comply with all applicable Bangladeshi laws and regulations including foreign exchange regulations. The Transaction could involve the origination, servicing, and securitization of loan, lease, hire purchase or similar instruments by onshore banks or non-bank financial institutions (“NBFI”).

1. **Primary Tasks and Deliverables**

The Adviser will carry out the following tasks. The indicated deliverables will be developed and submitted as part of the assignment and as a requirement for payment.

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| Task | Deliverable |
| 1. Develop a detailed work plan and schedule in coordination with the iDE-designated supervisor for the assignment. | Work plan and schedule |
| 1. Review and consider relevant laws, regulations, rules, guidelines, policies, circulars and practices in Bangladesh including, but not limited to, contract, trust, banking & financing, foreign exchange, and securities exchange; conduct a debrief meeting on the initial findings | Debrief meeting on findings (minutes) |
| 1. Develop a questionnaire in consultation with iDE to be administered to relevant local regulators (on a no-name basis) seeking clarification on local legal and tax issues related to the Transaction and compliance with relevant Bangladesh legal, regulatory, and foreign exchange regulations; | Questionnaire |
| 1. Enquire with relevant local regulators (on a no-name basis) using the questionnaire seeking clarification on local legal and tax issues related to compliance of the Transaction with relevant Bangladesh legal, regulatory, and foreign exchange regulations; 2. Provide structuring advice in respect of the Transaction; | Draft Detailed Terms and Conditions for the Transaction |
| 1. iDE will circulate a draft of the Detailed Terms and Conditions to potential parties to the Transaction. Advisor will respond to the queries from parties to the Transaction and relevant Bangladesh authorities regarding legal, regulatory, and foreign exchange compliance, identifying required procedures, documentation, legal opinions and tax opinions for each step of the Transaction; and 2. Provide attendant advice in relation to the above. | Final detailed Terms and Conditions identifying required procedures, documentation, legal opinions and tax opinions for each step of the Transaction |

1. **Major Responsibilities of iDE**

iDE will provide the Adviser with the necessary support to undertake and execute the tasks in this Terms of Reference (ToR). Responsibilities include:

* Providing guidance and clarifications of the assignment as needed
* Provide initial briefing and existing work overview;
* Provide relevant background documents and other information as requested by the advisor;
* Review and provide inputs to the work plan
* Review ad provide inputs on the questionnaire to be administered to local relevant regulators
* Review ad provide inputs on summary brief
* Approve the final deliverables and,
* Disburse payment as per the agreed schedule

1. **Deliverables and Schedule of Payment**

The financial proposal (format attached) should include Lead Advisor’s fees and expenses (including activity cost, travel costs, accommodation & food expenses, etc.). The payment will be made in three installments as follows:

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| S.N. | Deliverables | Installment Value |
| 1. | Successfully completion and acceptance of deliverable i) and ii) | 25% of the Total Contract Value |
| 2. | Successfully completion and acceptance of deliverables iii), iv), v), vi) and vii) | 75% of the Total Contract Value |

Note: Government VAT and tax regulation will be applied, and these costs must be included in the financial proposal.

The following terms and conditions will apply:

* The payment will be made through account payee cheque/ wire transfer (account name, number, type, bank name, and branch name is required for wire transfer);
* Government VAT and tax regulation will be applied and iDE Bangladesh will deduct all relevant VAT and Tax at source as per GoB rule;
* VAT Registration Certificate, TIN and Trade License must be submitted before the agreement is signed;
* In case of failure to deliver the final product in due time, iDE Bangladesh will deduct .05% of the total agreement amount for each day of delay in submitting the report beyond the closing date of the agreement;
* The selected firm will abide by other terms and conditions of iDE Bangladesh.

1. **Guidelines for submission of the proposal**

These guidelines shall ensure uniformity of proposals submitted by all applicants and transparency of the evaluation process.

1. **Minimum eligibility criteria for the advisory firm/consultant**

The applicant must meet the following criteria.

* Legally registered firm with experience on Bangladeshi laws, regulations, tax, Bangladeshi financing vehicle(s), structure(s) and instrument(s) including foreign investment and exchange regulations
* The advisory firm should have the working experience with the Transaction could involve the origination, servicing, securitization of loan, lease, hire purchase or similar instruments by onshore banks or non-bank financial institutions (“NBFI”)
* The advisory firm should have a versatile knowledge on legal issues related to export, import, manufacturing, assembling of agriculture machineries and spare parts

1. **Contents of the technical proposal**

The language of the proposal should be English. The proposal must be submitted in PDF format, maximum of 8 pages (not sheets) excluding Cover Page, Abbreviations, Glossary, Table of Content, Additional Documents, and Annexes. Page size A4;

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| S.N. | Content of the Proposal | Maximum possible points | Suggested number of pages |
| **The main part of the proposal** | | | |
| 1 | Background/organizational profile of the applicant | - | 1 |
| 2 | Track record of earlier similar kind of assignment | 20 | 1 |
| 3 | Qualifications and working experience of lead advisor (CVs of lead advisor and other core members of the service team) | 30 | 2 |
| 4 | Description of **assignment and** understanding of the task at hand | 30 | 2 |
| 7 | Financial proposal (Should be structured as described in section “D” under Article “7”) | 20 | 1 |
|  | Total score for the proposal | 100 |  |
| **Additional Documents that must be submitted** | | | |
| 8 | -A certificate proving the legal entity of the applicant (e.g. legal entities, trade license, registration);  -Tax identification number (TIN);  -VAT registration number (if applicable); | -- | As required |

1. **Tentative task schedule**

CSISA MEA project requires the assignment to be completed by 15th November 2020. The following table gives the deliverables along with the deadlines. The deadlines can be adjusted upon mutual consent.

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| **Indicative Work Plan** | | | | | | | | | | | | | | | | |
| **Task & Deliverable** | **Sep** | | | | **Oct** | | | | **Nov** | | | | **Dec** | | | |
| W1 | W2 | W3 | W4 | W1 | W2 | W3 | W4 | W1 | W2 | W3 | W4 | W1 | W2 | W3 | W4 |
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1. **The Content of the financial proposal**

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| **Financial Proposal** | | | | | | |
| The budget must be structured as follows:  a) Personnel days with professional fees for advisor  b) Support services (materials, communications, etc.)  c) Travel, Perdiem, Accommodation  d) VAT and TAX Person-days as per Government rules | | | | | | |
| **Name of the Organization** | |  | | | | Date: |
| **Address** | |  | | | | |
| **SL** | **Items** | **No. of Persons** | **Unit(Day)** | **BDT per day or unit** | **Total Amount (BDT)** | **Remarks** |
| A | Remuneration |  |  |  |  |  |
| A1 | Advisor’s Fee |  |  |  |  |  |
| A2 | Activity cost |  |  |  |  |  |
| A3 | Materials |  |  |  |  |  |
| A4 | Communication |  |  |  |  |  |
| A5 |  |  |  |  |  |  |
| A6 |  |  |  |  |  |  |
| A7 |  |  |  |  |  |  |
| Sub Total | | | | |  |  |
| B | Travel and Accommodation | | | | | |
| B1 | Travel |  |  |  |  |  |
| B2 | Accommodation |  |  |  |  |  |
| B3 | Perdiem |  |  |  |  |  |
| B4 |  |  |  |  |  |  |
| B5 |  |  |  |  |  |  |
| B6 |  |  |  |  |  |  |
| Sub Total | | | | |  |  |
| C | Support Services | | | | | |
| C1 | Tax (as per GoB rule) |  |  |  |  |  |
| Sub Total | | | | |  |  |
|  | VAT (as per GoB rule) |  |  |  |  |  |
| Grand Total | | | | |  |  |
| In Words | |  | | | | |

### Any queries regarding the TOR should be sent to Mr. Md. Zaheedul Islam Chowdhury(zislam@ideglobal.org).

Interested firms are requested to submit a fee cap to provide the Advisory Services. Please submit your application to [**bangladesh.procurement@ideglobal.org**](mailto:bangladesh.procurement@ideglobal.org)

**The submission deadline is 01 October 2020 at 5 PM Bangladesh Standard Time.**.