



Terms of Reference

Study of ¹Hat-Bazars (Poura Market): Governance and Management of Urban Market places in Bangladesh

1. Background

1.1 Introduction

Funded by Switzerland and Government of Bangladesh, co-implemented by Swisscontact and Local Government Division (LGD), the PRABRIDDDHI project is working with the partner municipalities to foster local economic development. PRABRIDDDHI aims to promote Local Economic Development (LED) in selected municipalities in Bangladesh by working closely with the Local Government Division (LGD). The goal is to transform the partner municipalities into more competitive local regions where enterprises can thrive, new businesses are attracted to invest, employment and income opportunities are created, and the citizens enjoy improved standards of living. After successful completion of the two years Phase I, PRABRIDDDHI has started its current phase of implementation on September 01, 2020. The project will expand to six to eight new municipalities throughout the current phase.

1.2 Approach

The LED programme's aim is to create a better Business Enabling Environment and support better services for key actors by the municipalities and key stakeholders. A "territorial change management initiative" will be induced to foster Local Economic Development. The programme supports the municipalities and local businesses to create a common platform and processes for identifying the key blockages for business growth which impacts wealth generation and employment creation. At this moment, multiple projects, and investments (financed by GOB as well as development partners) are focusing on the evolvement of municipalities and to improve the infrastructure at municipal level. The LED programme complements these initiatives by utilizing resources, both physical and administrative, to the planned activities for business growth. The LED programme supports municipalities and local business associations to identify key activities for business growth, design sub projects, while synergies are made with other programs of the government or development partners. The programme also supports private companies and businesses through partnership to reduce the risk associated in piloting new business and growth strategies that create economic opportunities for the poor.

¹ **Hats** are the Local government-controlled markets with no permanent or semi-permanent shops. They are held once or twice a week, where only squatters assemble on fixed days.

Bazars are Local government-controlled markets with permanent or/and semi-permanent shops being held daily or once or twice a week with a gathering of both vendors and squatters.

Poura markets: The market which is established and maintained by the municipality for the sale and procure of meat, fish, fruit, vegetable, or any other article of food or for the sale and purchase of livestock, or animals.



1.3 Context

The Hats and Bazars (Establishment and Acquisition) Ordinance, 1959 (East Pakistan Ordinance No. XIX of 1959), gave the legal entity to municipalities to operate and manage marketplaces within the municipality area. The 8th Five Years Plan of the Bangladesh Government (GoB) acknowledges the importance of urban marketplaces regarding economic growth along with urban and rural transformation in the country.

Under the current government policy, marketplaces are leased out to one single individual who is known as lijarader. S/he has the responsibility to levy tolls on market users at rates fixed by the government, for maintenance and regular cleaning of the marketplace. A five-member market management committee chaired by the mayor is responsible to chalk down and implement development plans for marketplaces of the city. The committee supervises the process of toll collection, appointment of toll collectors by the lessee (lijarader), eliminates illegal toll collection, extortion, and illegal occupancy, ensures cleanliness and sanitation in place, and that the overall law and order is maintained.

The government policy for the operation and management of marketplaces is largely focused on revenue collection for municipalities. In 2016-2017, while the revenue generated from the lease of marketplaces and shops was ranked as the 6th highest source of income for municipalities², it is not clear as to what portion of the revenue was allocated for better market governance and development. These marketplaces, despite being revenue spinners, may require better (effective and efficient) governance mechanism to respond to the increasing demand of the citizens for products and services and provision of services to the participating sellers and enterprises towards a well governed and functioning marketplace.

While urban marketplaces should be major source of revenues for the local governments, the lack of effective planning, governance, management, execution, and supervision results in underperformance. Analyzing the existing market governance system will indicate the notable issues such as: portion of the revenue used for further local development, operation of illegal marketplaces, lack of participatory physical planning etc., in which the local government may need support in building their capacity to make development of marketplaces as one of their priorities.

In view of the above context, PRABRIDDDHI proposes to conduct a study on Market Governance and Management in the selected municipalities for identifying gaps and constraints preventing local governments in realizing the full potential of urban marketplaces. The study will help identify the root causes of the gaps, create insights from well-functioning marketplaces and develop a guideline for better governance and management of these marketplaces.

2. Objective the Study

The study will focus on the following objectives:

- Describe the governance and management of urban marketplaces in Bangladesh.
- Identify gaps (constraints and root causes) in the operation and management practices and reasons thereof.

² Local Government Act 2009 and Pourashava Adarsha Kor Tafsil 2014 (Municipality Ideal Tax Schedule 2014) by Ministry of Local Government, Rural Development and Co-operatives.



- Benchmark functioning of urban marketplaces with a well-functioning urban marketplace (in the country and / or in any other country).
- Develop a guideline/manual for management of urban marketplaces in Bangladesh.

3. Responsibilities

The consultant (Individuals / Research & Consulting Firms) will carry out the following tasks under this study-

- Assess the roles of municipality in the management of urban marketplaces.
- Review the process of constitution and composition of the market management committee of the municipality to understand roles and responsibilities of the committee and its members.
- Identify factors that limit the markets and their governing bodies in their operation.
- Assess laws, rules, and regulations of governing urban marketplaces, assess compliance to the rules and come up with suggestions for good practices.
- Analyse the process of preparation and execution of marketplace development plan.
- Explore the capability of existing Market Management Committees (MMCs) and identify their constraints.
- Assess the roles and responsibilities of a liyardar and come up with suggestions for further improvement.
- Review marketplace development plan in the local government and update procedures and practices.
- Analyse the planned expenditure for market development and status of utilization.
- Evaluate the present status and maintenance of basic infrastructure (stands, raised platforms etc.).
- Detail out the process of fixation of toll amount for each category of sellers.
- Assess the inter-departmental (municipality) coordination to establish a good governance and management of urban marketplaces and explore the current level of coordination.
- Describe the mechanism of supervising and monitoring the lessee.
- Develop a comparison/difference between well-functioning market management and existing market management in Bangladesh.



- Evaluate the Year-Over-Year (YOY) growth in the auction number of urban marketplaces (hat and bazar) and the percentage of auction amount realized by the municipality from the lijarader.

4. Required Qualification

Consultants (Individuals / Research & Consulting Firms) would undertake the study and meet the following requirements: -

- **Qualification and experience:** Master's in Economics/Social Science/Marketing/Governance/Urban Planning with 10+ years working experience in South Asia, preferably in Bangladesh is desired. And sound knowledge in market governance.
- The study lead or her/his research associates engaged in the assignments essentially need to have relevant academic background and significant technical knowledge i.e., urban governance, development studies, sociology, business development, public policy etc.
- Must have experience in policy/legislation/laws review/analysis.
- **Expertise:** Demonstrated expertise in carrying market assessments from a governance and management perspective, identifying constraints and root causes.
- Excellent track record in designing and conducting Interview, FGD, Questionnaire Preparation etc. as well as in quantitative and qualitative research, analysis, and evaluation.
- Experience in preparation and writing reports and guidelines.
- Excellent and demonstrated understanding of political practice, gender, and cultural diversity issues.
- **Language Proficiency:** Highly proficient both in English and Bengali.

5. Deliverable

The consultant will produce the following deliverables in consultation with the project team:

Tasks	Indicative no. of days
1. Desk research including an inception report, final research questions, review of existing laws (sections relevant to urban marketplace), and a study plan with milestones.	5 days
2. Field research, including respondent interviews as indicated in the section approach and methodology and in alignment with the scope of work.	5 days
3. Status Quo, Gap Analysis, and Report writing.	7 days



4. Guidelines for Governance and management of urban marketplace in Bangladesh.	5 days
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6. Timeline

The Study of Hat- Bazars (Poura Market): Governance and Management of Urban Market places in Bangladesh will be carried out during the period of November 2021 to January 2022. The draft report will be completed by first week of January 2022 and after incorporating the feedback, the final report will be submitted by 25 January 2022.

7. Reporting Structure

The consultant/organization will report to the Team Leader, PRABRIDDI and work closely with the Public Sector Management Specialist of the project.

8. Selection Criteria

The selection criteria are divided into two parts:

- Technical Proposal (70% of the total possible score).
- Financial Proposal (30% of the total possible score). Consultancy contracts are subject to VAT and AIT deduction as per government regulations.

Criteria	Weight
Background and Evidence of the bidder	30
Profile of the personnel involved in the assignment	20
Methodology to conduct the study	30
Financial proposal	20
Total	100

The selection of the potential agency will be based on:

- Quality and cost-based evaluation by an evaluation team of Swisscontact.
- The bidder achieving the highest score in the proposal will be awarded a contract, provided both parties reach an agreement on the final budget. If there is no agreement on the final budget, then the bidder with the second highest score will be considered.

9. Required Documents for Evaluating the Proposal

Soft copies of the technical proposal should be submitted via e-mail. Financial proposal should be sent in a separate e-mail. The name of the assignment should be mentioned in the subject line.

The technical proposal, not exceeding 3 pages, should include the following elements:

- Understanding of the assignment and an initial plan detailing the study as per the ToR.
- Description of organizational capabilities and related experiences.
- Proposed staff members who will be assigned to this assignment, including their time to be devoted for this assignment and the description of their experience. CVs should be submitted as Annex and maximum three pages should be allocated for each CV.



- Along with the technical proposal, the bidder is required to submit a financial proposal, in a separate e-mail.

The financial proposal will be opened only for the applicants scoring 50% and above in the technical proposal. The financial proposal would be evaluated based on:

- Competitiveness of the financial offer.
- Relevance and consistency with the technical proposal.

In addition to the technical and financial proposals, it is mandatory for the bidders to submit necessary documents demonstrating their legal, taxation and financial statuses. The documents should be part of the technical proposal and include the following:

- A certificate of incorporation (for individual companies- a trade license).
- Joint stock registration certificate (if applicable).
- An organizational organogram of key personnel, inclusive of the names of such personnel.
- Tax Identification Number (TIN).
- VAT registration number.
- Proof of a segregated account (providing the name and address of such an account).
- Other valid papers (provided by Government institutions).
- The vendor has to bear all Advance Income Tax (AIT) and VAT. The total amount of VAT should be mentioned in the financial proposal

10.Submission Procedure

Interested bidders should submit the technical and financial proposals and other necessary documents by **28 October 2021, to the following e-mail address:**

bd.prabridhi@swisscontact.org

The Technical and Financial proposal should be sent in separate e-mails. Failure to do so will disqualify the tendering individual/organization from tendering process. 'Study of Hat-Bazars (Poura Market): Governance and Management of Urban Market places in Bangladesh' should be mentioned in the subject line.

If a proposal is not received in the manner specified in the request, especially if it is not received by the due time, it is deemed as non-qualifying proposal, and will not be considered.

For more information, please e-mail to bd.prabridhi@swisscontact.org

Swisscontact is an equal opportunity employer. We strongly encourage female professionals to apply.

