



## REQUEST FOR EXPRESSION OF INTEREST

### SELECTION OF INDIVIDUAL CONSULTANTS

REFERENCE NUMBER: CS/PRO/TRADE/27.02.2023/01 SMT

#### REQUEST FOR SERVICES TITLE: SHORT TERM CONSULTANCY CONTRACT TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA

1. **The COMESA Secretariat** is inviting Individual Consultants to submit their CV and Financial Proposal for the following services:

#### SHORT TERM CONSULTANCY CONTRACT TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA

The Terms of Reference defining the minimum technical requirements for these services are attached as Annex 1 to this Request for Expression of Interest.

2. **Only Individual Consultants are eligible for this assignment**
3. The maximum budget for this contract is **USD 15,000 for expert service/consultants' fees only**. Proposals exceeding this budget will not be accepted.
4. Your Expression of Interest must be presented as per Expression of Interest Forms attached as Annex 2 to this Request for Expression of Interest, in the English language and be accompanied by copies of all the indicated supporting documents. If the supporting documents are not in English, these shall be accompanied by a certified translation into English.
5. Your application documents clearly marked and email bearing the subject “: **CS/PRO/TRADE/27.02.2023/01 SMT - SHORT-TERM CONSULTANT TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA**”, should be emailed to the following address:

[tenders@comesa.int](mailto:tenders@comesa.int) or [procurement@comesa.int](mailto:procurement@comesa.int)

6. The deadline for submission of your application, to the address indicated in Paragraph 5 above, is:

**21<sup>TH</sup> MARCH AT 15:00 hours**

7. **Physical submission of applications is NOT allowed.**

8. Your CV will be evaluated against the following criteria.

	<b>Criteria</b>	<b>Maximum points allocated</b>
1	General qualifications	20
2	Adequacy for the assignment	60
3	Experience in the region	20
	<b>Total</b>	<b>100</b>

9. Your proposal should be submitted as per the following instructions:

(i) **PRICES:**

The financial proposal shall be inclusive of all expenses deemed necessary by the Individual Consultant for the performance of the contract.

(ii) **EVALUATION AND AWARD OF THE CONTRACT:**

Expressions of Interest determined to be formally compliant to the requirements will be further evaluated technically.

An Expression of Interest is considered compliant to the requirements if:

- It fulfils the formal requirements (see Paragraphs 2,3,4,5,6 and 7 above),
- The financial proposal does not exceed the maximum available budget for the contract.

The award will be made to the applicant who obtains the highest technical score. Expressions of Interest not obtaining a minimum score of 70% will be rejected.

(iii) **VALIDITY OF THE EXPRESSION OF INTEREST:**

Your Expression of Interest should be valid for a period of 90 days from the date of deadline for submission indicated in Paragraph 6 above.

10. The assignment is expected to commence within two (2) weeks from the signature of the contract.

11. Additional requests for information and clarifications can be made until 7 working days prior to deadline indicated in the paragraph 6 above, from:

The Procuring entity: **COMESA Secretariat**

Contact person: **Stellah Mtonga**

E-mail: [smtonga@comesa.int](mailto:smtonga@comesa.int); [smwesigwa@comesa.int](mailto:smwesigwa@comesa.int);

The answers on the questions received will be sent to the Consultant and all questions received as well as the answers to them will be posted on the

COMESA Secretariat's website at the latest 3 working days before the deadline for submission of applications.

**ANNEXES:**

ANNEX 1: **Terms of Reference**

ANNEX 2: **Expression of Interest Forms**

**Sincerely,**

**Name:** Silver Mwesigwa  
**Title:** Head of Procurement  
**Date:** 27 February 2023

## **ANNEX 1: TERMS OF REFERENCE**

### **COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA**



#### **RECRUITMENT OF A CONSULTANT TO UNDERTAKE A STUDY TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA FOR MALAWI UNDER EDF 11 SMALL-SCALE CROSS BORDER TRADE INITIATIVE: RESULT AREA 1**

#### **TERMS OF REFERENCE (TOR)**

##### **1.0 Introduction**

The 2019 Malawi FinScope Micro, Small and Medium Enterprise (MSME) Study Report disclosed that 89 per cent of the MSMEs operate their business informally. This presents a challenge to government when it comes to tailor-made interventions in the sector. The informal sector provides a way of livelihood for many people, accounts for a significant percentage of economic activities including job creation, revenue collection and food security. Informality, however, has an effect in terms of non- tax payment, non- statistical data for national development estimates etc. There is a need, therefore, to address the challenge and enable formalization and increased business productivity. In Malawian context, a business is considered informal if its business name is unregistered, neither hold a bank account nor remit taxes to government. Informality is largely driven by a wide range of factors, including poverty, a restrictive business environment, the failure of government policies to translate into development and create decent employment opportunities in the formal sector, and the poor performance of the economies, among others.

The challenge that the informality of MSMEs poses includes difficulty of the Government of Malawi to come up with tailor-made interventions that would drive wealth and job creation given particular needs of the MSMEs in different sectors of the economy namely Agriculture, Trade and Services, for example. In a similar vein, the Common Market for Eastern and Southern Africa (COMESA), through the Small-Scale-Cross Border Trade Initiative (SSCBTI) funded under the 11th European Development Fund (11th EDF) conducted a study on reviewing Member States policies related to formalizing of the informal economy biased towards informal trade<sup>1</sup>. The objective is to increase formal small-scale cross-border trade flows in the

COMESA/Tripartite region, leading to higher revenue collection for governments at the borders as well as increased security and higher incomes for small-scale cross-border traders. Thus, the study focused on drivers of informality, the impact of informality on the economy, including on government revenue and on productivity, and policies that Member States have instituted to address informality.

The study which covered D R Congo, Ethiopia, Kenya, Malawi, Tanzania, Zambia, and Zimbabwe, revealed the following:

1. Informality in these countries is driven by a wide range of factors, including poverty, a restrictive business environment, the failure of government policies to translate into development and create decent employment opportunities in the formal sector, and the poor performance of the economies, among others;
2. The challenges faced by Informal Cross Border (ICB) traders vary; but they include burdensome customs and border procedures, poor or lack of border infrastructure (storage facilities or accommodation, poor transport infrastructure, etc), lack of 1 A business is considered informal if its business name is unregistered, neither hold a bank account nor remit taxes to government. understanding of the trade formalities and procedures due to illiteracy and lack of information; and
- 3) The trade policies are silent about ICBT and, therefore, not mainstreamed in national policies, plans and strategies.

The recommendations from the study included the need to offer technical assistance and quality support services to informal traders and build greater trust between the private sector and border agencies; promote broad regulatory and administrative reforms; simplify official administration for businesses and tax administration and rationalization of business registration and licensing regimes. It also recommended governments to consider reducing the cost of trading formally and enhance the efficiency of border controls to improve compliance with existing trade-related regulations and addressing the implementation challenges of the COMESA Simplified Trade Regime (STR).

## **2.0 Objective**

Given the above background, Malawi plans to conduct a study with the aim to mainstream the informal trade into the national development agenda through formalization. Specifically, the consultancy seeks to:

- 1) Identify regulatory and administrative reforms needed to strengthen the formalization of informal trade in order to facilitate significant and sustainable small scale enterprise development and participation of small-scale traders in formal trade;
- 2) Identify other partnership-based and rights-based approaches to

formalization; and

- 3) Develop sustainability strategies on formalization of the informal cross border trade in Malawi.

### **3.0 Scope of the consultancy**

In performing this consultancy, the following should at least be adhered to:

- 1) The consultant should develop and implement a sound methodology for carrying out the study;
- 2) Engage Ministry of Trade and Industry to review programmes and activities on formalization of the ICBT and identify activities that would drive the formalization agenda;
- 3) Engage, among others, Ministry of Finance and Malawi Revenue Authority (MRA) and review incentives that are available to attract informal CBT into the formal CBT;
- 4) Examination and review border procedures, non-tariff barriers and other hindrances that may be responsible for driving away CBT from engaging in formal trade;
- 5) Consult with various border agencies and identify border procedures, non-tariff barriers and other hindrances that may be responsible for driving away CBT from engaging in formal trade;
- 6) Consult with groups of players in the informal sector to understand the constraints they face and how these could be addressed;
- 7) Recommend concrete activities that are required to address the regulatory and administrative huddles;
- 8) Develop, review, or update sustainable strategies on formalization of the informal cross border trade in Malawi; and
- 9) Produce and submit monthly progress reports on the consultancy.

### **4.0 Deliverables**

- 1) Develop an inception report detailing the methodology, the implementation plan with a Gantt Chart the consultant will use to fulfill the deliverables of the consultancy within two weeks of the award of the contract;
- 2) Draft report within three months of signing contract;
- 3) Presentation of draft report to stakeholders for validation; and
- 4) Final report to which should include a strategy for formalizing informal trade.

## 5.0 Duration of the Contract

The consultant will be engaged for 90 man-days spread over 6 months.

## 6.0 Reporting

The Consultant shall be reporting progress on his/her work to the Director responsible for Small and Medium Enterprises at the Ministry of Trade, Malawi, and the Director of Trade and Customs at the COMESA Secretariat.

## 7.0 Qualifications and Experience of the Consultant

- 1) Should hold at least a master's degree in one of the following: Law, Trade Economics, International Trade and Development, international Trade and Finance, Economics of Trade and international Finance;
- 2) Should be a professional in international trade and have facilitated CBT for at least 8 years in Sub-Saharan region;
- 3) Should have experience working in Sub-Saharan Africa especially in the Tripartite Region (COMESA, SADC or EAC) region and have led initiatives toward formalization of the ICBT and MSMEs; and
- 4) Should possess deeper knowledge of regional integration and good report writing skills.

## 7 TIMELINES FOR UNDERTAKING THE ASSIGNMENT

The table below shows the expected outputs and the timeline for the assignment.

OUTPUT	DESCRIPTION	PERIOD	LOCATION DETAILS
Inception report	Submission of inception report	2weeks	Home based
Draft report	Submission of draft report	3months	Home based- virtual field work
Final report	Final report submitted and approved, in accordance with the requirements of the contract		Home based

## 8 PROFILE OF THE INDIVIDUAL CONSULTANT

The Individual consultant should have the following minimum qualifications to undertake consultancy work: -

- Degree in law, trade economics, international trade and Development, international Trade and Finance, Economics of Trade and international Finance
- At least 8 years of proven working experience in international trade.

- Must have technical background and experience in the regional migration policy and the movement of persons in regional integration and must have undertaken similar studies in the area of focus at regional or international level.
- Proven working experience working in Sub-Saharan Africa especially in the Tripartite Region (COMESA, SADC or EAC) region and have led initiatives toward formalization of the ICBT and MSMEs similar national or regional and international studies.
- Proven capacity to interact with national and international stakeholders in public and private sectors in COMESA region.



**ANNEX 2: Expression of Interest Forms**

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**A. COVER LETTER FOR THE EXPRESSION OF INTEREST FOR THE PROJECT**

**REFERENCE NUMBER: CS/PRO/TRADE/27.02.2023/01 SMT**

**REQUEST FOR SERVICES TITLE: - SHORT TERM CONSULTANCY CONTRACT TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA**

*Country, Date*

To: COMESA Secretariat

Dear Sirs:

I, \_\_\_\_\_ the undersigned, offer to provide the consulting services for the **SHORT TERM CONSULTANCY CONTRACT TO MAINSTREAM THE INFORMAL ECONOMY INTO THE NATIONAL DEVELOPMENT AGENDA** in accordance with your Request for Expression of Interests number *CS/PRO/TRADE/27.02.2023/01 SMT*, dated 27<sup>th</sup> February, 2023 for the sum of Euro 15,000. This amount is inclusive of all expenses deemed necessary for the performance of the contract in accordance with the Terms of Reference requirements.

I hereby declare that all the information and statements made in my CV are true and accept that any misinterpretation contained in it may lead to my disqualification.

My proposal is binding upon me for the period indicated in Paragraph 9(iii) of this Request for Expression of Interest.

I undertake, if my Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph 10 of the Request for Expression of Interest, and to be available for the entire duration of the contract as specified in the Terms of Reference.

I understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Signature [*In full and initials*]:

Name and Title of Signatory:

## B. CURRICULUM VITAE

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1. Family name:
2. First names:
3. Date of birth:
4. Nationality:
  
5. Physical address:
6. Postal address
7. Phone:
8. E-mail:
9. Education:

Institution: [Date from – Date to]	Degree(s) or Diploma(s) obtained:

10. Language skills: (Indicate competence on a scale of 1 to 5) (1 – excellent; 5 – basic)

Language	Reading	Speaking	Writing
English			
Arabic			
Hausa			

11. Membership of professional bodies:
12. Other skills:
13. Present position:

**14. Years of experience:**

**15. Key qualifications:**

**16. Specific experience in the region:**

Country	Date from - Date to

**17. Professional experience:**

<b>Date from – Date to</b>	<b>Location of the assignment</b>	<b>Company &amp; reference person (name &amp; contact details)</b>	<b>Position</b>	<b>Description</b>

**18. Other relevant information:**

**19. Statement:**

I, \_\_\_\_\_ the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

I hereby declare that at any point in time, at the COMESA Secretariat's request, I will provide certified copies of all documents to prove that I have the qualifications and the professional experience as indicated in points 8 and 14 above<sup>1</sup>, documents which are attached to this CV as photocopies.

By signing this statement, I also authorize the COMESA Secretariat to contact my previous or current employers indicated at point 14 above, to obtain directly reference about my professional conduct and achievements.

\_\_\_\_\_ Date: \_\_\_\_\_

**ATTACHMENTS:**    **1) Proof of qualifications indicated at point 9**  
**2) Proof of working experience indicated at point**

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<sup>1</sup> *The proof of stated qualifications shall be in the form of the copies of the degrees and diploma obtained, while for the professional experience the proof shall be either acknowledgement letters from the previous employers or copies of the Purchase Order/ Contract signed with them.*