REQUEST FOR EXPRESSIONS OF INTEREST
INDIVIDUAL CONSULTANT
INFORMAL SECTOR TAXATION
FOR THE AFRICAN TAX ADMINISTRATION FORUM (ATAF)

TAXATION

Financing Agreement reference: 2100155032416
Project ID No.: P-Z1-K00-059

The African Tax Administration Forum (ATAF) has received financing from the African Development Bank toward the cost of the Regional Institutional Support Project On Public Financial Governance (RISPFPG), and intends to apply part of the agreed amount for this grant to payments under the contract for the Individual Consultant for Informal Sector Taxation.

The Individual Consultant will be expected to perform the following services; Provide inputs for the project concept note; Collect and compile data on informal sector; Participate in the country visits for the identified pilot countries; Compile draft country field visit reports; Provide inputs into the Budget for all project activities; Provide inputs for a work plan for the consultative technical workshop to be held in February 2020; Coordinate logistical aspects for the consultative; Provide inputs into the Consultative workshop agenda; Provide data and necessary information as inputs for research papers and policy briefs; Document and maintain outcomes of consultative meetings/workshops; Gather inputs for the informal sector guidebook; Develop and maintain a list of key project stakeholders; Develop tools for data collection; Prepare project progress and implementation reports for submission in accordance with reporting procedures; Communicate under directives of the Senior Consultant project progress to beneficiaries as and when needed. The consultant will be recruited for 10 months from January 2020 to 31 October 2020.

The African Tax Administration Forum now invites eligible consultants to indicate their interest in providing these services. Interested consultants must provide information indicating that they are qualified to perform the services. The Consultant is expected to have the following key competencies

- At least a University degree or higher in taxation, economics, statistics, law, public administration and any other related field;
- Minimum 5 years of demonstrated experience in data collection and analysis preferably analysis of tax policy and regulatory framework and or successful work on the taxation of the informal sector;
- Demonstrable work experience in undertaking research activities/field work;
- Should have knowledge of the tax systems and trends in Africa;
- Should have ability to coordinate and organize events;
- Should have a sound analytical and critical writing ability.

- Added Advantages
• Fluency in English [written and spoken]; a good working knowledge of Portuguese, Arabic and/ or French will be an advantage.
• Willingness and ability to travel frequently;
• Cultural sensitivity and experience to moderate meetings of culturally diverse and international groups;
• Strong project coordination skills, organizational skills and networking skills;
• Computer literate and proficient

Eligibility criteria, establishment of the short-list and the selection procedure shall be in accordance with the African Development Bank’s “Procurement Policy and Methodology for Bank Group Funded Operations (BPM), dated October 2015”, which is available on the Bank’s website at http://www.afdb.org.

Interested consultants may obtain clarification at the email address below during office hours 0800 to 1630 hours Monday to Friday. The detailed Terms of Reference are in Annex I of this Request for Expression of Interest.

Expressions of interest must be sent to the email address below by 31 January 2020 at 16h00 SAST and cover letters should clearly indicate the position of “Consultant- Informal Sector Taxation”.

Attention:
African Tax Administration Forum
Ms. Nune Mandala
Procurement Specialist
Tel: +27 (0) 12 451 8837
E-mail: nmandala@ataftax.org
ANNEX I

TERMS OF REFERENCE FOR PROCUREMENT OF AN INDIVIDUAL CONSULTANT FOR
THE AFRICAN TAX ADMINISTRATION FORUM (ATAF)
INFORMAL SECTOR TAXATION

ATAF/AfDB Project

INDIVIDUAL CONSULTANT

INFORMAL SECTOR TAXATION

Pretoria, South Africa

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1. Background

The impact of informal sector in the economy of African countries cannot be over emphasised. In Sub-Saharan Africa alone, the informal sector contributes about 80 per cent of labour force and up to 60 per cent of GDP. The African revenue authorities have the responsibility to ensure that more revenue is mobilised to enable their respective governments to meet their fiscal obligations. Revenue authorities strive to continually improve their functions in order to broaden the tax base, reduce tax gaps, improve fairness in the tax systems and enhance the overall rate of voluntary compliance.

The term informal sector originally referred to the non-formal labour market employment; further to that the informal sector notion is generally a legal concept which describes businesses that are not subject to some of the applicable legislation including registration, labour laws and taxation.

The predominance of the informal sector and the design of an effective taxation for the informal sector are fundamental regarding tax strategies on the continent. Since small and medium enterprises (SMEs) constitute a significant part of the informal sector, taxation of SMEs becomes one of the major needs that tax administrations should tackle in order to solidify the requirements of any tax system.

When SME / informal sector taxation is considered purely from short-term revenue gains, its potential for developing countries is often overlooked. Revenue administrators often argue that the cost of registering all small taxpayers and processing returns far outweighs the benefits in terms of revenue outturn. However, it is also reasonably argued that a tax system goes beyond merely maximising revenue collection in the short-term but needs to consider viable strategies over the medium- to long-term which might enhance a higher degree of tax compliance across the tax base, thereby generating more future revenue for the state and ensuring fairness in the tax system.

A tax system can also build a platform to support entrepreneurship and business development. Taxation of SMEs should therefore be seen –to a large extent –in the context of developing good fiscal citizenship and an “academy” to inculcate the culture of tax compliance among taxpayers and to facilitate graduation from the presumptive into standard tax regime, rather than merely collecting revenue. Consistent with this argument, quantifying and comparing the benefit or
potential benefit of taxation of the informal sector against the cost of administration should be considered carefully.

The greatest challenge to tax authorities is to translate the huge revenue potential, as shown by the size of the informal sector of which the SMEs are quite substantial, into actual revenue in an equitable, efficient and cost effective manner. The question therefore is not whether or not to tax the sector, rather the main issue should be whether to streamline the general tax system and apply the same tax instruments to all taxpayers, or to create a special regime for this sector.

Improving the taxation of the informal sector will lead to widening of the tax base so that every taxpayer pays his/her fair share thereby providing a level playing field and reducing dependency on a small number of formalized taxpayers. Bringing into the tax net those who were in the informal sector would not only lead to an increase in the total taxes collected but would increase compliance and accountability. Increased tax revenues would indicate an improvement in the country’s ability to domestically mobilize resources and decreased dependency on foreign aid, loan and grants to finance the national budget.

African Tax Administration Forum (ATAF) being the voice of Africa on Tax Matters, is well placed along with its other objectives and support from development partners to oversee the project on Informal Sector and recommend policy and administrative initiative that will benefit Africa economies.

2. General Scope of the Project

In response to the above scenario, ATAF will embark on a project to develop an African approach to dealing with the taxation of the informal sector on the continent. The project will be undertaken by ATAF and will be manned by a team of two Consultants (A Senior Consultant and a Consultant).

The Consultant will be responsible for the full conceptualisation of the project and will be expected to produce the project concept note; conduct desktop research to establish baseline information existing on the ground regarding the informal sector in Africa; conduct study visit to six selected countries for purposes of understanding the forms and nature of the sector in those
countries and the impact of the sector into the country economies; bring together through consultative workshops, tax administrators, policy maker, and other experts; one, to focus and develop action points from the findings of the desktop research and; two, to consolidate findings from the country visits; at a later stage the consultants will be expected to produce research papers and policy briefs that will lay the basis for the future work on informal sector taxation. Ultimately, the project final deliverable will be producing a guidebook for countries on the steps that could be taken to deal with the taxation of the informal sector. Training seminars, based on the guide, could then be run later for ATAF member countries.

3. Specific Terms of Reference of the Consultant

The following are, among others, specific areas of the project that the Consultant will be responsible for and measured against:

- i) Provide inputs for the project concept note;
- ii) Collect and compile data on informal sector;
- iii) Participate in the country visits for the identified pilot countries;
- iv) Compile draft country field visit reports;
- v) Provide inputs into the Budget for all project activities;
- vi) Provide inputs for a work plan for the consultative technical workshop to be held in February 2020;
- vii) Coordinate logistical aspects for the consultative;
- viii) Provide inputs into the Consultative workshop agenda;
- ix) Provide data and necessary information as inputs for research papers and policy briefs;
- x) Document and maintain outcomes of consultative meetings/workshops;
- xi) Gather inputs for the informal sector guidebook;
- xii) Develop and maintain a list of key project stakeholders;
- xiii) Develop tools for data collection;
- xiv) Prepare project progress and implementation reports for submission in accordance with reporting procedures;
- xv) Communicate under directives of the Senior Consultant project progress to beneficiaries as and when needed.

4. Expected Deliverables/Outputs

The following key deliverables, among others, will be expected from the Consultant

- i) Well captured and summarized inputs for the Concept note including work plan;
ii) Inputs for the budget provided timely;

iii) Inputs for the consultative agenda provided in good time;

iv) Implementation check list for consultative workshops to be held in 2020;

v) Online questionnaire to be submitted to experts prior to the workshop;

vi) Consultative workshops well-coordinated and successful conducted;

vii) Data and necessary information for research papers and policy briefs provided timeously;

viii) Consultative workshops outcomes and documents are maintained and can be retrieved and accessed conveniently;

ix) Inputs for the informal sector guidebook provided timeously;

x) List of key project stakeholders developed and maintained;

xi) Directives from Senior Consultant noted and worked upon.

5. Profile of the Consultant

The project Consultant is expected to have the following key competencies

i) At least a University degree or higher in taxation, economics, statistics, law, public administration and any other related field;

ii) Minimum 5 years of demonstrated experience in data collection and analysis preferably analysis of tax policy and regulatory framework and or successful work on the taxation of the informal sector;

iii) Demonstrable work experience in undertaking research activities/field work;

iv) Should have knowledge of the tax systems and trends in Africa;

v) Should have ability to coordinate and organize events;

vi) Should have a sound analytical and critical writing ability.

Added Advantages

vii) Fluency in English [written and spoken]; a good working knowledge of Portuguese, Arabic and/ or French will be an advantage.

viii) Willingness and ability to travel frequently;

ix) Cultural sensitivity and experience to moderate meetings of culturally diverse and international groups;

x) Strong project coordination skills, organizational skills and networking skills;

xi) Computer literate and proficient.
Thus, the individual consultant with these competencies and proven experience of similar or related assignments work done are eligible for the position. Applications should be supported by no less than three traceable referees.

The performance criteria that will be used to assess the performance of the Consultant at regular intervals –and based upon which the contract may be continued or terminated –is the effectiveness, efficiency and quality of delivering on the Scope of Services, Specific Terms of Reference and Deliverables of the assignment.

6. Resources Provided
The Consultant will be consulting for the African Tax Administration Forum. She/he will be guided by the engagement contract and Terms of Reference of the project from which details and conditions of the assignment will be stated. ATAF shall be responsible for office accommodation and provision of necessary working facilities as and when the consultant will be required to work at the ATAF office premises. The consultant will be required to travel periodically. The project will generally be executed outside ATAF offices with continuous reporting of the project progress and milestones. However, to undertake key specific tasks, the consultant will be required to spend some time (on a full-time basis) at the ATAF Secretariat in Pretoria, South Africa and the Consultant will be responsible for processing his/her Visa.

7. Duration
The assignment shall be for ten (10) months and commence on 06 January 2020 and be concluded 31 October 2020.

8. Remuneration
The remuneration will be deliverable-based, and this will be agreed upon prior to signing of the contract.

9. Reporting Structure
The Consultant will report to and work under the direction of the ATAF Director of Research and the project will be under the direction of the ATAF Director of Research. To execute his/her responsibilities and attain the expected deliverables the Consultant is expected to work closely with the Senior Consultant on this project to perform all tasks listed above and any other tasks given by the Senior Consultant and the ATAF Director of Research as deemed relevant for the success and smooth running of the project.
10. Restrictions

In addition to the standard conflict of interest restrictions specified in the engagement contract, all materials created under the assignment will remain the sole property of the African Tax Administration Forum. Reuse of the materials will require the formal, written approval from ATAF. The Consultant shall have no material interests in any of the outputs of this project.

On the commencement of the project, the Consultant will sign a statement of confidentiality that will bind the Consultant to non-disclosure of any sensitive information that the Consultant may possess knowledge of during the project.

11. Evaluation criteria

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<tr>
<th>Id No</th>
<th>Description of evaluation criteria</th>
<th>Maximum points</th>
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<tbody>
<tr>
<td>1</td>
<td>At least a University degree or higher in taxation, economics, statistics, law, public administration and any other related field;</td>
<td>20</td>
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<tr>
<td>2</td>
<td>Minimum 5 years of demonstrated experience in data collection and analysis preferably analysis of tax policy and regulatory framework and or successful work on the taxation of the informal sector</td>
<td>30</td>
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<tr>
<td>3</td>
<td>Demonstrable work experience in undertaking research activities/field work in the area of the taxation of the informal sector</td>
<td>15</td>
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<td>4</td>
<td>Should have knowledge of the tax systems and trends in Africa;</td>
<td>15</td>
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<td>5</td>
<td>Should have ability to coordinate and organize events;</td>
<td>10</td>
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<tr>
<td>6</td>
<td>Should have a sound analytical and critical writing ability</td>
<td>10</td>
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