

STATEMENT OF WORK

Dominican Republic CAFTA-DR Implementation Project (CAFTA-DR IP)

I. PURPOSE

Given that the free trade agreement for Central America, the Dominican Republic, and the United States (CAFTA-DR) entered into force in the Dominican Republic on March 1, 2007, the Government of the Dominican Republic (GODR) and private sector institutions need to be strengthened in order to face the challenges ahead in the implementation of this free trade agreement (FTA). In order to comply fully with the agreement and take full advantage of the newly opened markets technical assistance will be needed in various areas, such as protection of intellectual property rights, environmental standards, labor rights, agricultural sanitary and phytosanitary (SPS) regulations, government procurement, customs, and dispute resolution.

The purpose of this activity is to support the efforts of the GODR institutions, especially the Directorate of Foreign Commerce (DICOEX) in the Secretariat of Industry and Commerce (SEIC), private firms and business associations, and civil society organizations to implement fully this FTA in the Dominican Republic. The overarching objectives of this project is to have within the next five years: (i) the GODR implementing effectively all 22 chapters of CAFTA-DR, (ii) the Dominican private sector is benefiting from improved trade and investment policy implementation; and (iii) there are Dominican civil society groups capable of monitoring, analyzing, and assessing the real impacts, shortcomings and results that this treaty will have had on the Dominican economy and society.

This project will be implemented over five years, and is estimated to cost around \$10.0 million. It will be a Task Order Award under GBTI IQC. It will provide one expatriate long-term advisor, short-term expatriate and Dominican consultants, Dominican professionals, sub-awards granted to Dominican organizations to carry out trade-related policy analysis and assessments, training, commodities, and other related inputs to achieve the objectives of this task order.

II. LINK TO THE APPROVED USAID/DR MISSION'S OPERATIONAL PLAN AND RESULTS FRAMEWORK

Four trends threaten to undermine democracy in the Dominican Republic: (1) weak governance as characterized by poor service delivery, inadequate rule of law, weak institutions, and widespread corruption; (2) the need to adjust to the rapidly changing global economy; (3) rising levels of crime, often linked to narcotics-trafficking; and (4) the large and growing gap between the rich and the poor. These trends combine to reduce social cohesion and severely limit the ability of policy makers to implement effective sustainable development

initiatives. Getting governance right in these difficult circumstances is the major cross-cutting challenge for transformational development in the Dominican Republic.

U.S. assistance programs target areas where the U.S. has already proved to be particularly effective as a donor and advocate for reform, complementing Dominican programs and the work of other donors. U.S. bilateral assistance is focused on removing the following key stumbling blocks for advancement: corruption and inadequate rule of law, a restrictive business environment and inefficient regulatory framework, and inadequate and ineffective investment in health and education.

U.S. assistance in the Economic Growth (EG) Objective will complement Dominican and other donor programs to streamline the regulatory framework to support the effective implementation of CAFTA-DR, which in turn will ensure a more secure, predictable business environment essential to generate broad-based, sustainable economic growth; assist potential exporters and import substitution firms in identifying new market opportunities; assist Dominican entry into the U.S. agriculture market for fresh fruits and vegetables, and in meeting U.S. import standards for quality, health, and packaging.

This project is part of the US assistance package for the EG Objective in the U.S. Foreign Assistance Framework¹. USG priorities for the next five years are to support the Dominican Republic become more competitive and expand the benefits of its free trade agreements. USAID will continue to provide trade capacity building (TCB) technical assistance in these areas to key public and private institutions, as well as in other areas. This project will also reinforce the Government of the Dominican Republic (GODR) efforts to overcome the policy weaknesses reported in the U.S. Millennium Challenge Corporation (MCC)² indicator scorecard³. With proper and appropriate implementation of the CAFTA-DR agreement, the MCC indicators for economic freedom will improve which, in turn, will increase the country's possibility to qualify for USG assistance from the Millennium Challenge Account (MCA) and move the country further along the foreign assistance framework from developing status to transforming status. In addition to assisting the GODR to implement CAFTA-DR effectively through this project, the EG program will provide assistance in rural economic diversification for small and medium enterprises, sustainable tourism, and poverty alleviation.

¹ This program will be funded through the Foreign Assistance Objective Economic Growth under the Program Areas Trade and Investment, and Environment. The subsequent Program Elements that will be addressed are Trade and Investment Enabling Environment, and Natural Resources and Biodiversity. The Sub-Elements that will be accounted for include Trade Facilitation and Support for International Standards, and Natural Resource Policy and Governance and Biodiversity Policy and Governance. The Foreign Assistance Framework can be found online at: <http://www.state.gov/documents/organization/79748.pdf>. More information regarding the Foreign Assistance Reform, Framework and Objective, Program Areas, Program Elements and Sub Element definitions can be found at: <http://www.state.gov/f/reform/>

² Further information on the Millennium Challenge Corporation can be found at <http://www.mcc.gov/>

³ The Dominican Republic's Indicator Score card can be found at: http://www.mcc.gov/selection/scorecards/2007/lmic/score_fy07_lmic_dominicanrepublic.pdf
Additional information regarding the indicators can be found at: <http://www.mcc.gov/selection/indicators/index.php>

III. BACKGROUND

A. Economic Situation

The Dominican Republic, while growing rapidly during the past two years, is suffering from a long-term economic crisis caused by chronic low levels of private productive investment and limited export product diversification which is compounded by low competitiveness (i.e., relatively high production costs and low productivity) and cyclical commodity prices (particularly, in the agricultural sector). This crisis has accelerated rural to urban migration within the country and illegal emigration to the United States. This crisis also causes retail sales and incomes in rural Dominican communities to fall and bank loan default rates to increase, resulting in costly government bailout programs and higher fiscal deficits. The removal of world textile quotas in 2005 resulted in serious problems for the Dominican textile industry in 2006, and any slowdown in the economic growth of the U.S. economy would further exacerbate the economic problems in the Dominican economy.

Since the 1990's, the expansion of regional trade integration initiatives, broad-based economic growth, quality education, and sustainable management of its natural resource base have been priorities of the Dominican Government. However, efforts to attract sizable new private investment in Dominican agriculture, forestry, and manufacturing are currently undermined by the high transaction costs of electricity, bureaucratic obstacles, high interest rates, security, corruption and weak financial system supervision and judicial system. Moreover, the quality (i.e., value added) of investment in these areas is low because of the low skill and productivity of the work force. This same low labor productivity impedes income growth and poverty reduction among the poorest sectors of the population.

Low labor productivity and high transaction costs have left Dominican firms at a disadvantage to compete internationally. Most Dominican firms, particularly those in the agricultural, wood, and manufacturing sectors are not sufficiently prepared to compete in open international markets. Nevertheless, the Dominican Government is committed to the expansion of free trade in the region as shown by its active participation in the CAFTA-DR negotiations and its signing in September 2005.

On March 1st 2007, the Dominican Republic complied fully with the treaty requirements and CAFTA-DR came into force. The Dominican Government views regional integration initiatives as a critical tool in addressing its urgent economic and social needs, and is strongly committed to the implementation of CAFTA-DR and other Free Trade Agreements (FTAs), as a way to achieve broad-based sustainable economic growth.

The Dominican Government's principal concern is with the asymmetry in the production capabilities of the parties involved in CAFTA-DR and the adjustment that many inefficient enterprises will have to make in order to compete in an open regional market. Moreover, there is the concern about what will happen if these firms fail to make the necessary adjustment, increasing the levels of unemployment and poverty. The country's widespread poverty and the

growing income gap between the poor and the rich is currently the principal development challenge for the Dominican Government.

The World Bank (WB) Poverty Assessment of 2004 shows that 43% of the Dominican population was living in poverty, while 16% was living in extreme poverty. This report also shows that income inequality remained unchanged from 1997-2004 with a Gini coefficient of 0.52, which is average for the Latin American and Caribbean Region that is the most unequal region in the world. Even with the macroeconomic policy reforms initiated in 2004 that have helped to stabilize the economy and increased the annual GDP growth rates to 9.3% in 2005 and 10.4% in 2006, the reduction in poverty and the poverty gap over this period has not been significant. Poverty rates are slow to change, especially when the majority of the benefits of public and private investments fail to reach the lower income classes.

Reaching the poor and providing them with greater access to increasing economic opportunities such as financial resources and public services is extremely difficult, especially for those who live in isolated rural areas and have little or no education. Those living in extreme poverty can probably be helped most effectively by safety-net programs provided by the government and charitable non-governmental organizations (NGOs). The remaining group living in poverty, but above the level of extreme poverty, probably can be most effectively helped by offering them gainful employment opportunities that can be expanded with higher levels of education, good health, and greater availability of productive resources and know-how. The later group is the primary target group of the USAID/DR Economic Opportunities (EO) Program.

B. Political Situation⁴

In the remainder of the four-year term of the president, Leonel Fernández of the Partido de la Liberación Dominicana (PLD), politics will be dominated by the May 16th 2008 presidential election. Although President Fernández's party will have a majority in both chambers of Congress, progress on his agenda of economic and institutional modernization is likely to be slow and piecemeal. Reforms that conflict with the interests of domestic business lobbies will face additional delay. The contest between Mr. Fernández and Danilo Medina for the PLD nomination, which took place on May 6th 2007, became increasingly acrimonious, affecting the government's standing. If the PLD fails to unite after the primary, governability will suffer further. The political scene is likely to become increasingly hostile as the presidential election draws nearer. The EIU expects President Fernández to win the May 2008 election. A victory for the Partido Revolucionario Dominicano (PRD) candidate, Miguel Vargas Maldonado the only likely other result because the Partido Reformista Social Cristiano (PRSC) is a diminished third force would leave governability weak, since the PLD will have a majority in Congress until the 2010 legislative and municipal elections. Moreover, a victory for Mr. Vargas Maldonado would also test investor confidence, given the disastrous record of the previous PRD government of Hipólito Mejía (2000-2004), his political ally. At the top of President Fernandez's agenda is a proposal to reform the constitution to provide greater legal rights for citizens, clear up inconsistencies in the current constitution and unify the

⁴ Source: Economist Intelligence Unit (EIU) Dominican Republic report, April 2007.

congressional and presidential election calendars, which are currently staggered at two-year intervals, among other changes. This requires the support of a two-thirds majority in Congress. Although the president's power of patronage would help deliver sufficient support from opposition congressmen, President Fernández had to delay a vote, because he could not rely on the backing of PLD congressmen before the PLD nomination contest, since most congressmen are loyal to Mr. Medina.

Election watch: May 16th 2008 presidential election

The Partido de la Liberación Dominicana (PLD) held an internal primary election on May 6th. Danilo Medina had considerable support among PLD congressmen, whereas the president, Leonel Fernández, had greater backing among rank-and-file party members and the general public. President Fernández won the PLD nomination, and therefore he stands a good chance of securing a third term in May 2008, but if he fails to manage a number of challenges adequately, or if the party fails to unite after the primary, his popularity would suffer. President Fernández has taken steps to restore confidence in economic management and has presided over a strong recovery from the crisis of 2003-04. However, a third tax reform in December 2006 following fiscal slippage earlier in the year is proving politically costly, compounding a growing sense of malaise over his government's record. Progress in addressing campaign pledges in the first two years of his presidency, particularly combating crime and corruption and reducing chronic electricity shortages, has been slow, and, despite the impressive economic rebound and stabilization of inflation, most Dominicans do not feel better off. This has already led to a decline in President Fernandez's personal approval rating, although he currently remains the most popular politician. With the PLD now in a majority in Congress, the public will expect the president to advance more quickly on these fronts. Failure to do so, or an unexpected deterioration in economic conditions, would cause President Fernandez's popularity to fall further, denting his own chances of forming the government that takes office in August 2008.

The opposition Partido Revolucionario Dominicano (PRD) and Partido Reformista Social Cristiano (PRSC) parties have failed to capitalize fully on the PLD's woes, because they have long suffered from divisions over their leadership. It remains to be seen whether the newly elected PRD candidate, Miguel Vargas Maldonado, can heal the party's divisions and mount a strong challenge, given that the disastrous PRD government of Hipólito Mejía (2000-04) is still relatively fresh in most Dominicans memories. Mr. Vargas Maldonado (a construction magnate) is a close ally of Mr. Mejía, for whom he served as minister of public works. The PRSC is preparing to hold a primary election in June, in which Eduardo Estrella is the favorite to win. Given that they have similar constituencies, the PRSC stands to benefit from a decline in the PLD's popularity, but it is likely to remain a weakened third force in Dominican politics.

C. Secretary of Industry & Commerce (SEIC)/Directorate of Foreign Commerce (DICOEX)

Given the complexity of CAFTA-DR, many Dominican public and private institutions have to be strengthened in order to carry out their respective mandate and responsibilities in order to

implement CAFTA-DR effectively, as well as having the desired effect of increasing trade, broad-based economic growth, and greater transparency and the rule of law. Many of the institutions, and especially DICOEX, that are tasked with implementing CAFTA-DR are not prepared adequately to meet the multi-faceted demands of administering trade policy, observing and enforcing relevant laws, regulations and policies, compliance with laws and treaty obligations, and developing the institutional capacity of training their respective human resources.

The successful implementation of CAFTA-DR will depend on a number of public and private institutions. The key public institutions for the enforcement of CAFTA-DR provisions include mainly DICOEX and other Secretary of Industry & Commerce (SEIC) departments, the Secretary of Agriculture (SEA), the Secretary of the Environment and Natural Resources (SEMARENA), the Secretary of Labor (SET), the Secretary of Health (SESPAS), the Secretary of Finance (SEF), the Directorate General of Customs (DGA), the Office of Intellectual Property Rights & Patents (ONAPI), Office for Government Procurement (OGP), and the Office for Authors' Rights (ONDA). Other public institutions, such as the Center for Exports and Investments (CEI-RD), the National Competitiveness Board (CNC), Congress, and the judicial system, are also expected to play important roles in the successful implementation of CAFTA-DR. In addition, the private sector, including key business associations (e.g., CONEP, AIRD, ANJE, AMCHAM, and ADOZONA), construction firms, exporters and importers, and law firms, will be the principal actors to take advantage of the new trade rules under CAFTA-DR, while the universities, private consulting firms, and NGOs can play an important role in monitoring and evaluating the implementation of the rules and regulations of CAFTA-DR.

D. Past and Current USAID/DR Trade Policy Capacity Building Activities

The USAID Competitiveness and Policy Program (USAID-CPP) has continued to deliver measurable impact and provide leadership in policy and trade capacity building (TCB) – especially in CAFTA-DR implementation – as well as helping to transform the DR's tourism and non-traditional agricultural sectors.

In policy reform and TCB, the USAID/DR-CPP provided leadership to focus GODR efforts in CAFTA-DR's ratification, accession, and implementation, providing local and expatriate technical assistance to carry out necessary policy and regulatory reforms, as well as support to key GODR authorities. When the accession process was slowed by negotiations on some key technical issues such as intellectual property rights (IPR), the USAID/DR-CPP provided hands-on, day-to-day support to the GODR, such as assisting in developing implementation work plans to expedite progress when the agreement comes into force.

IV. GOVERNMENT AND OTHER DONORS PROGRAMS

Because of the depth and breadth of this effort, other advisors and contractors supported by USAID and other donors will be working in complementary and/or related areas. To ensure that a common objective is realized, coordination and teamwork are essential with other USAID contractors.

USAID/DR will work actively to coordinate the implementation of this activity with efforts being implemented by other donors. Donor coordination will include, but not be restricted to, the International Monetary Fund (IMF), the Organization of American States (OAS), the Inter American Development Bank (IDB), the World Bank, the European Union (EU), the Japanese International Cooperation Agency (JICA), and any other donors who are currently providing assistance to the GODR/SEIC/DICOEX on FTA implementation, especially CAFTA-DR, in order to avoid duplication of efforts and resources.

As an example, in March 2006 the National Competitiveness Council (NCC) and the Inter-American Development Bank (IDB) entrusted the USAID Competitiveness and Policy Program (USAID/DR-CPP) with a major role in the technical and administrative management of over \$1.3 M to support tourism and agricultural clusters through the IDB's Competitiveness Promotion Fund (FONDEC). Unprecedented donor coordination has expedited FONDEC implementation. Additionally, USAID played a key role in GODR's CAFTA-DR implementation by delivering timely assistance to the Secretariat of Industry and Commerce (SEIC) in drafting modifications to IPR regulations, copyright laws, procedures on agriculture import licenses, and administration of agricultural tariff rate quotas and safeguards, as well as its ratification. USAID/DR has also collaborated closely with the American Chamber of Commerce (AMCHAM) in providing Dominicans with a better understanding of CAFTA-DR provisions and potential benefits.

V. OBJECTIVES AND INDICATORS

The overall objective of this project will be to facilitate implementation of CAFTA-DR and ensure that the local actors are fully competent to do so upon completion of the 5-year timeline. By working closely with and providing technical assistance to the public institutions and private organizations related to CAFTA-DR implementation, this project is expected to achieve the following general objectives:

- 1.** Strengthened communication and coordination among GODR institutions, particularly DICOEX, to monitor and evaluate the implementation of all the provisions in the 22 chapters of CAFTA-DR;
- 2.** Greater support for public policy and procedural reforms required to implement CAFTA-DR effectively, improve the overall investment climate, and increase private business investment and competitiveness in the Dominican Republic;
- 3.** Enhanced capacity in key public and private sector institutions to monitor the implementation of CAFTA-DR and carry out quality applied research and analysis on its economic and social impacts on various sectors of the Dominican economy; and
- 4.** Improved awareness and understanding by all sectors in CAFTA-DR implementation issues, impacts and opportunities.

USAID/DR expects the applicants for this project to specify how they intend to achieve the project objectives and expected results outlined below in section VII. Scope of Work. The

applicants must also put forth the indicators they propose to use to measure both output/process and impact successes.

One mandatory indicator that must be included in the Monitoring and Evaluation Plan is:

Number of legal, regulatory, or institutional actions taken to improve implementation or compliance with international trade and investment agreements due to support from USG-assisted organizations.

This output/process indicator will be reported on in the USAID/DR Operational Plan and is not intended to measure the project's impact.

VI. PERIOD OF PERFORMANCE

The period of performance for this Task Order will begin on or about October 1, 2007 and will conclude on September 30, 2012.

VII. SCOPE OF WORK

There are five primary Tasks that will be undertaken by the contractor. These are:

- 1) Formation of the Project Implementation Unit (PIU)
- 2) Initial Baseline Assessment of the Dominican Institutional Capacity to Implement Fully CAFTA-DR
- 3) Development of a Five-Year Work Plan with emphasis on the first year
- 4) Strengthened Dominican Institutional Capacity to Implement CAFTA-DR
 - a) Strengthened Inter-institutional Trade Framework
 - b) Strengthened Research and Data Capability
- 5) More Effective Public-Private Dialogue on CAFTA-DR Implementation

Task 1: Formation of the Project Implementation Unit (PIU)

The contractor shall present in their project proposal to USAID/DR a detailed organizational chart with the names of the key persons they propose to contract to carry out their respective project duties and responsibilities. As specified in Section X of this Statement of Work (SOW), the PIU is expected to have a U.S. Trade Specialist as the Project's Chief of Party, and four local (Dominican) technical staff: three trade policy analysts and one Financial Manager/Accountant, along with the supporting administrative/clerical staff. The PIU, which

is expected to be fully operational within thirty (30) days of start of the contract, has the primary responsibility to manage the operations of this project and to achieve the objectives and results established for this project during its five-year life. At the end of the project's fifth year when the project ends, the PIU disappears. The sustainability of this project comes with the knowledge and technical assistance delivered to those institutions in charge of implementing CAFTA-DR in the Dominican Republic.

Expected Results

A fully functioning PIU, working closely with USAID/DR and DICOEX, established within thirty days of the contractor's mobilization date and continuing to manage this project and achieve the desired results within the project's five year period.

Task 2: Initial Baseline Assessment of the Dominican Institutional Capacity to Implement Fully CAFTA-DR

Within thirty (30) days of the mobilization date, the contractor shall present to USAID/DR and DICOEX a comprehensive baseline assessment of the current public and private institutional capacity as it relates to Tasks 4 and 5 below. This assessment shall also include detailed and comprehensive recommendations for an integrated, five-year program of technical assistance training, based on the provision of short-term contracts with expatriate and local consultants and sub-contracts with local organizations, as necessary.

Based on its assessment, the contractor is encouraged to suggest any additions, modifications, or refinements to these areas as appropriate. Additionally, the contractor will also propose comprehensive performance measures, benchmarks, milestones and subsequent indicators that will be used to gauge the progress toward achieving project results.

Expected Results

1. A reconciliation of the Task Order design activities against the Baseline Assessment to ensure that appropriate and priority activities have been identified. Sequencing of these activities will be reviewed, and newly identified activities may be considered as a result of the Baseline Assessment.
2. A final Baseline Assessment will be presented for review to USAID/DR and DICOEX prior to review and approval of the draft work plan.

Task 3: Development of a Five-Year Work Plan with emphasis on the first year

Within forty-five days (45) of the mobilization date, an annual Work Plan for five years (with emphasis on the first year Work Plan included in the proposal) will be agreed upon by

USAID/DR, DICOEX, and the contractor. DICOEX will designate a single point of contact within DICOEX (the “DICOEX CAFTA-DR Implementation Project Coordinator”) with whom the contractor shall coordinate on matters pertaining to implementation, and monitoring of the Work Plan. The Work Plan will serve as a comprehensive blueprint for the entire five-year program of technical assistance support and will complement the activities of other donors working in this area. The document will be supported by subsidiary annual work plans, as appropriate, detailing specific activities (e.g., strengthening the CAFTA-DR Trade Office in SEMARENA to implement Chapter 17 of the treaty, or a private policy analysis group to analyze the economic impacts of CAFTA-DR regulations in a specific sector) to achieve the Project’s goals and results.

Within the Work Plan framework (which takes into account what other donors are doing in this area), respective roles, responsibilities, tasks, input requirements, and expected results will be identified and allocated among the various responsible parties. Progress toward the stated goals will be reviewed and evaluated quarterly using performance measures developed and proposed by the contractor, with appropriate adjustments made as required. Likewise, a comprehensive review along with updating of the Work Plan shall be conducted annually.

Expected Results

1. A coordinated “Project Team” approach to implementing the Task Order with participants drawn from USAID/DR, the PIU, and DICOEX.
2. A first year Work Plan that, while detailed, can be implemented in a “flowing” and “cross activity” fashion, and will be subject to continuous monitoring by the Project Team.
3. A well-defined set of “subsidiary work plans” for discrete components (e.g., sub-awards) along with notations on additional needs for design and/or planning going forward.

Task 4: Strengthening the Dominican Institutional Capacity for CAFTA-DR

Implementation

a) Strengthened Inter-institutional Trade Framework

As pointed out in Section III.c of this SOW, the successful implementation of CAFTA-DR will depend on a number of public and private institutions. The public and private institutions listed in Section III.c have been preliminarily identified as the key organizations that will play important roles in the implementation of CAFTA-DR. Many of them may need assistance to play effectively their respective roles. This listing is subject to change based on the Baseline Analysis, the Annual Work Plans, and the changing needs identified by the Project Team.

Five critical public institutions and related areas that have been singled out for receiving special attention, which could be carried out through sub-contracts with local organizations, for strengthening CAFTA-DR implementation are the Secretary of Agriculture (SEA), Secretary of the Environment and Natural Resources (SEMARENA), the Government Procurement Office (GPO), The Office of Intellectual Property Rights and Patents (ONAPI), and the Commercial Legal & Dispute Resolution System.

The Contractor, using the Task Order Design and the Initial Baseline Assessment, will:

- Present a chart that indicates the respective duties and responsibilities that the key public and private institutions (including those listed above) play or should play in the enforcement or implementation of the rules and regulations of CAFTA-DR. This chart should also show the major strengths and weaknesses of each of the key institutions to carry out properly their designated duties and responsibilities.
- Present an analysis of which institutions should be given priority attention to implement effectively CAFTA-DR in the Dominican Republic and what key actions in priority order need to be taken to strengthen their weaknesses.
- Prepare appropriate SOWs that can be used by DICOEX to acquire additional trade capacity building (TCB) project funding from the GODR or international donors.
- These analyses and SOWs may be carried out by the analysts in the PIU or DICOEX, or contracted short-term consultants, with preference given to local Dominicans.

Expected Results

1. A chart that indicates the respective duties and responsibilities that the key public and private institutions play or should play in the enforcement or implementation of the rules and regulations of CAFTA-DR, and the major strengths and weaknesses of each of them to carry out properly their designated duties and responsibilities.
2. An analysis of which institutions should be given priority attention to implement effectively CAFTA-DR in the Dominican Republic.
3. Development of action plans to provide technical assistance to address the weaknesses of the priority institutions designated in point 2 above
4. Provide technical assistance to address the institutional weaknesses identified above, if within the project's budget, or write SOWs that can be used by DICOEX to acquire additional trade capacity building (TCB) project funding from the GODR or international donors.
5. Enhanced capacity of local consultants to recognize the issues involved in CAFTA-DR implementation and to have the ability to analyze these issues and write acceptable SOWs for future funding of projects.

b) Strengthened Research and Data Capability

Throughout meetings with DICOEX, there has been a recurring request for technical assistance to train their personnel to monitor and evaluate properly the impacts of CAFTA-DR. DICOEX personnel must be able to analyze CAFTA-DR trade data and information

effectively or know who can be contracted to provide the appropriate analysis or reports. Given the budget constraints and limitations in personnel of DICOEX, it is probably not feasible to do such analysis “in-house” and, therefore, this type of analysis needs to be contracted out to Dominican private sector consultants and universities or internationally, assuming that they can respond in a timely, cost-effective manner with high quality research results. To contract out this work effectively, DICOEX analysts will have to possess the ability to write appropriate Statements of Work, evaluate the results and recommendations of the analysis in an objective manner, and translate these results and recommendations into appropriate policy recommendations. Currently, this capacity in DICOEX is not considered sufficient to provide the Secretary of Industry and Commerce (SEIC) support to make well-informed, defensible policy recommendations. There is insufficient capacity in the form of skills, knowledge, training, and organization to produce the types and amount of analysis needed. While DICOEX, under current budget constraints, should continue to contract out universities, think-tanks and other Dominican private-sector entities to undertake needed trade policy research and analysis, having trained personnel with the ability to write quality SOWs, evaluate proposals, assess the quality of the results and recommendations, and translate these into policy recommendations is critical for the proper implementation of CAFTA-DR.

The Contractor will:

- In the first 45 days, meet with DICOEX and SEIC officials and staff to assess the strengths and weaknesses of its analytical capabilities, along with those in the private sector, think-tanks, and universities. The contractor will then determine DICOEX’s staff and resource development needs, given its current budget constraints, including needs for accessing data, personnel needs, and other resource needs to monitor and evaluate CAFTA-DR. The contractor will coordinate this effort with the assessment of information technology (IT) needs; to ensure that database access/management serves DICOEX’s needs.
- Assess DICOEX’s structure and propose reform, if needed, to increase its efficiency and effectiveness to monitor and evaluate CAFTA-DR impacts, and enhance its responsiveness to GODR officials’ and private sector needs;
- Assist DICOEX in establishing procedures that facilitate information flow to key policy makers (e.g., SEIC, Congress, private sector);
- Streamline DICOEX’s processes and procedures for producing timely economic and trade-related analysis and modeling, policy guidance and advice, and other reporting as required;
- Analyze DICOEX’s current outputs and propose new products, reports, analysis and public information as necessary to serve GODR officials’ needs;
- Provide training to DICOEX staff in writing SOWs and evaluation of alternative research methods, analysis, data collection and management, modeling, and in other related functions as may be required.

- Balance and strengthen coordination between DICOEX, other departments in SEIC, and other CAFTA-DR-related institutions in the executive and legislative branches, and in the private sector.

Expected Results

1. DICOEX staff will improve skills to: (i) better prepare SOWs for contracting out analytical studies and reports; (ii) analyze data, information, results and recommendations; and (iii) translate them into policy recommendations.
2. DICOEX is organized and staffed in order to function more efficiently to monitor and evaluate CAFTA-DR implementation.
3. DICOEX has improved the quality, and increased the number of reports, analyses, models and other outputs related to CAFTA-DR implementation.
4. DICOEX has developed clear lines of communication both horizontally, with other SEIC divisions, and vertically, within DICOEX and other public and private institutions involved with CAFTA-DR implementation.

Task 5: More Effective Public-Private Dialogue on CAFTA-DR Implementation

The objective behind this task is to leave in place sustainable mechanisms for communication and cooperation among stakeholders in CAFTA-DR implementation. One hallmark of successful trade-oriented countries, such as Chile and El Salvador, is close cooperation between government and the private sector.

The GODR's practice of working openly and closely with the private sector in the implementation and enforcement of CAFTA-DR is in an incipient stage. With the financial assistance of IDB and USAID/DR, DICOEX has organized a number of conferences and workshops on various CAFTA-DR themes that have been open to the private sector since the treaty came into force. A continuous effort by DICOEX to monitor and evaluate the implementation of CAFTA-DR and to share these findings with the public sector is critical for greater transparency and effective implementation of this treaty.

The contractor will:

- Provide technical assistance to DICOEX and the appropriate private sector entities and universities to create a consultative role for the private and academic sectors in CAFTA-DR monitoring and enforcement.
- The contractor will work with existing private sector groups and universities, and will engage in capacity building activities with them when necessary. Funding of activities with private sector and universities should be useful in facilitating private technical

assistance in this multi-faceted area, for example, through sub-grants to universities or think tanks to provide economic analysis services to the business associations and DICOEX, or to otherwise facilitate the consultative process.

Two examples, but not limited to, of key potential participants for this activity are (a) the private sector represented by the National Council of Private Business (CONEP) and the American Chamber of Commerce (AMCHAM); and (b) the proper functioning of the various public-private sector trade policy committees required by CAFTA-DR. Each is described below.

a. Business Associations/Representatives of Industry, Trade and Commerce

There are many industry/trade and commerce associations in the Dominican Republic. There are also groups of industry associations, including chambers of commerce representing foreign investors' views (e.g., the American Chamber of Commerce -- AMCHAM), that have the potential to speak for "industry" at large and for individual constituent industry trade associations as well.

By far the most significant of these representatives of business interests in the Dominican Republic is CONEP (<http://www.conep.org.do>). CONEP is the organization that includes the major part of the private Dominican business and industry associations. However, AMCHAM have been the most active group in working with its members and the U.S. Embassy to support the passage and proper implementation of CAFTA-DR in the country. CONEP leaders were active players in the CAFTA-DR negotiations, although some of them took anti-CAFTA-DR positions to protect their personal interests; however, they are now expected to play a critical role in its implementation. Affiliated industry groups regularly provide data on trade issues to CONEP and AMCHAM in order to facilitate its advocacy of certain policy issues. Unfortunately, the institutional capacity of these associations is usually limited by (a) lack of capacity to synthesize data collected from industry into useful reports upon which to base policy discussions with DICOEX, and (b) lack of an effective consultative mechanism to incorporate the views of their affiliates into policymaking.

While the DICOEX staff may meet with CONEP and AMCHAM on a periodic basis, the flow of information and communication between the two institutions on CAFTA-DR implementation needs to be improved to foster a greater mutual understanding of the problems confronting the private sector to take full advantage of CAFTA-DR.

b. Trade Policy Advisory Committees

The U.S. model for private sector input into trade policy incorporates a system of private sector advisory committees, created by Congress in 1974. The system is meant to ensure that trade policy and negotiation objectives adequately reflect domestic commercial and economic interests (See <http://www.ustr.gov>). Under this system, 26 sectoral, functional, and technical advisory committees provide information and advice with respect to U.S. negotiating objectives and bargaining positions before entering into trade agreements, on the operation of

any trade agreement once entered into, and on other matters arising in connection with the development, implementation, and administration of U.S. trade policy.

The organization of these sector, functional, and technical advisory committees were written into several chapters of CAFTA-DR, but have yet to be implemented. Several key examples of these committees that could be considered are textiles and apparel, construction, and furniture. Examples of functional committees (providing cross-sector advice) that should be replicated in the Dominican Republic are customs, standards, intellectual property issues, and electronic commerce.

The Contractor will:

- Assess CONEP, AMCHAM, and the other key business associations on their respective capabilities and capacity to play an important role in CAFTA-DR implementation in the first 45 days. Within that time period, the contractor will identify likely private sector entities to assist and develop a plan for working with the associations.
- In consultation with DICOEX, propose a plan to develop a concrete, regular, reliable mechanism for DICOEX to receive and consider the private sector's views on CAFTA-DR, and to ensure that the information is relayed to all policy decision makers, with opportunity for discussion and review as part of the decision making process.
- Identify needs of CONEP, AMCHAM, and other chosen private-sector entities for CAFTA-DR monitoring and evaluation and provide assistance to these groups, including training in the areas needed, including but not limited to data and policy analysis, transparency, and advocacy to help these private sector entities improve their inputs to and dialogue with DICOEX on CAFTA-DR implementation.
- Within DICOEX, create a process by which the data and concerns of the private sector on CAFTA-DR implementation are regularly solicited and received, and are an explicit, required part of any future policy-making process, including in the process of drafting legislation.
- Conduct training as necessary in DICOEX so that the newly-created process is understood and implemented by the necessary DICOEX officials.
- Assist DICOEX in its public relations' efforts, not just in soliciting comment among stakeholders, but also in explaining its positions, actions and accomplishments to the broader public through strategic use of media to disseminate information on trade policy and its role/positions, and to develop a positive image of DICOEX that generates credibility, and public trust in its role of monitoring and evaluating CAFTA-DR implementation.

- The Contractor will work with private sector groups and DICOEX to develop and institutionalize the Trade Sector Advisory Committees established in CAFTA-DR.

Expected Results

1. Key private-sector institutions (e.g., universities) have the capability to produce informative factual reports and trade policy analyses that are useful for monitoring and evaluating the impact of CAFTA-DR.
2. Businesses and other private sector actors have a transparent, reliable method of taking their concerns on CAFTA-DR implementation to DICOEX.
3. DICOEX has in place a consultative process by which it regularly receives inputs and policy analysis on the implementation of CAFTA-DR from stakeholders and can analyze and comment on it objectively.
4. DICOEX has a method in place to notify the public of upcoming DICOEX actions (regulations, decrees, as well as any other primary or secondary legislation) that effectively allows stakeholders to receive notice and step forward with comment.
5. Drafting policy reforms commensurate with CAFTA-DR requirements, as part of its process, an opportunity exists for all stakeholders affected by the legislation to provide comments and viewpoints to DICOEX.
6. DICOEX implements a public relations' strategy that leads to better public understanding of trade issues and opportunities.

VIII. MEASURE OF SUCCESS & MONITORING EVALUATION PLANS

Periodic performance monitoring and evaluation of technical assistance delivered by the contractor under this project is essential to achieving the results sought by USAID/DR and the GODR. The contractor will therefore develop and implement a performance monitoring and evaluation program that includes the following principal elements:

- A baseline skills assessment and benchmark performance indicators;
- Regular solicitation of USAID/DR, counterpart, end-user, and implementing partner feedback using standardized questionnaires that test relevance, impact, flexibility, responsiveness, and overall satisfaction with results;
- Periodical refinement of technical assistance design, delivery, and content based on USAID/DR, counterpart, end-user, and implementing partner feedback; and,
- Post-intervention impact assessments conducted at six and twelve months to determine technical assistance impact in terms of:

- Perceived relevance of content as measured by the percent of recipients who feel that the skills transferred are directly relevant to their current work requirements;
- Practical skill enhancement as measured by the percent of recipients actually using new skill sets transferred;
- Recipients' increased influence among peers, coworkers, or colleagues as measured by the levels of sharing of experiences, skills, or knowledge gained through the participation in project activities; and,
- Increased influence on participants' work unit or organization as measured by supervisor responses concerning productivity and application of new skills to current job requirements.

The contractor may propose alternative methods, indicators, or measures to monitor and evaluate development impact achieved. The contractor will present these findings to USAID/DR in its periodic reporting. As necessary, the contractor will propose improvements to design, content, or management configurations for future project activities based on these data.

IX. REPORTING REQUIREMENTS

A. The Chief of Party will meet on a weekly basis with the USAID/DR Cognizant Technical Officer (CTO), and is expected to attend U.S. government economic group meetings, as requested by USAID/DR. Close cooperation and collaboration with other technical assistance projects is required.

B. The following reports are required:

- 1. Assessment Reports.** The contractor shall submit to USAID/DR a comprehensive Baseline Assessment report within thirty (30) days of mobilization date. Subject to the findings from the Baseline Assessment report, a further assessment report from each Task may be submitted to USAID/DR within fourteen (14) days upon completion of the assessment.
- 2. Initial Work Plan.** The contractor shall present a detailed work plan for the first year of this activity included in its proposal. Such work plan shall be updated annually thereafter.
- 3. Monthly Status Reports.** These are intended to be concise reports not to exceed 5 pages that summarize Task Order progress measured against tangible results and benchmarks. These reports shall identify implementation issues that may inhibit or enhance contractor performance. The report shall be submitted to USAID/DR within five (5) business days after the end of each month.
- 4. Quarterly Financial Report.** The contractor shall submit to USAID/DR only quarterly financial report, which contains expenses to date, **LOE balance**, pipeline

analysis and estimated expenditure to the end of quarter of the reported period. The report shall be submitted within five (5) business days after the end of each quarter.

5. Annual Reports. The contractor shall prepare and deliver annual reports highlighting progress to date, obstacles to implementation, advance notice of any likely schedule changes, necessary modifications to the work plan, budget status, and future activities. These reports are due within fifteen (15) days of the end of each contract year and shall not exceed 15 pages in length.

6. Final Report. Within 30 days after completion of this task order, the contractor shall submit a final report, describing success in achieving the tangible results and indicators, recommendations for continuation of similar work, and recommendations for subsequent activities.

Unless specified differently, copies of all reports must be submitted to:

Mr. Luis C. González B.

Cognizant Technical Officer
Office of Economic Opportunities Team (EOT)
USAID/Dominican Republic (USAID/DR)
Leopoldo Navarro # 12, Santo Domingo
Dominican Republic

Mr. Duty Greene

Senior Economic Advisor & EOT Leader
Office of Economic Opportunities Team (EOT)
USAID/Dominican Republic (USAID/DR)
Leopoldo Navarro # 12, Santo Domingo
Dominican Republic

X. LEVELS OF EFFORT

The contractor will be expected to submit its own estimate of the level of resident and intermittent effort needed to fulfill the objectives.

The contractor will recruit resident and short-term personnel with strong professional skills, distinguished in their respective fields of expertise, with prior global and preferably regional experience in economic, trade and judicial reform. All staff should have an awareness of local culture and traditions, and an understanding of the current legal situation in Dominican Republic.

This Task Order comprises a range of activities, counterparts and participants and therefore requires significant coordination and organization to ensure coherence and consistency. The skills and expertise of the Chief of Party (COP) and the home office project manager are critical to the success of this effort and to the optimal use of resources.

The project will have an office in Dominican Republic which will be staffed by one expatriate (the COP) and Dominican staff with complimentary capabilities. Over the duration of the contract – as the local staff becomes more capable – trained local staff shall assume greater responsibilities. The Chief of Party will be an expatriate for the entire five-year period of the project.

Staff should consist of Dominican experts who will work to achieve a variety of objectives. A key expense item for this project would be the employing of consultants, both Dominican and American. Our bias would be to hire local Dominican experts, wherever available. The local team would consist of one American long term advisor (the COP) and five to eight Dominican staff, including specialists, administrative and financial, driver(s) and clerical support.

Offerors should include a listing of all advisors and experts who will participate on the project and include brief resumes as well as letters of commitment. In addition, they should indicate their approach to staffing patterns between resident advisor/s and intermittent advisors. The Contractor may propose alternate staffing and level of effort. However, the Contractor must provide a detailed explanation of how this proposal will enhance the effectiveness of achieving the objectives.

Optimally, the COP would have experience in managing medium to large bureaucracies. Similarly, an office manager of trade economists would make the ideal Trade Economist candidate. **Positions 1 through 5 are designated Key Personnel** for the duration of the Task Order.

1. **Chief of Party / U.S. Trade Specialist:** This person would be an economist or lawyer specialist in FTA administration/implementation, to help the GODR, and especially DICOEX, to effectively administer and implement CAFTA-DR. Ten years of experience working in the area of economic development, trade and free trade agreements (FTAs); PhD (preferred) or Master's degree in economics or related field; Three with a minimum 5 (five) years of direct technical experience and strong technical knowledge of commercial and trade law in the context of the overall Dominican legal system is required. Strong oral and written communication skills (bi-lingual/English & Spanish); Prior experience working with on industry, services, and IPR matters preferred. Solid technical knowledge in the legal drafting process will be highly preferred. Prior experience working with a government ministry is desirable; Must work full-time in country for the entire duration of the activities;
2. **Trade & Investment Lawyer Policy Analyst:** Preferably with work experience in FTA negotiations, to provide advice on organizing, managing, and training GODR/DICOEX and other government agencies lawyers, as well as on developing scopes of work (SOWs) to contract out all needed TA (short-term international and local consultants) and impact studies deemed necessary for the effective implementation of CAFTA-DR. Training also be given to any government agency involved in CAFTA-DR implementation, as necessary. Three with a minimum 5 (five) years of direct technical experience and strong technical knowledge of commercial and trade law in the context of the overall Dominican legal system is required. Strong oral and written communication skills (bi-lingual/English

& Spanish); Prior experience working on trade and negotiations matters preferred. Solid technical knowledge in the legal drafting process and hold a master degree in relevant field will be highly preferred. Prior experience working with a government ministry is desirable.

3. **Industry/Services/IPR Lawyer or Economist Policy Analyst:** Preferably with work experience in FTA negotiations, to provide advice on organizing, managing, and training GODR/DICOEX and other government agencies lawyers, as well as on developing scopes of work (SOWs) to contract out all needed TA (short-term international and local consultants) and impact studies deemed necessary for the effective implementation of CAFTA-DR.. Training to also be extended to any government agency involved in CAFTA-DR implementation. Three with a minimum 5 (five) years of direct technical experience and strong technical knowledge of commercial and trade law in the context of the overall Dominican legal system is required. Strong oral and written communication skills (bi-lingual/English & Spanish); Prior experience working on industry, services, and IPR matters preferred. Solid technical knowledge in the legal drafting process and hold a master's degree in relevant field will be highly preferred. Prior experience working with a government ministry is desirable.
4. **Trade/Agricultural/Environmental Economist Policy Analyst:** With work experience on trade negotiations who has expertise in the use and management of trade databases and environmental regulations. This person would work extensively with DICOEX and will help train its technical personnel on developing scopes of work (SOWs) to contract out all needed TA (short-term international and local consultants) and impact studies deemed necessary for the effective implementation of CAFTA-DR. Three with a minimum 5 (five) years of direct technical experience and strong technical knowledge of using trade data in the context of international economic relations is required. Strong oral and written communication skills (bi-lingual/English & Spanish). Prior experience working within the agricultural/environmental sector is preferred.
5. **Financial Manager/Accountant:** Minimum of 8 (eight) years of professional experience in developing finance and budgeting system. Experience with USAID accounting regulations preferred. This individual will be in charge of managing, reporting and monitoring all sub-awards (cooperative agreements, contracts or grants) to be made under the project. Solid technical knowledge of state budgeting system and having a master's degree in relevant field will be highly preferred. Prior experience working with international projects, programs or organizations, particularly USAID, is desirable. Strong oral and written communication skills (bi-lingual/English & Spanish).

XI. SPECIAL INSTRUCTIONS

1. **Duty Post:** Work under this activity will be performed in the Dominican Republic (DR). Any work to be conducted outside of DR requires advance approval by USAID/DR.

2. Language requirements and other required qualifications: Proficiency in English and Spanish is required for expatriate consultants. Proficiency in English is preferred for DR "local hires."

3. Access to classified information: The Contractor will not have access to classified information.

4. Logistical support: The contractor is responsible for providing all logistical support. It is possible that some office space (probably just an office) may be provided within the DICOEX office.

5. Travel: All Contractor travel to Dominican Republic requires use of a consultant approval and travel authorization from USAID/DR CTO.

6. Documents: In the course of implementation, the Contractor will produce documentation and guidelines that may be replicated or used by USAID/DR or other institutions.

7. Workweek: Resident advisors are authorized to work a five-day week in DR. Non-resident advisors (less than 90 days) are authorized to work a six day week.

8. Confidentiality Agreements: The advisors will sign confidentiality agreements with the counterpart institutions and USAID/DR if requested.

9. Local Staff: The Chief of Party (COP) shall make a firm effort to recruit and train Dominican staff for operating roles so that the role of foreign advisors can be diminished over time.

10. Press Contacts: Prior to having interviews with foreign or local press, making press releases, holding news conferences, or other communications with the news media regarding activities under this Activity, the COP/Senior Advisor(s) and any other project personnel will consult with USAID/DR and appropriate officials of the host country entities receiving assistance concerning any such proposed communications. The COP agrees to coordinate such communications with USAID/DR and the host country entity, as necessary, to ensure that the role of the host country entity is accurately explained and described.

XII. COUNTERPART CONCURRENCES/CLEARANCES

Government counterpart under this Task Order will be the Secretary of State for Economy, Planning and Development – SEEPD (the former STP). USAID and SEEPD on behalf of the GODR will provide sign and/or provide concurrences and clearances on all official and commitment documents. The USAID/DR CTO will approve and clear on matters of regular project implementation.

The contractor will coordinate directly with USAID/DR and the GODR counterparts for this Activity. Resident advisors are required to brief USAID/DR weekly or upon request, and

short-term advisors are required to brief USAID on all in-country trips on a weekly basis or upon request.

XIV. GENDER, ANTICORRUPTION, AND ENVIRONMENTAL CONSIDERATIONS

In accordance with USAID's recognition that gender, anti-corruption, and environmental issues are important considerations in development, the Contractor shall include in their project proposal explanations on measures they intend to take to deal with these issues. During project implementation, the Contractor shall take these issues into account and find ways to enhance gender balance, reduce corrupt practices, and protect the environment in areas related to their project. The Contractor will be required to report results disaggregated by gender and measures taken to enhance the environment and reduce corrupt practices.

XV. GENERAL PROPOSAL INSTRUCTIONS

USAID/DR will only consider proposals that are formatted as described below. Proposals must be submitted no later than the date and time indicated on the cover page of this RFP. Proposals that are late or incomplete may not be considered in the review process. Offerors should retain, for their records, a copy of the proposal and all enclosures that accompany it. Changes must be initialed by the person signing the proposal. Page limitations are specified below for each section. Proposals must be on 8-1/2 by 11 inch paper, (210mm by 297mm paper), single spaced, Times New Roman 12 pitch type or larger, and have at least one inch margins on the top, bottom and both sides. USAID/DR will not review materials that are not specifically requested.

Technical Proposal: The Technical Proposal shall contain the following sections: cover page; executive summary; summary of past performance, program design and management narrative; and annexes, consisting of information about the Offeror, the proposed team, institutional capacity, and past performance references.

Cover Page: A single (one) page with the names of the organizations/institutions involved in the proposal. Any proposed alliance/consortia members and sub-awardees are to be listed separately in an annex, including a brief narrative describing the unique capacities/ skills being brought to the program by each. The Cover Page should include information about a contact person for the prime Offeror, including this individual's name (both typed and his/her signature), title or position with the organization/institution, address, telephone, fax and e-mail. Offerors are to acknowledge whether the contact person is the person with authority to contract for the Offeror, and if not, that person should also be listed.

Executive Summary: The Summary shall not exceed two pages and should summarize the key elements of the Offeror's strategy, approach, and implementation plan.

Program Design and Management Narrative: In thirty (30) pages or less (to include any graphs, charts, tables, etc, but excluding the Cover Page, Executive Summary and any

Annexes), the Offeror is required to describe the proposed program, including information on problem identification, and rationale for choice of interventions, methodologies, and strategies related to the problems described. Responses must be formatted to address each task in order as described in the appropriate Sections of this RFP, and must also contain, at a minimum, the following elements:

- An Implementation Plan (of no more than 10 of the 30 pages) that: 1) demonstrates the contractor's understanding of the main challenges and opportunities of this work; and 2) describes the approach the contractor will take to achieving the results identified under each of the activities contained in the statement of work;
- A discussion of how the proposed assistance will be implemented and sequenced;
- Approaches for ensuring coordination with key stakeholders;
- A discussion of the anticipated results including monitoring and evaluation plans against targets, indicators and benchmarks. Quarterly evaluations to measure progress toward outputs and outcomes and a final evaluation to measure the impact of the project should be planned;
- A one-page resource allocation chart that describes the percentage of total DR-CAFTA Implementation Project costs to be allocated to each component and task including information technology, public outreach, and training;
- The proposed management structure and systems including an explanation of staff roles in management, technical implementation, and backstop support as well as subcontracting, accounting, and program reporting. Offerors should address any proposed subcontracting with Small Disadvantaged Businesses and Women-Owned Small Businesses;
- Relevant documentation of performance on similar past awards. This documentation should demonstrate the Offeror's ability to recruit and retain personnel, establish and maintain extensive and complex projects, and ability to achieve results similar to those to be achieved by DR-CAFTA Implementation Project.

Staffing Proposal. Staffing proposals are to be submitted as an annex, for which the page count is not included in that identified above. For each position, list the main responsibilities and estimate the number of person-months programmed. Offerors shall submit:

- A proposed staffing pattern for Key Personnel and Other Personnel filling long-term advisor positions including a written description, not more than five pages in length, of how the proposed team provides complementary skills and experience that are particularly relevant to accomplishing the goals of DR-CAFTA Implementation Project. .
- Resumes reflecting the qualifications and relevant experience of proposed long-term professional/staff personnel, both expatriate and Dominican. CVs submitted as part of the staffing proposal are not to exceed three (3) pages each.
- The contractor is encouraged to submit resumes for non-key personnel as well as letters of commitment.

Cost Proposals. Cost proposals must include a separate budget for program activities, broken down by the tasks described in the relevant section of this RFP. For primes with subcontractors a consolidated budget must be included. Proposals must also include clear and concise budget narratives for the prime and any subcontractors. Cost proposal must outline the roles and responsibilities of project staff vis-à-vis budgeting, monitoring, and reporting on the financial status of the project. How the program will track costs incurred, including costs for labor, equipment, supplies, and facilities, must also be described.

On-the-job training in-country, and possibly internationally, will be necessary to accomplishing the objectives of this activity.

XVI. EVALUATION CRITERIA FOR SELECTION OF CONTRACTOR

A. Evaluation Criteria

Technical, cost, and other factors will be evaluated relative to each other, using the criteria described below in their relative order of importance. Offerors should note that these criteria: (1) serve as the standard against which all proposals will be evaluated, and (2) serve to identify the significant matters that Offerors should address in their proposals

Technical Evaluation Criteria

1. Personnel	40 points
2. Technical Approach	35 points
3. Past Performance	10 points
4. Mobilization & Initial Implementation Plan	<u>15 points</u>
	100 points

While cost/price is an important evaluation factor in contract award, technical evaluation factors are considered equally important. Cost realism, reasonableness, and any proposed subcontracting with Small Disadvantaged Businesses and Women-Owned Small Businesses, will however be important criteria and may be the determining factor in the event that those Offerors receiving the highest ratings are closely ranked. As such, the overall technical and cost evaluations shall be carefully considered in determining the best value to the U.S. Government.

B. Elaboration of Technical Criteria

Offerors' proposals will be evaluated for technical merit, cost, personnel, and other factors as described below.

1. **Personnel (40 points)** – Evaluation of proposed expatriate and locally hired personnel will be based on the factors of “qualifications” and “relevant experience” of the Offeror’s key and long-term advisors. Both long and short term individuals proposed will be evaluated for their demonstrated ability to achieve project objectives, education and prior work experience; technical and management skills. Experience working on

technical assistance projects in the Dominican Republic and the region and knowledge of the Spanish language will be required. Backstop support services including financial management, and administrative support will also be evaluated.

2. **Technical Approach (35 points)** – Quality of the proposed implementation approach for achieving objectives and deliverables, including the mobilization plan and a clear articulation, with specific yearly targets, of achievement of Contractor tasks and deliverables. Consideration will be given to innovative approaches and strategies for program implementation and sustainability as well as linkage to other USAID/DR activities and implementing entities in the Dominican Republic.
3. **Past Performance and Institutional Capability (10 points)** – The Contractor must be able to demonstrate: There is no limitation to points assigned
 - success in providing similar services on past contracts in the last 5 years, including satisfaction of past clients with the Offeror’s services and/or products;
 - ability to recruit and retain qualified U.S., local, and expatriate professional staff;
 - ability to establish and maintain an extensive operation involving U.S., expatriate and local staff in a developing country;
 - ability to successfully provide managerial and technical back-stopping for a project of this size and complexity.
4. **Mobilization and Initial Implementation Plan (15 points)** – Realism of mobilization and implementation plans towards achieving commencement and establishment of program within the standards established in the relevant Section of this RFP.

C. Best Value Procurement

The estimated value of this procurement is around \$10 million for a five year period. Offerors shall submit a detailed budget for the performance period that reflects the Offeror’s proposed staffing, program and activities costs, and other direct costs as otherwise prescribed herein.

Award will be made to that Offeror whose proposal offers the best value to the Government, considering technical and cost factors and complies with the requirements prescribed herein. Best value is defined as the expected outcome of a procurement that, in the U.S. Government’s estimation, provides the greatest overall benefit in response to the requirement. For this RFP, technical proposal merits are considered equal to the cost proposal when deciding which Offeror might best perform the work.