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**REQUEST FOR TASK ORDER PROPOSAL (RFTOP)**

**Title:** *Promoting Sound Economic Governance and Reducing Barriers to Trade and Investment (SEGTI)*

**1. STATEMENT OF WORK (SOW)*****I. Background*****A. *Zambian Reform***

Despite substantive advances over the last few years, Zambia's economic development is hampered by problems of economic governance, coupled with weak or non-existent systems to ensure accountability. Significant and cumbersome administrative barriers exist throughout the government system that contributes to making Zambia a difficult place to do business. A portion of these barriers result from bureaucratic inefficiencies; others result from corrupt practices. In either case, these administrative barriers put Zambia at a distinct competitive disadvantage in the global market place.

An analysis conducted by the World Bank's Foreign Investment Advisory Service (FIAS) helps explain Zambia's failed scores on the Millennium Challenge Account's (MCA's) indicators for control of corruption and economic freedom (credit rating and trade policy). The in-depth study highlights several factors that hamper the country's economic climate. They include the following:

- a) excessive bureaucratic tax administration system and inefficiencies in trade facilitation procedures;
- b) inefficiencies in immigration procedures;
- c) lengthy and slow land acquisition approvals;
- d) cumbersome business registration and licensing requirements;
- e) weak public service delivery; and
- f) lack of accountability systems to prevent and deter corrupt behavior by public-sector officials.

Furthermore, the FIAS report identified the key institutions that must be the focus of significant reforms: the Ministry of Lands (MOL); the Immigration Department of the Ministry of Home Affairs; the Zambia Revenue Authority (ZRA); the Ministry of Agriculture and Cooperatives (MACO); the Patents and Company Registration Office (PACRO); the Zambia Competition Commission (ZCC); and the Zambia Bureau of Standards (ZABS). These and the other institutions targeted in this proposal can facilitate economic expansion through enhanced efficiencies, greater transparency, and increased accountability.

For more information on the FIAS report, please see the following website:

[www.fias.net](http://www.fias.net)

**B. *Developing the MCA Threshold Country Plan***

Several Government of the Republic of Zambia (GRZ) institutions, led by the Ministry of Finance and National Planning and including representatives of the key institutions noted above, participated in the development of the Threshold Country Plan (TCP). This inter-ministerial team worked closely with Zambian stakeholders, including civil society and the private sector, to refine the TCP and integrate non-governmental organizations (NGOs) such as Transparency International (TI)/Zambia and the Zambia Business Forum (ZBF) into the two

steering committees that will direct and oversee the TCP's implementation. Furthermore, USAID/Zambia, the U.S. Embassy in Lusaka, and the Millennium Challenge Corporation (MCC) in Washington assisted the GRZ team in transforming the original concept paper into a full-fledged TCP with measurable results over a 24-month time frame

As a result of this process, the GRZ and its Zambian NGO partners are committed to reaching the goals laid out in the document. To succeed, they require significant organizational assistance to coordinate the disparate activities to be conducted in various ministries, as well as substantial technical assistance in all the Ruling Justly and Economic Freedom components. Several key government agencies, including the Anti-Corruption Commission (ACC) and the new Zambia Development Agency (ZDA), will need critical help in building their own capacity, in order for the TCP activities to remain sustainable beyond the end of the program. Other key ministries and agencies will face challenges in implementing reforms that are likely to meet resistance among the rank and file, even as their leaders remain engaged at the policy level. These multiple challenges are complicated by the relatively short time frame of the program and the ambitious set of results to be achieved.

## **C. Past and Current USG Assistance**

### **1. Democracy and Governance Support**

The TCP complements past and current USG assistance to Zambia related to the fight against corruption and improving the business environment. USAID/Zambia has led donor support to improve democracy and governance. Since November 2002, the agency has led a vibrant team aimed at increasing the watch-dog role of Parliament, enhancing the ability of civil society to hold government accountable, and collaborating with the U.S. Treasury to strengthen the Zambian Anti-Corruption Task Force to prosecute former and current high-level government officials. State Department grants have promoted free and fair elections by encouraging national debate on issues that matter to voters.

For more information on these activities, please see the following website(s):

<http://http://www.usaid.gov/zm/democracy/dg.htm>

<http://www.state.gov/p/af/ci/za>

### **2. Economic Growth Support**

USAID/Zambia has had a vibrant economic growth program since 1997. Focusing on trade capacity building, with a particular emphasis on the agricultural sector, the agency has addressed constraints of the Zambian public and private sectors stalling the export market. Two current programs, supported by Development Alternative Inc (DAI) – Market Access and Enabling Policy (MATEP) program and Cooperative League of the USA (CLUSA) – Production, Finance and Technology (PROFIT), specifically focus on trade and investment.

For more information on these activities, please see the following websites:

<http://www.usaid.gov/zm/economy/eg.htm>

## **II. Overview of Statement of Work**

The Threshold Country Program (TCP) of the Millennium Challenge Account (MCA) will contribute to the substantive efforts of the Government of Zambia (GRZ) to spur economic reform and mitigate the corrosive effects of administrative corruption. As a 24-month program under the auspices of USAID/Zambia, the TCP

will be a high-profile program targeting specific institutions and organizations with focused technical assistance and material support. During this time, the contractor must support the program with a chief of party for twenty four (24) months, two –four(2-4) long-term technical advisors for 24 months, up to 12 support staff, and short-term technical advisors. Since the program has two components, it is expected that there will be a technical advisor responsible for implementing each component of the program.

Component 1: Ruling Justly: Tackling Administrative Corruption

Component 2: Economic Freedom: Reducing Barriers to Trade and Investment

Each component will be comprised of two or more subcomponents that focus on specific areas and/or needs. Deliverables in each area are structured to produce a results-based approach for the delivery of needed assistance. While long-term technical advisors will be responsible for the management of each component, and for the provision of some technical assistance, the majority of assistance will be via short-term advisors utilized to carry out specialized tasks associated within each component.

This SOW is taken from the approved Threshold Country Program submitted by the GRZ to the Millennium Challenge Corporation in January 2006 (see attachment 1), which provides key information about the context, vision, and rationale for the activities described in this SOW.

The TCP approved by the MCC includes a budget for each activity, specified at the activity level.

#### ***A. Overview of Timeframe***

The SEGTI will be a two-year program. As with all other programs funded by MCC, the SEGTI activities will be in line with the approved TCP.

#### ***B. Overview of Budget***

The SEGTI program will receive MCC funds through two specific funding components that are to be tracked as separate funding streams. The components were created by the GRZ and approved by MCC with the purpose of enabling USAID and GRZ to carefully track whether funds are being spent according to the parameters set forth for by the MCC specific guidelines.

Activities in all 2 components must be managed as a cohesive program. Over the period of this award, the contractor must track all funds according to these component categories. Each of the components will need a level of effort and budget.

### **III. Scope of Work**

The MCC received and approved Zambia's TCP on April 13, 2006 to implement within a 24 month horizon with two primary objectives: (i) promote greater transparency and reduce opportunities for corruption and (ii) reduce administrative barriers that stall new business and investor activity, and increase efficiency of border operations.

#### **Component 1. Ruling Justly: Tackling Administrative Corruption**

The first of the two objectives listed above under section III “scope of work” falls under Component 1, “Ruling Justly.” An Anti-Corruption Steering Committee will oversee and implement the Ruling Justly activities. The Anti-Corruption Steering Committee will be chaired by the Anti-Corruption Commission (ACC), and include representatives of Transparency International-Zambia (TI-Zambia), the Zambia Business Forum (ZBF), and the three Zambia government institutions piloted in the program: the Ministry of Lands, Department of Immigration, and the Zambia Revenue Authority (ZRA). See websites;

[www.acc.gov.zm](http://www.acc.gov.zm)

[www.tizambia.org.zm](http://www.tizambia.org.zm)

[www.zbf.org.zm](http://www.zbf.org.zm)

[www.zra.org.zm](http://www.zra.org.zm)

The following two separate subcomponent activities are contained within the Ruling Justly component:

- A. *Capacity Building for the Anti-Corruption Commission.* Created in 1983, the Anti-Corruption Commission (ACC) is the main body tasked with combating corruption in Zambia. The ACC’s mandate includes both investigating corrupt behavior and providing leadership and expertise for developing corruption prevention systems and programs for other Zambia government institutions. However, its work to date has focused almost entirely on investigation. The MCA Threshold Program therefore seeks to strengthen the ACC’s capacity to work with other government institutions, businesses and civil society to design, introduce and monitor corruption prevention practices in Zambia’s government. As part of this component, the Contractor must assist the ACC in convening the Anti-Corruption Steering Committee.
- B. *Reduce Opportunities for Administrative Corruption at Three Pilot Institutions: Ministry of Lands, Department of Immigration, and Zambia Revenue Authority*
- B.1 *Implement Institutionally Tailored Regulatory Reform.* The second activity of the corruption prevention program is to simplify processes and to reduce the opportunities for corruption in the three pilot institutions. The success of the program will result in economic benefits, as the undesirable effects of corruption will be minimized in these institutions. Each is recognized as a key player in regulating Zambia’s economic development, particularly starting and operating businesses. Reducing the opportunities for corruption in these three institutions would have a positive impact on the private sector and ripple throughout Zambian society, as they are among the institutions with which most Zambians interact most frequently.
- B.2 *Establish Internal Watchdog Units.* The National Governance Baseline Survey (NGBS) [see reference section 7] noted that survey respondents tended to rate those Government institutions with internal audit mechanisms as less corrupt than those without such mechanisms in place. In fact, the establishment of internal watchdog units – of which audit mechanisms are only one example – conforms to international best practices aimed at strengthening the anti-corruption environment within public service. Creating “focal points of integrity” in every Government ministry and agency is a key recommendation of the draft National Corruption Prevention Plan. The institutions targeted by the MCC Threshold Program will therefore serve as pilots for implementing internal watchdog units in all GRZ ministries and agencies in the coming years.
- B.3 *Create Efficient Citizens’ Monitoring and Reporting Mechanisms.* The NGBS highlighted that survey respondents tended to rate GRZ institutions that provide avenues for citizens and businesses to monitor and express their complaints about corrupt practices as less corrupt than those without such avenues in

place. Improving mechanisms for feedback from citizens and the private sector is a powerful way to increase transparency in administrative operations. Therefore, the corruption prevention activities undertaken through the TCP will include mechanisms for the public to monitor and report corrupt behavior. This component includes civic awareness and education in partnership with TI-Zambia and the ZBF in particular.

## **Component 2. Economic Freedom: Reducing Barriers to Trade and Investment**

The Economic Freedom component will be supervised by USAID/Zambia and a through the Program Coordinating Steering Committee, to be housed in the Ministry for Commerce, Trade and Industry (MCTI).

The following two separate subcomponent activities are contained within the Economic Freedom component:

### **Component 2.A. Facilitating Investment and Promoting Business Expansion**

2. A.1 *Establish the Zambian Development Agency (ZDA) Operating Framework.* The activity must build upon Zambia's prior work to rationalize and simplify business registration, licensing, and inspection procedures, reduce duplicity of functions, and remove hurdles to business entry and foreign direct investments by creating the operating framework for the ZDA. The ZDA will unify the various institutions dealing with investors and the business community. Given that the legal hurdles for implementation have been completed, the activity will address the substantial institutional and administrative challenges facing the Ministry of Commerce, Trade and Industry (MCTI). Creating a fully operational ZDA has the full and enthusiastic support of the MCTI Minister. The European Commission (EC) is currently working directly with the separate institutions that will be unified under the ZDA. The EC welcomes the unification process, and has pledged to coordinate its efforts with the program to ensure smooth and effective transition.
2. A.2 *Rationalize and Simplify the Economic Regulatory Framework.* The contractor must review the process of business and investor licensing and start-up requirements to reduce red tape and coordinate the requirements of different government agencies to decrease the cost and time of doing business. Under the joint leadership of the MCTI, Zambia Investment Center (ZIC), (Patents and Companies Registration Office) PACRO, district councils and the Zambia Business Forum (ZBF), the program must establish a short-term committee tasked to identify and eliminate administrative barriers to business and investor licensing and start up. Many solid studies have identified these points in the past, leaving the committee the opportunity to seize the initiative and address these issues directly. The final goal of the program is the automation of business and investor start-up procedures. The contractor must develop a business process re-engineering program that streamlines procedures prior to automation, while simultaneously reducing opportunities for administrative corruption.
2. A.3 *Support the establishment of PACRO (Patents and Companies Registration Office) locations in Provincial Capitals.* In response to the large number of complaints from private industry and citizens, PACRO will establish pilot offices in 3 provinces, the Copperbelt, Southern and Eastern Provinces, to facilitate greater business and investment creation in the Zambian market from outside of the capital. These offices will decentralize service and enhance capacity in the 3 provinces to register new

businesses, collect fees and tax payments, and conduct general business to government transactions electronically.

2. *A.4 Capacity Building for the PCU (Program Coordinating Unit) within the MCTI.* Much suspicion toward the private sector remains strong and prevalent in Zambia. This is true in the public and civil society sectors. The MCTI, recognizing the essential and central role played by the private sector in economic growth and poverty reduction, established its Project Coordinating Unit (PCU) to lead the efforts to pull the private sector into the middle of the nation’s economic growth strategy.

## **Component 2. B. Increasing the Efficiency of Border Management**

- 2.B.1 *Capacity Building in Modern Customs Techniques and Integrated Border Control & Management.* In the area of trade policy, Zambia has made progress towards streamlining domestic laws and practices that govern foreign and local trade. These include the simplification and reduction of tariffs and integrating into regional and multilateral program under the Southern African Development Community (SADC), Common Market for East and Southern Africa (COMESA) and World Trade Organization (WTO).

However, customs and border operations and procedures still impinge the transparent and efficient operation of border management. Bureaucratic trade procedures, lengthy inspection and certification processes, poor or non-existent border IT infrastructure, inadequate application of modern customs techniques, lack of skilled manpower, and opportunities for corruption continue to clog Zambia’s customs clearance process. Further, the administrative burden of clearance procedures negates the majority of the benefit of international trade.

2. B.2 *Sanitary and Phyto-Sanitary Services (SPS).* Although many resources have flowed into Zambia, SPS measures continue to remain a barrier to importing and exporting. A lack of capacity in SPS units to provide efficient and speedy services for international trade restricts the movement of goods subject to SPS requirements. The GRZ has endeavored to commercialize provision of some SPS services in order to make them efficient and responsive to demands of the clients.
2. B.3 *Import and Export Quality Monitoring, Standardization, and Certification.* Trader’s inability to comply with international and regional standards and evaluate incoming shipments limits Zambia’s ability to benefit from the international trading system. This activity will strengthen the standardization, certification, and inspection units of the Zambia Bureau of Standards (ZABS) to provide efficient and speedy services for the importing and exporting community, while also ensuring conformity with international and regional standards and technical requirements.

## **IV. Results, Tasks and Deliverables**

Each section below has results, tasks and deliverables that the contractor must meet and shall be monitored closely by USAID. Additionally, the Threshold Country Plan (TCP) submitted by the GRZ to the MCC highlights specific results, which USAID/Zambia will monitor as well, requiring the contractor to meet the annual goals as written in the TCP.

### **1. Component 1: Ruling Justly**

*A. Capacity Building for the Anti-Corruption Commission (ACC)*

**Task Order Objective:** The contractor must develop a comprehensive set of technical assistance activities and targeted procurement that increases the ability of the ACC to prevent administrative corruption across government as listed below. Additionally, the contractor will support the establishment of an anti-corruption steering committee, which will be chaired by the ACC. The anti-corruption steering committee will serve as the nexus for program planning, analysis, implementation, oversight and monitoring, as well as capacity building for the ACC and other steering committee participating organizations. The steering committee will provide oversight and direction to the anti-corruption component and its three sub-components (institutional reforms, watchdog units and civil society monitoring and reporting).

## Results, Tasks and Deliverables:

The contractor must;

- Conduct an analysis of current effectiveness of the ACC to conduct administrative prevention activities, including recommendations for capacity building.
- Draft a detailed budget of the technical assistance and procurement plan for the ACC.
- Develop, organize, and implement training for key staff, including institutional leadership, on the reforms that are made.
- Conduct public outreach and education about the reforms, and in particular, about corruption prevention activities.
- Provide information and reports as needed to USAID/Zambia.

*B. Reducing Opportunities for Administrative Corruption at Three Pilot Institutions*

The activities listed below, under this section, target three pilot institutions (Ministry of Lands, Department of Immigration and Zambia Revenue Authority) with a common set of objectives: to implement specific reform, to establish and build watchdog units, and to improve citizen feedback monitoring. The contractor will be expected to develop innovative ways to address these objectives including the use of innovative approaches to resource savings. This may include use of common technical assistance packages, sub-grants to local civil society, etc.

*B.1. Implement Institutionally Tailored Regulatory Reform:*

**Task Order Objective:** Simplify processes and reduce the opportunities for corruption in three pilot institutions – the Ministry of Lands, Department of Immigration, and the Zambia Revenue Authority (ZRA).

## Results, Tasks and Deliverables:

**Task 1. Ministry of Lands**

The contractor must;

- Draft an analysis of current procedures in order to develop technical recommendations for specific regulatory reforms. The analysis must streamline and shorten technical procedures in land administration,

including the recording of deeds and titles, in order to quicken service delivery and provide a means to minimize corruption opportunities.

- Draft a detailed budget outlining the technical assistance and procurement plan.
- Develop a training plan for staff.
- Develop a technical assistance, training, and procurement plan for tightening the security of the Ministry’s Land Information Management Systems (LIMS) to prevent unauthorized tampering with land records.

### **Task 2. Department of Immigration (Ministry of Home Affairs)**

The contractor must;

- Draft an analysis of current procedures in order to develop technical recommendations for specific regulatory reforms. The analysis must streamline and shorten technical procedures to the immigrant permitting process.
- Draft a detailed budget outlining the technical assistance and procurement plan.
- Develop a training plan for staff.
- Develop a public information program about immigration processes.

### **Task 3. Zambia Revenue Authority**

The contractor must;

- Draft an analysis of current procedures in order to develop technical recommendations for specific regulatory reforms. The analysis must focus on making tax and customs procedures more efficient, responsive, and perceived as less corrupt by the public.
- Assist the ZRA in developing public outreach tools that underscore the differences between paying taxes, which is a civic duty, and paying bribes, which is a crime.
- Draft a detailed budget outlining the technical assistance and procurement plan.
- Develop a training plan for staff.
- Draft a public information campaign to provide information to citizens about how to report and monitor corrupt behavior.

### **C. Monitoring Progress at the three pilot institutions:**

- The contractor will provide support under the Program Development Assistance fund to an anti-corruption NGO to conduct quarterly surveys to gauge public perception regarding the three target institutions [the Ministry of Lands (MOL), the Immigration Department (ID), and the Zambia Revenue Authority (ZRA)].

#### *B.2 Establish Internal Watchdog Units:*

**Task Order Objective:** The contractor must support the GRZ in establishing “focal points of integrity” in the three pilot institutions listed above. Watchdog units must be structured according to the unique functions and organizational attributes of each of the target institutions, but all will be accorded a substantial degree of independence and authority to conduct their activities objectively. These watchdog units will be responsible for the following tasks:

- Monitor and investigate suspicious or corrupt behavior.



- Enforce service delivery standards and respond to complaints by citizens and businesses in cases where corruption is suspected.
- Develop, promote and manage internal policies aimed at changing the culture of corruption in target institutions – e.g. protecting whistleblowers, rewarding teams and individuals who demonstrate a commitment to integrity, and coaching managers on how to overcome resistance to change.
- Coordinate with the ACC, Department of Public Prosecution, the Zambian Police Service, the Auditor General, Parliament, the courts, and other external oversight bodies to facilitate law enforcement against corrupt officials.
- Work with the ACC, civil society, and other stakeholders in developing and implementing preventive measures to reduce the opportunity for corrupt transactions.
- Serve as a training and referral office for ministry/departmental employees on ethical questions, similar to ethics advisers in the U.S. and many other governments.
- Serve as a point of contact for businesses, the media, civil society organizations, and the public at large about the host institutions' progress and challenges in fighting corruption.

#### Results, Tasks and Deliverables:

The contractor must;

- Draft an action plan for establishing and building these watchdog units, must include the following:
  - Timeline for implementation
  - Staffing requirements
  - Budget for the units (for GRZ support)
  - Procurement requirements
- Develop a training and procurement plan for each unit.
- The Contractor will ensure a successful launch of three units.

#### *B.3 Create Efficient Citizens' Monitoring and Reporting Mechanisms:*

**Task Order Objective:** Improve mechanisms for feedback from citizens and the private sector in an efficient way to increase transparency in administrative operations, by creating efficient citizen monitoring and reporting mechanisms within the three target institutions to accomplish the following:

- Establish telephone hotlines for each of the three targeted institutions, for citizens and businesses to report incidents of corruption that they encounter.
- Set up locked comment boxes at service-delivery points at the targeted ministries, for members of the public to deposit written comments.
- Publicize the hotline and comment boxes using local media and civic education activities (e.g. focus groups, public rallies, etc.).
- Produce quarterly reports on complaints received and actions undertaken, and post them on the websites of anti-corruption steering committee member organizations.
- Conduct training for journalists on these new efforts and how to access the reports that will be produced.

#### Results, Tasks and Deliverables:

The contractor must;

- Draft an action plan for developing the monitoring systems, including, but not limited to, the following:
  - Timeline for implementation
  - Staffing requirements
  - Budget for the mechanisms (for GRZ support)
  - Procurement requirements
- Develop a training and procurement plan for the mechanisms.
- The Contractor will ensure a successful launch of the monitoring systems.

## 2. Component 2: Economic Freedom

### I. Reducing Barriers to Investment and Business Growth

*A: Establish the ZDA (Zambian Development Agency) Operating Framework*

**Task Order Objective:** Build upon Zambia’s prior work to rationalize and simplify business registration, licensing, and inspection procedures; reduce duplicity of functions; and remove hurdles to business entry and foreign direct investments by creating the operating framework for the ZDA. The ZDA will ultimately unify the various institutions dealing with investors and the business community. Given that the legal hurdles for implementation have been completed, this activity will address the substantial institutional and administrative challenges facing the MCTI. This activity will involve substantial coordination with the European Commission that is developing a plan to support the individual organizations that will be combined into the ZDA.

Results, Tasks and Deliverables:

The contractor must;

- Support the MCTI in design and help guide the implementation of the organizational, administrative, and procedural ZDA structure.
- Draft a ZDA institutional framework based upon its domestic and international mandate.
- Design an organizational structure that ensures a streamlined functionality, rationalizing the activities currently conducted under multiple agencies into one.
- Assist the ministry as it puts in place a personnel system that draws upon its human resource strengths and addresses personnel weaknesses.
- Draw on other domestic and international experience in this area to utilize prevailing international best practices.
- Craft a new strategic framework that incorporates all the activities of the ZDA.
- Organize the staffing assignments for the new agency.

*B. Rationalize and Simplify the Economic Regulatory Framework*

**Task Order Objectives:** The contractor, in coordination with the MCTI, will develop a plan for streamlining business licensing and start-up procedures. This multi-faceted activity will be incorporated in the GRZ Private Sector Development Plan, and implemented in collaboration with the government and other donors.

## Results, Tasks and Deliverables:

The contractor must;

- Produce a review that analyzes business and investor licensing and start-up requirements through the MCTI and other government agencies to decrease the cost and time of doing business inside and outside of Lusaka.
- Support the PSD working group tasked to identify and eliminate administrative barriers to investor licensing and start up.
- Develop a results-oriented action plan for eliminating institutional and regulatory bottlenecks to business licensing and start-up, including a detailed timeline and budget.
- Procure requisite software systems and hardware to automate the new processes.
- Provide technical assistance and training to staff to implement this re-engineered system.

*C: Establish PACRO locations in Provincial Capitals*

**Task Order Objective:** Establish and/or expand services of three pilot provincial PACRO offices (Copperbelt, Southern and Eastern Provinces) to facilitate greater business and investment creation in the Zambian market from outside of the capital. Decentralize service and enhance capacity in the three provinces to register new businesses, collect fee and tax payments, and conduct general business to government transactions electronically.

## Results, Tasks and Deliverables:

The contractor must;

- Procure requisite material, including IT equipment, for PACRO offices in three pilot provinces (Copperbelt, Eastern, and Southern).
- Utilize IT technologies, such as a Wide Area Network, to transmit digital forms and payments from provincial offices to the capital for processing.
- Provide technical assistance in database management and IT solutions to construct a new PACRO information management system.
- Expand the PACRO website with information on provincial locations, digital versions of required forms to conduct or commence business or invest, and regulations governing business and investment activities.

*D: Capacity Building for the PCU (Program Coordinating Unit)*

**Task Order Objective:** Work with the PCU to strengthen its coordinating and institutional capacities. A fully operational PCU will provide to the GRZ cutting edge monitoring, evaluation and project management of private sector facilitation programs, including public/private dialogues. These activities will require extensive coordination with other donor activities.

## Results, Tasks and Deliverables:

The contractor must;

- Review existing operations to cite specific institutional needs.

- Draft an action plan to address institutional deficiencies, including a detailed budget and timeline for implementation.
- Procure requisite equipment, if needed.
- Provide technical assistance and staff training to address institutional weaknesses.

## II. Increasing the Efficiency of Border Management

The border management subcomponent is built around the establishment of the Border Management Task Force (BMTF). The BMTF, with representatives from each agency operating at the border, is charged with developing a Comprehensive Integrated Tariff System (CITS), incorporating all fees and tariffs into a single, one-stop payment. The three activities within this subcomponent as listed below, are aimed at making the CITS operational at two pilot locations and ensuring that the agricultural and standardization procedures are implemented accordingly.

### A: *Capacity Building in Modern Customs Techniques and Integrated Border Control & Management*

**Task Order Objective:** Provide technical leadership to the GRZ as it establishes a Border Management Task Force (BMTF) and implements a Comprehensive Integrated Tariff System. Concurrent to this national action, begin implementing border reforms at two pilot locations, Lusaka International (LIA) and Chirundu. This will include risk management techniques (border and post clearance audits, automation of procedures, etc), procuring of equipment to ensure needs are met, and incorporating international best practices at the two pilot locations based upon the CITS.

#### Results, Tasks and Deliverables:

The contractor must;

- Assist as needed in the establishment and operations of the BMTF, including the development of the CITS.
- Provide staff training, technical assistance, and procure equipment for the BMTF, as necessary
- Develop a sustainable (train the trainers) system in border risk management and audit-based controls for border officers.
- Test the training system at LIA and Chirundu
- Provide technical assistance and training, including the procurement of equipment for agents and facilities to initiate the use of electronic funds transfers, the CITS, paperless transactions, automation of passenger and cargo processing and clearing small value importations.
- Provide technical assistance, training, and procure needed systems (hardware and software) at Chirundu and LIA including: repair of Chirundu’s off-loading platform and inspection areas; upgrading of V-Sat link at both locations to improve digital communication; IT equipment; mobile weigh bridges; forklifts.
- Ensure full operations and compliance with the CITS at Chirundu and LIA

### B: *Sanitary and Phyto-Sanitary Services (SPS)*

**Task Order Objective:** Strengthen the capacity of SPS units in Ministry of Agriculture and Cooperatives (MACO) to provide efficient and speedy services for imports and exports within the framework of the CITS. These efforts will focus MACO’s strengths to support exports to “primary destination markets” such as regional markets (i.e. COMESA [Common Market for Eastern & Southern Africa]).

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 Results, Tasks and Deliverables:

The contractor must;

- Draft a review of previous assessments (including a review of relevant legislation) to discern the best services to be obtained from public or private sources.
- Based on that review, provide technical assistance, training, and procure equipment to ensure the standards necessary to implement the CITS and be compliant with regional market trade, such as COMESA.
- Train and equip technical and administrative staff in SPS certification and data management, including developing training manuals.
- Develop a sensitization program for the private sector on SPS requirements, including publication of SPS requirements on the Internet.

*C: Import and Export Quality Monitoring, Standardization, and Certification*

***Task Order Objective:*** Strengthen the standardization, certification and inspection units of the ZABS to provide efficient and speedy services for importing and exporting, ensuring conformity with the CITS and international and regional standards and technical requirements.

## Results, Tasks and Deliverables:

The contractor must;

- Develop a training manual for border staff in import and export management.
- Establish an information management system with a network linking all satellite stations. Inputs will include procurement of office equipment (including networking facilities) and furniture.
- Sensitize the public on standardization, certification and import and export quality clearance procedures relating to national and international technical requirements/standards.
- Procure training and equipment for internet publication of standards and regulations.
- Train staff in auditing of quality, environmental, and food safety management systems. The ultimate goal is to have staff trained and certified by an international body, and have the certification and inspection services accredited in order to have international recognition.

## V. Program Development Assistance

The TCP approved by the MCC designates two key civil society organizations, the Zambia Business Forum (ZBF) and Transparency International Zambia (TIZ), as leaders in the overall oversight of the threshold plan. Recognizing the increased burden placed upon these organizations in supervising the program, the approved threshold plan sets aside \$350,000 for each organization for technical assistance, procurement of office equipment, and training. A detailed breakdown of the areas of support is included in Attachment 2.

Additionally, the approved TCP requires quarterly surveying of the various pilot organizations to monitor improvement in effectiveness, efficiency, and transparency. These surveys build upon base studies conducted in the National Government Business Survey (see the TCP for further information) conducted by the South African NGO, called IDASA. Given the need to continue using the same methodology and baseline approach, the contractor will provide \$300,000 to IDASA to conduct these surveys on quarterly basis. USAID/Zambia will work with the contractor and IDASA to specify the arrangement for these surveys.

## **VI. Contractor Requirements for Task Order Management**

### ***1. Staffing***

The contractor will hire two staff persons to support the Anti-Corruption Steering Committee and the MCTI Steering Committee for the two components. Likewise, the GRZ will name TCP Coordinators in the areas of anti-corruption, business and investment climate, and customs and border operations within the MCTI. The TCP support staff for anti-corruption will work most closely with the Anti-Corruption Steering Committee, and in particular, the ACC, which will serve as the lead organization on the Ruling Justly components. The TCP does not provide for any formal coordination mechanism between the MCTI and the ACC, besides the high-level oversight provided by the Ministry of Finance and National Planning and National Planning (MoFNP). Consequently, the contractor must organize its personnel to ensure that all aspects of the TCP are being implemented in tandem. USAID plans to assign dedicated staff with relevant skills and technical expertise to oversee, advise, and guide TCP implementation. The Mission has created a MCA Threshold strategic objective to manage the program, as well as track and report progress to the MCC and USAID headquarters in Washington.

The following is a notional staffing plan that each contractor must elaborate upon and must provide an accompanying staffing budget for. Please note that compensation of personnel or subcontract personnel hired under the contract resulting from this RFTOP must be in agreement with AIDAR 752.7007, Personnel Compensation.

#### ***A. Task Order Project Director: (Key Personnel) - Chief of Party (COP): Level I (CLIN 0005***

The Project Director will be designated Chief of Party, and as the central point of contact for USAID and to provide direct in-country management of the task order. The Project Director must lead all activities and be the principal link between the Contractor, the CTO, USAID/Washington, and the MCC team. The Director shall be responsible for coordinating all Task Order activities, and for directing and assuring cost-effective results achievement. While the Director has authority over all funds that are provided to the sub-partners, the Director is expected to maintain a collaborative atmosphere that empowers local sub-partners.

The Director shall work with all staff members to insure the quality of their work, and support them in their efforts to link effectively with their counterparts. The Directors shall assist his staff to set priorities, resolve problems, and generally facilitate their work. S/he shall be the principal representative of the program on all formal occasions and meetings with USAID, counterparts, and related groups. The Director must be authorized to represent the Contractor in all matters pertaining to the execution of the Statement of Work. S/he is responsible for the budget execution, accounting, sub-contracting, and reporting on all program activities.

The Director will work with the USAID/Zambia Mission to respond to any Task Order questions and formal Task Order obligations. S/he must be responsible for all reports to USAID under this Task Order. The Director must be responsive to Mission requests for information, for annual plans, targets and budgets, for reporting results and submitting success stories, and for organizing official project visits. The Director must participate in monthly Chief of Party meetings, occasional partner and other stakeholder meetings.

The Director will reside in Zambia during the implementation of the Threshold Country Plan .and the illustrative level of effort for this position is 500 work days.

- Formal education in business management, democracy or an equivalent field at the Masters level (or higher);
- Minimum of ten (10) years of relevant work experience, five years of which must be supervisory, five of which must have been spent in a developing country environment ;
- At least five years experience as Director in development projects, preferably in Democracy and Economic related projects;
- Must have a demonstrated ability to manage, monitor and evaluate processes, projects and interdisciplinary staff as well as excellent interpersonal skills.
- Technical knowledge of and prior experience with implementation of regulatory reform projects, to include customs reform and preferably land reform and/or business registration reform, is essential.
- Experience related to government anti-corruption efforts, such as setting up internal watchdog units and reporting mechanisms, is highly desirable.
- Ability to communicate proficiently in spoken and written English; and
- Working knowledge of commonly used computer software.

*B. Anti-Corruption Expert: Level I (CLIN 0007): (Key Personnel)*

This position will also require substantial capacity building. Demonstrated professional excellence and strong cross-cultural interpersonal skills in a developing country environment are also required. The Anti-Corruption Expert will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 500 workdays.

The Anti-Corruption Advisor must oversee the technical direction of all activities of the ruling justly component. The Advisor must, at a minimum, have the following characteristics:

- A university degree in Law, sociology, public administration or related areas;
- At least six (6) years of relevant, practical work experience in designing and implementing anti-corruption mechanisms, five (5) years of which must have been supervisory, and two (2) of those years must have been spent in a developing country environment.;
- demonstrated experience with the practical applications of anti-corruption techniques and mechanisms
- Experience working with corruption prevention bodies ;
- Demonstrated experience including implementation of organizational and regulatory reforms that create more effective accountability mechanisms and avenues for the public to report and seek redress for corrupt behavior.
- Working knowledge of commonly used computer software.

*C. Border Management Expert: Level I (CLIN 0007) : (Key Personnel)*

The Border Management Advisor must oversee all activities related to customs border management activities. Demonstrated professional excellence and strong cross-cultural interpersonal skills in a developing country environment are also required. The Border Management Expert will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 500 workdays. The Advisor must, at a minimum, have the following characteristics:

- A University degree in, economics, business management/administration or related field;

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- At least Six (6) years of experience years of relevant work experience in Customs, five (5) years of which must have been supervisory, and two(2) of those must have been spent in a developing country environment;
  - Experience in customs operations and best practice standards would be an added advantage;
  - Demonstrated knowledge of CITS, risk management techniques, integrated customs and border management systems, procedures and administration, certification and inspections, SPS, and regional and international standards and best practices;
  - Working knowledge of commonly used computer software.

*D. Business and Investment Specialist: Level I (CLIN 0005)*

The Business and Investment Specialist will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 500 days. The Specialist must, at a minimum, have the following characteristics:

- A University degree in, economics, business management/administration or related field;
- At least six (6) years of relevant work experience, five (5) years of which must have been supervisory, and two (2) of those years must have been spent in a developing country.
- Demonstrated experience in simplifying business registration, licensing, and inspection procedure processes in developing countries;
- Experience in public sector organizational reform is highly desirable.

*E. IT Specialist: Level I (CLIN 0007)*

The IT Specialist will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 500 days. The Specialist must, at a minimum, have the following characteristics:

- A University degree in, computer science, information technology or related field;
- At least three (3) years of relevant work experience at two (2) of those years in a developing country environment;
- A strong background in VSAT, WAN, e-government applications, and database management.

*F. Legal Administrative Specialist: Level II (CLIN 0005)*

The Legal Administrative Specialist will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 250 days. The Specialist must, at a minimum, have the following characteristics:

- A Diploma in, Law, sociology or related field;
- At least three (3) years of relevant work experience at two (2) of those years in a developing country environment;
- Demonstrated work experience in public sector administrative reform processes and in setting up internal watchdog units is highly desirable.



- Demonstrated work experience in deed and titling process

#### *G. Legal Administrative Specialist: Level II (CLIN 0005)*

The Legal Administrative Specialist will be resident in Zambia during the implementation of the Threshold Country Plan. An illustrative level of effort for this position is 250 days. The Specialist must, at a minimum, have the following characteristics:

- A Diploma in, Law, sociology or related field;
- At least three (3) years of relevant work experience at two (2) of those years in a developing country environment;

#### *H. Other key staff*

The contractor is also expected to propose administrative, support staff, and short-term technical assistance as well as any home office backup needed to provide the right skill mix necessary for the attainment of the results under the task order.

#### *I. Roles and Responsibilities*

The Contractor must implement the Statement of Work defined above, with responsibility for its overall management. Contractors must propose how the management responsibilities will be coordinated to ensure an integrated approach to implementation. The Contractor will be responsible for ensuring that all Task Order staff create and maintain effective working relations with host country counterpart agencies, partner institutions, international and national NGOs, donor organizations, and USAID; work in a collaborative and inclusive team-oriented manner; and interact effectively with all partners and customers in the accomplishment of tasks. The Contractor's performance will be assessed on its ability to develop partnerships and promote teamwork that ensures a more effective contribution to the attainment of benchmarks and tangible results.

## **2. Logistics**

### **A. Office location**

The contractor is expected to establish an office in Zambia to conduct its operations. This office must be under the direction of the chief of party with the necessary administrative and support staff. The project management office staff will be responsible for overall management of task order activities on a day to day basis, proposing and securing approval from USAID/Zambia where required for short-term consultancies, international travel and other implementation actions as appropriate, monitoring and evaluating performance and results, reporting and providing overall task order coordination and management on all administrative and financial management best administered in Zambia.

### **B. Property purchased under Task Order**

The Contractor shall be responsible for the procurement of any and all equipment and commodities which are procured under the Task Order in order to carry out activities. The Contractor shall consider the procurement

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plan as part of the work plan and all procurement of goods must be executed in accordance with USAID regulations. The Contractor will also be responsible for proper warehousing, inventory, delivery, end-use monitoring and reporting requirements for all equipment, materials, and commodities purchased under the resulting Task Order.

The TCP contractor will acquire vehicles for its use that will be suitable for use by the sub-partners or government institution at the end of the TCP implementation period. This will also include office equipment and furniture acquired by the contractor under the task order.

At the end of the implementing period, the contractor shall provide a disposition plan to the USAID/Zambia CTO for subsequently approval by the Task Order Contracting Officer.

### C. Geographic Code

The authorized sources for procurement are USAID Code 935.

### D. Work week

Six day workweeks are authorized for all personnel on assignment in Zambia for 30 consecutive days or less. Under no circumstance will such approval constitute approval for premium overtime pay, or approval to exceed the total price of the Task Order.

### E. USAID Logistical Support to Contractor

USAID will obtain necessary paperwork for customs clearance and visas as the Contractor is required to be covered under the USAID bilateral agreement. Specifically, USAID will; assist in customs clearance and entry into Zambia for all commodities and equipment for the program, as well as household effects and personal vehicles for long-term expatriate TA staff; and to obtain long-term residence and exit visas for long-term technical advisers and their dependents as required.

## ***3. Required Reports***

The Contractor must satisfy the following reporting requirements:

### *A. Work Plan Reports*

The contractor will be responsible for filing a work plan and a list of deliverables to the task order Cognizant Technical Officer (CTO) within 30 days of award of the TCP task order. Subsequent Annual Work Plans are due on July 1<sup>st</sup> of each year.

The annual work plans must describe the activities and interventions required for achievement of the Statement of Work results and will be based on the approved TCP. In the event of changes in funding during the award period, the Contractor will be requested by USAID/Zambia to modify its implementation plan in accordance with directives associated with those changes.

The contractor will prepare and submit an annual work plan in English, which at a minimum will describe major activities, targets, milestones, timetables, and budget and cash flow expectations for the first year, within 30 days after the signature of the corresponding task order.

### *B. Monitoring and Evaluation (M &E) Reports*

Contractors must include, as an Annex to their Technical Proposal, a preliminary Monitoring and Evaluation Plan, containing at least the set of required indicators, with a ball-park estimation of annual and end-of-program tangible results. The Contractor will also be responsible for developing and executing a full Monitoring and Evaluation (M&E) Plan, which, at a minimum, includes the TCP indicators and the other indicators listed in the SOW. The full Monitoring and Evaluation Plan must be submitted to the USAID CTO for approval within 120 days of the award of the Task Order. The Plan must include end of program, as well as annual, indicators and targets for measuring the accomplishment of results and baseline data must be provided when available. Data sources, definitions and collection methodologies must also be noted for each indicator.

### *C. Monthly and Semiannual Progress Reports*

The monthly reports shall be due on the 28<sup>th</sup> of each month while the semi-annual report shall be due on March 31 of each year

The reports reflecting the work plan will be produced and will be due no later than 15 days after they are due. Reports will include reference to annual work plan component areas, accomplishments, progress towards accomplishments, projected accomplishments, timeframe, funds expended, total program expenses to date, and estimated amounts still available. Discrepancies (if any) between the work plan and reports must be explained, including possible requests that the work be amended. Accomplishments and difficulties will be described both quantitatively and qualitatively as they relate to objectives of the Threshold Country Plan. Any anticipated or actual delays will be explained and a plan for corrective actions initiated.

In addition, the final semiannual report of each fiscal year will incorporate an annual summary report that includes annual cumulative results data and indicators.

### *D. Annual Reports*

The annual report will be due on a date to be determined by USAID/Zambia following the awarding of the contract.

### **F. Final Report**

A written final report is due no later than 30 days before the end of the task order, which will include, at a minimum, quantitative and qualitative accomplishments, conclusions and recommendations for future activities. The Chief of Party is responsible for submitting all reports and requests directly to USAID/Zambia.

### *G. Other Considerations*

Some deadlines for activities and deliverables are contingent upon actions outside the control of the contractor or may require change for other unforeseeable reasons. Therefore, changes in deadlines for deliverables that do not materially alter the nature of the Contractor Deliverables or Objectives must be submitted for approval in quarterly updates to the work plan, or on a case by case basis to the task order CTO. The task order CTO will

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have authority to adjust the schedule of deliverable deadlines in these cases. In cases where a Deliverable or Objective will be materially altered by a change, the request will be submitted to the task order CTO for final approval by the Contracting Officer. All documents provided for ongoing use (training materials, surveys, forms, operating guides, and manuals) will be provided to the GRZ in both printed form and Word/PDF formats (as appropriate).