



**ASEAN-Australia-New Zealand Free Trade Area (AANZFTA)
Economic Cooperation Support Programme (AECSP)**

Request for Proposal

**Consulting Opportunity
to Support In-Country Capacity Building Workshops
on Full Cumulation
[AANZ-0078-ROO-13]**

**PROPOSAL MUST BE RECEIVED BY
3 July 2018**

EMAIL PROPOSAL TO:

AANZFTA Support Unit
External Economic Relations Division
ASEAN Economic Community Department
The ASEAN Secretariat
Jakarta 12110, Indonesia
Email: ecwp@asean.org

Prepared by: AANZFTA Support Unit / EERD / MID
Date: **May 2018**

1. EXECUTIVE SUMMARY

1. The 12th Meeting of the AANZFTA Sub-Committee on Rules of Origin (SCROO), held in Auckland, New Zealand on 30 May – 2 June 2017, discussed Australia and New Zealand's proposal on the arrangement of pilot program on full cumulation, following the agreement of SCROO to have pilot program on full cumulation with voluntary participation of AANZFTA Parties into the pilot program.
2. The Pilot Program on Full Cumulation will expand the concept of cumulation described in Article 6.1 to that of “full cumulation”. Full cumulation allows the accumulation of originating costs (labour and materials) for a good incurred in one AANZFTA to count in the costs of production of a subsequent good in another AANZFTA Party, regardless of whether the processing of the original good is sufficient to confer originating status.
3. Full Cumulation is a new concept for all ASEAN Member States (AMS). Except for those delegates of the SCROO, it is expected that there will be minimal knowledge of the concept of full cumulation by both officials and private sector (manufacturers/exporters and importers) in AMS. This project aims to support the negotiation of Pilot Program on Full Cumulation through providing training to AMS officials and possible users of full cumulation (private sector) on the understanding on full cumulation concepts and its application in ROO. Outputs of the project include the workbook on Full Cumulation and a set of recommendation from country reports for the negotiation of on Full Cumulation Pilot Program.

2. SCOPE OF WORK

2.1. PROJECT OVERVIEW

4. In supporting AMS to negotiate a Pilot Program on Full Cumulation, this project will address lack of knowledge on the concept of Full Cumulation through (i) creating an awareness and promoting understanding among AANZFTA Parties relevant officials and businesses that wish to benefit from full cumulation based on the concept of full cumulation; (ii) providing capacity building to relevant officials and private sector on the application of full cumulation concept including documentations required. The project also aims to assist participating countries in monitoring and recording the use of full cumulation during the Pilot Program.
5. The Project requires engagement of an international expert consultant or consultancy firm to support SCROO in assisting AANZFTA Parties in preparation for negotiating a Full Cumulation Pilot Program through providing necessary capacity building to officials in AANZFTA Parties.
6. Essentially the consultant is being asked to undertake the following tasks:
 - a. Develop a workbook on Full Cumulation which includes, among others, (1) an explanation on a Pilot Program on Full Cumulation, (2) who can utilise full cumulation and what will be the benefits to importers, exporters, Parties, and the regional supply chain; (3) exactly how full cumulation will work and how it is different from the existing origin determination; (4) what paperwork will be introduced and used with full cumulation; (5) risk management in relation to the use of full cumulation; (6) issuing of the CoO for the final good in the supply chain that utilises full cumulation; (7) audit of supply chains using full cumulation

- b. Facilitate eight in-country trainings (two days training per country)^{*/} targeting relevant officials and manufactures/exporters and importers that would utilise full cumulation, i.e. one in-country training each for Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand and Viet Nam, through the provisions of (i) developing agenda for the training based on the Full Cumulation workbook to be developed, (ii) preparing workshop materials, such as, but not limited to, presentation slides, examples and exercises, (iii) facilitating delivery of training; and (iv) preparing training report from each in-country training highlighting, among others, country specific issues, if any, output of discussions and recommendations.

^{*/} Length of workshop: two one-day sessions, two sessions be held in each AMS, one session for Government officials followed the next day by a session for manufacturers/exporters and importers that would utilise full cumulation

7. The main output of this project will be, but not limited to:

- a. **Workbook on Full cumulation for AANZFTA ROO**, which includes, among others,
- (1) an explanation on a Pilot Program on Full Cumulation and necessary legal documents to implement the Pilot Program;
 - (2) who will utilise full cumulation and what will be the benefits to importers, exporters, Parties, and the regional supply chain;
 - (3) exactly how full cumulation will work and how it is different from the existing origin determination;
 - (4) what paperwork will be introduced and used with full cumulation;
 - (5) risk management in relation to the use of full cumulation;
 - (6) issuing of the CoO for the final good in the supply chain that utilises full cumulation; and
 - (7) audit of supply chains using full cumulation.
- b. **Draft agenda for in-country trainings** to be conducted in each eligible AMS ¹;
- c. **PowerPoint presentations and materials** for eight in-country trainings;
- d. **In-country training reports** documenting and reporting the result of the in-country trainings including country specific issues, if any, output of discussions and recommendations from the in-country trainings.

2.2. PROJECT REQUIREMENTS

8. All documents produced under this project will have to be submitted to SCROO, through the ASEAN Secretariat, for consideration and comments. Full Cumulation workbook, referred to in paragraph 6(a), will have to be finalised and agreed by SCROO before the conduct of the in-country trainings.
9. Selection Criteria - an application should include the consultant's qualifications and expertise as follows:
- A demonstrated high level of expertise and extensive experience on rules of origin specifically on cumulation rules and its application under ROO of various free trade agreements (FTAs)

¹ ODA eligible AMS are Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, Viet Nam

- A demonstrated high level of expertise and posses sufficient qualifications in the field risk management relevant to rules of origin, including the use of full cumulation, including audit of supply chains using full cumulation;
- A demonstrated high level of expertise and extensive experience in monitoring and reporting usage of full cumulation for rules of origin;
- A willingness to work collaboratively with the ASEAN Secretariat, and other relevant parties, on this project
- Ability to deliver within the proposed timeframes

3. RFP REQUIREMENTS PROCESS

3.1 STRUCTURE OF THE DOCUMENT

10. The Technical Proposal to be submitted must include, but not limited to, the following sections:
- a. Executive Summary
 - b. Expert Team, including sub-contractor, if any
 - c. Proposed Methodology
 - d. Risk Management
 - e. Work Plan

3.2 PROPOSAL SUBMISSION INSTRUCTIONS

- a. All proposals must be submitted in English.
- b. Consultant should indicate the Title of the Tender at the subject of the email.
- c. The Technical and Finance Proposals must be submitted in two separate documents.
- d. Consultant must not include any financial/cost data in the Technical Proposal, but only in the Financial Proposal.
- e. The proposal should be concisely presented and structured, and should explain in detail the Consultant's availability, experience and resources to provide the requested services.
- f. Proposals must be submitted by the Closing Date and Time, as indicated in the RFP.
- g. Proposals that are incomplete or do not address the required criteria may not be considered in the review process.
- h. All communications with regard to this RFP shall be in writing and submitted to:

AANZFTA Support Unit
 External Economic Relations Division
 ASEAN Economic Community Department
 The ASEAN Secretariat
 Jakarta 12110, Indonesia
 Email: ecwp@asean.org

3.3 RFP RELATED QUESTIONS / CLARIFICATIONS / SUBMISSION

11. All questions related to this RFP should be directed to: AANZFTA Support Unit, at ecwp@asean.org
12. Consultant must ensure that both Technical & Financial Proposals are received via email at the following address before the tender closing date <03 July 2018>.

AANZFTA Support Unit

External Economic Relations Division
 ASEAN Economic Community Department
 The ASEAN Secretariat
 Jakarta 12110, Indonesia
 Email: ecwp@asean.org

3.4 RFP TERMS & CONDITIONS

3.4.1 Bid Expiration Date

13. Received proposal shall be valid until **end of October 2018**.

3.4.2 Implementation/Delivery Schedule

14. Appointment and contract of the consultant or consultant team will be negotiated by the ASEAN Secretariat, in consultation SCROO Co-Chairs.
15. SCROO Co-Chairs of ASEAN, Australia and New Zealand and the ASEAN Secretariat will select the Consultant.
16. In carrying out his/her assignment, the consultant or consultant team will work closely with the ASEAN Secretariat and SCROO Co-Chairs. Communication and reporting process of the Consultant to the SCROO Co-Chairs will be done through the ASEAN Secretariat.
17. The proposed timeline for hiring and activities of the consultant or consultant team will be as follows:

| Deliverables and Milestones | Dates |
|---|--------------------|
| Consultant/consultant team hired | July 2018 |
| | |
| Full Cumulation Workbook | July – August 2018 |
| Submission of draft Full Cumulation Workbook for circulation and consideration by SCROO | |
| Submission of revised draft Full Cumulation Workbook for circulation and consideration by SCROO | |
| Submission of the 2 nd revision of the draft Full Cumulation Workbook, if needed, for approval by SCROO | |
| | |
| Agenda and Materials for in-country trainings (Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand and Viet Nam) | September 2018 |
| Submission of draft agenda and materials for the in-country trainings for circulation and consideration by SCROO | |
| Submission of revised draft agenda and materials for the in-country trainings for circulation and consideration by SCROO | |
| Submission of the 2 nd revision of the draft agenda and materials, if needed, for approval by SCROO | |

| Deliverables and Milestones | Dates |
|---|---------------------------|
| Conduct and facilitate eight In-Country Trainings (two days of training per country). Preferably, all in-country trainings to be conducted in weekly blocks, i.e. to conduct series in-country training for two or three different countries within one week. Each weekly block will be separated by two-week break to allow initial review of earlier weekly block trainings. | September – November 2018 |
| Consultant’s report: Consultant’s documentation and report of the in-country capacity building, including county specific issues, if any, output of discussions and recommendations from each in-country trainings. | November – December 2018 |

18. The Consultant would be expected to complete the scope of work and activities reflected in paragraph 6 of this document with maximum 31 input days (based on the actual number of days of training and not to include travel days for the in-country trainings).

4. RESPONSE FORMAT (PROPOSAL FORMAT)

4.1 PROPOSAL CONTENT / FORMAT

19. The application should be submitted in two (2) parts: Technical and Financial proposal.
20. Technical Proposal should include the following information:
- a. A methodological discussion, to cover, among others, understanding of the needs of the project, brief analysis of the key issues, analytical strategy to address the key issues, tools and techniques to be used, possible limitations in carrying out the project;
 - b. Detailed work plan to identify activities to be undertaken and its possible timeline;
 - c. Expert team to support the work, including team management plan and CVs of all proposed experts;
 - d. Brief discussion on the firm’s past experience in undertaking similar work and brief summary of all projects undertaken;
 - e. Other information to substantiate the capacity of the applicants to undertake the project; and
 - f. Completed company information based on template reflected in Appendix 1 and Appendix 1A.

4.2 FINANCIAL PROPOSAL

21. Financial proposal should include the cost of consultancy with the following details:
- Consultancy fee for developing Full Cumulation Workbook, training agenda, training materials, in-country training reports in unit cost and the number of hours/days;
 - Facilitating in-country training for eight ASEAN Member States in unit cost and the number of hours/days; and
 - Miscellaneous charges, if applicable.

22. The cost of travel and accommodation for the consultant, as may be required by the ASEAN Secretariat, shall be paid based on actual costs and borne by the Project Fund.

5. COMPLIANCE

23. In conformance to the ASEAN Secretariat's Financial Rules and Administrative Procedures (AFARP), the Consultant shall submit Tender Bids in two separate documents as follows:

- 1) **Technical Proposal** (see description under section 4). Please complete and attach Appendix 1 and 1a - Company General Information and List of Clients; and completed Compliance Checklist as per Appendix 2 to this RfP;

Consultant must not include any financial/cost data in the Technical Proposal, but only in the separate document titled Financial Proposal.

- 2) **Financial Proposal** (see description under section 4). Please complete submit the financial proposal which shall include detailed cost estimates including a summary sheet indicating the unit prices; payments schedule, following Appendix 3 to this RfP

All documents have to be submitted in English and price quoted in United States or Australian Dollar.

The ASEAN Secretariat may, after the closing date, request additional information or clarification of tenders in writing.

Appendix 1

Company General Information

(For individual consultants, a curriculum vitae is required in lieu of this document)

*To be submitted together in the **Technical Proposal***

| | | | |
|---|--|-----------------------|--|
| Company LEGAL Name: | | | |
| Division or Subsidiary (if applicable): | | | |
| Company Address: | | | |
| City: | | | |
| Province / State: | | | |
| Country: | | | |
| Postal Code: | | | |
| Telephone: | | | |
| Business Name Registration: | | | |
| Tax Registration Number: | | | |
| Valid Business Permit: | | | |
| Company Contact: | | Telephone no.: | |
| Title / Position: | | Fax no.: | |
| E- Mail: | | | |
| Indicate number of years involved in similar business | | | |
| Are you a subsidiary of a financial institution? *If Yes, Please indicate your Holding Company | | | |

Appendix 1a.
Customer Reference
To be used for the Technical Proposal

| Customer Details | |
|------------------|--|
| Company Name | |
| Company Address | |
| Telephone Number | |
| Fax Number | |
| Contact Name | |
| Project Title | |

| Customer Details | |
|------------------|--|
| Company Name | |
| Company Address | |
| Telephone Number | |
| Fax Number | |
| Contact Name | |
| Project Title | |

| Customer Details | |
|------------------|--|
| Company Name | |
| Company Address | |
| Telephone Number | |
| Fax Number | |
| Contact Name | |
| Project Title | |

APPENDIX 2

Technical Requirements *To be used for the Technical Proposal*

| No | AECSP Requirements |
|----|---|
| 1 | A demonstrated high level of expertise and extensive experience on rules of origin specifically on cumulation rules and its application under ROO of various free trade agreements |
| 2 | A demonstrated high level of expertise and possesses sufficient qualifications in the field risk management relevant to rules of origin, including the use of full cumulation, including audit of supply chains using full cumulation |
| 3 | A demonstrated high level of expertise and extensive experience in monitoring and reporting usage of full cumulation for rules of origin |
| 4 | A willingness to work collaboratively with the ASEAN Secretariat, and other relevant parties, on this project |
| 5 | Ability to deliver within the proposed timeframes |

APPENDIX 3

Price and Payment Schedule

<Only if required> To be used for the Financial Proposal

A. PRICE

Unit: USD or AUD

| No. | Description | Unit | Price (Total estimated cost) |
|--------------|---------------------------------------|-------------|---------------------------------|
| 1 | Professional Services | | |
| | - Input days for each expected output | (# of days) | |
| 2 | Other reimbursable expenses | | |
| | - Item 1 | | |
| | - Item 2 | | |
| TOTAL | | | |

B. PROPOSED PAYMENT SCHEDULE