



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

Request for Proposal

**Consulting Opportunity for
Monitoring Utilization of AANZFTA Tariff Preferences Phase II –
Building Individual Parties Capacities to Submit Compatible Data
for CTG Analysis
[AANZ-0093-ROO-14]**

**PROPOSAL MUST BE RECEIVED BY
23 July 2021**

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
Time: 06/2021

1 EXECUTIVE SUMMARY

The importance of adequate information on the utilization of AANFTA was raised since the 1st Meeting of the AANZFTA Committee on Trade in Goods (CTG) on 24-25 May 2010. In 2011, Committee on Trade in Goods started to consider work plan towards the development of a region-wide mechanism to capture, report and monitor the utilization of AANZFTA tariff preferences, and agreed on a format for trade data collection on the utilization of the tariff preferences. In the same year, the project on Developing a Regional Approach to Monitoring Utilisation of AANZFTA Tariff Preferences was approved. However, after many efforts, the progress toward an effective monitoring mechanism remains a challenge. The data submission was slow and inadequate due to technical challenges in data collection, processing and reporting. As of May 2019, eight countries had submitted their import-side data using CTG-agreed template, yet only Australia and the Philippines were able to provide data for all fields, and report their utilization figures.

CTG acknowledged the importance of an effective mechanism to monitor the utilization of FTA preference, as utilization data is key to understand how well the FTA is being implemented and it could be a good tool to assist the direction of FTA upgrade discussions. CTG, therefore, agreed on a need for a follow-up project, to address the issue related to data collection and analysis to support the advancement of the regional mechanism for effective tariff preferences utilization monitoring. Reflecting from the implementation of Phase I in 2011-19, under CTG's guideline, Phase II of the tariff preferences utilization monitoring would continue to support the development of the regional mechanism to monitor the utilization of AANZFTA tariff preferences through analyzing the availability of data and technical constraints of each Party.

This project is expected to deliver the following outputs:

1. Review Study on the availability of the required data in each Party to monitor the utilization of AANZFTA preferences, including a mechanism for data collection, processing and reporting, and challenges faced by AANZFTA Parties, particularly related to the coordination among relevant agencies that hinder the full submission of data of preferences utilization in accordance with the agreed CTG template on a regular basis.
2. Draft recommendation to mitigate the identified challenges faced by each Party to enable them to submit the required data in accordance with the agreed CTG template.

2 SCOPE OF WORK

2.1 THE ASSIGNMENT

I. BACKGROUND

1. CTG acknowledged the importance of an effective mechanism to monitor the utilization of FTA preference, as utilization data is key to understand how well the FTA is being implemented and it could be a good tool to assist the direction of FTA upgrade discussions. However, it was noted at the CTG, only Australia has been consistently reporting their utilization figures.
2. This project is a follow-up from AECSP Project on Developing a Regional Approach to Monitoring Utilization of AANZFTA Tariff Preferences. Under CTG's guidance, the Phase I project achieved the following results:
 - a. Parties agreed on key recommendations for establishing a regional mechanism including a submission form identifying elements of trade data to be submitted (approved by CTG in December 2011).
 - b. Following two Pilot Test Workshops, the Philippines and Indonesia presented result from their respective pilot test at the 13th CTG Meeting in 2017. The Philippines demonstrated the feasibility of establishing the regional mechanism.
3. However, the progress of data submission was slow due to technical challenges in data collection, processing and reporting. As of May 2019, eight countries had submitted their import-side data using the CTG-agreed template, yet only Australia and the Philippines were able to provide data for all fields.
4. The process of establishing a monitoring mechanism is sequential: (i) setting up data collection; (ii) analysis of data; and (iii) publication and dissemination including reporting to Ministers and publication to inform government, business and the public. Some Parties indicated at CTG meetings that they were still facing difficulties in capturing the required data and therefore would need assistance to address the issues at the respective country's level. One of the recommendations from the earlier Phase is to conduct a capacity assessment that would help to identify difficulties or challenges faced by Parties in this area.
5. Capacity assessment would evaluate possible areas of difficulties faced by Parties to support the regional monitoring mechanism, which may include, among others, system capacity, including lodging system, and system integration for agencies involved, officials' capacity in generating and processing data, data processing and reporting timeframe, and inter-agency coordination. Learning from the experience of Indonesia and the Philippines in the Phase I project, inter-agency coordination plays a crucial role in ensuring the successful development of a national system to monitor the utilization of tariff preference.
6. The result of the assessment would feed into the possible work plan to address the challenges faced by Parties and the way forward for CTG to review its work plan in developing a regional mechanism to monitor tariff preferences provided by AANZFTA. Effective mechanism for monitoring utilization of FTA preferential treatment, both at the national and regional level, would support capacity to undertake trade analysis, including analysis on the effectiveness of FTA in the current

and post-pandemic international trade environment. By providing a robust basis for the establishment of the regional mechanism through capacity assessment, the project would help to counter challenges of FTA utilization, including those that are the result of the pandemic.

II. PURPOSE OF THE ASSIGNMENT

7. AANZFTA is seeking the services of a team of international expert consultant who will provide technical assistance and support to implement Phase 2 of Monitoring Utilisation of AANZFTA Tariff Preferences. Phase 2 of this project will focus on a Review Study on data availability in AANZFTA Parties, including the internal coordination mechanism of each Party for data collection, data processing and reporting, challenges faced by Parties that hinder full submission of data for monitoring FTA utilization on regular basis. The study would cover a review on system capacity, including lodging system, and system integration for agencies involved, officials' capacity in generating and processing data, data processing and reporting timeframe, inter-agency coordination, focusing on import data, reflecting transactions that were "approved" to claim preferential tariff treatment. Report identifying the particular issues at the country level of the AANZFTA Parties to enable them to submit the data for the purpose of monitoring the utilization of FTA preference. It is necessary to identify whether the issues are due to system, or capacity, to provide appropriate solutions. The consultant will also provide expertise in preparing and delivering substantive content for the regional workshop.

III. CONSULTANT'S SCOPE OF WORK AND ACTIVITIES

8. **Review the availability of data to support regional mechanism for monitoring utilization of AANZFTA preferences.**

Consultant would be engaged to undertake the following:

- Comprehensive review, including desk-based review, pre-interview survey and stakeholder interview, on the availability of data and existing mechanism for data collection, processing and reporting in each participating AANZFTA Party¹ to monitor the utilization of FTA preferences, including to identify challenges faced to meet the requirement for regular reporting to CTG based on the agreed format. The pre-interview survey, targeting relevant agencies responsible for data collection and processing, e.g., customs, national statistics office, ministry of trade/commerce, could provide preliminary information on data availability and FTA utilization mechanism in the countries under study which would also serve as a preparation for countries preceding the stakeholder interview. The pre-interview survey and the stakeholder interview to be done virtually.
- Desk-based review on monitoring mechanism under other FTAs or other fora.
- Analysis of the findings from the desk-based review, pre-interview survey and stakeholder interview and propose a possible way for monitoring the utilization of AANZFTA tariff preferences, either at a regional level or at the national level.
- Facilitate a 1-day national workshops, as necessary, in each participating AANZFTA Party (incl. development of agenda, workshop materials, workshop facilitation, workshop report, coordination with speakers and ASEAN Secretariat for workshop delivery arrangement), to validate the findings of the study of data availability to

¹ At the initial stage, participating AANZFTA Parties includes Indonesia, Myanmar and Philippines, with possibilities other Parties to join during the study.

**Monitoring Utilization of AANZFTA Tariff Preferences Phase II
Building Individual Parties Capacities to Submit Compatible Data for CTG Analysis**

support the regional mechanism. The workshops, involving all agencies interviewed/consulted during the study, would be delivered in virtual format.

- Facilitate a virtual regional workshop (incl. development of agenda, workshop materials, workshop facilitation, workshop report, coordination with speakers and ASEAN Secretariat for workshop delivery arrangement), to discuss the output of the Study, including discussion on possible work plan for CTG to progress its work plan for the monitoring of utilization of AANZFTA tariff preferences. The regional workshop is targeting the participation of relevant agencies consulted in each participating country and CTG representatives.

9. The following are detailed activities and time frames of the Project:

No.	Indicative Time Frame	Activity
1	August 2021	Prepare an inception report for consideration by relevant ASEAN and AANZFTA bodies. The Consultant is expected to incorporate the comments and inputs from ASEAN and AANZFTA bodies for finalisation before proceeding to the next steps.
2	August – September/October 2021	Desk-based review, stakeholder survey/questionnaire, and interview
3	September – October/November	Series of National Workshops (virtual)
4	November 2021	Regional Workshop (virtual)
5	December 2021	Final Reporting by Consultant (Prepare and submit the final report, summarising all findings and outputs related to the assignments, for consideration by relevant ASEAN and AANZFTA bodies).

The ASEAN Secretariat will coordinate the nomination of participants with relevant bodies.

10. The consultants would be expected to complete the scope of work and activities with a maximum of **92** input days.

IV. EXPECTED DELIVERABLES

11. The main output documents of this project will be, but not limited to:
- a. **Inception report**, detailing the approaches and methodologies as well as workplan to carry out the activities.
 - b. **Report/Study on the availability of data** required to support to monitor the utilization of AANZFTA preferences, including currently applied mechanism for data collection, processing and reporting, and on challenges faced by AANZFTA Parties* that hinder full submission of data of preferences utilization on regular basis.
 - c. **Recommendations and work plan** to establish the regional mechanism for the effective monitoring utilization of the AANZFTA tariff preference.
 - d. **National Workshops**: Facilitate a 1-day national workshop, as necessary, in each participating AANZFTA Party (incl. development of agenda, workshop materials, workshop facilitations, workshop reports, coordination with speakers and ASEAN Secretariat for workshop delivery arrangement), to validate the findings of the study of data availability to support the regional mechanism. The workshops, involving all agencies interviewed/consulted during the study, would be delivered in virtual format.
 - e. **Regional Workshop**: Facilitate a virtual regional workshop (incl. development of agenda, workshop materials, workshop facilitation, workshop report, coordination with speakers and ASEAN Secretariat for workshop delivery arrangement), to discuss the output of the Study, including discussion on possible work plan for CTG to progress its work plan for the monitoring of utilization of AANZFTA tariff preferences.
 - f. **Final report**, summarising completion of output of the Study and Recommendations to mitigate the identified challenges faced by participating Party to enable them to submit the required data in accordance with the agreed CTG template.

QUALIFICATIONS

CONSULTANT'S QUALIFICATIONS

#	Qualification	Weight
1	Proven professional experience and knowledge in: a. A demonstrated high level of expertise and extensive experience in regulatory policy, knowledge in various FTAs, especially on trade in goods, application and best practices on implementation and monitoring of utilization of tariff commitments; b. A demonstrated high level of expertise and possess sufficient qualifications in the field monitoring utilization of preferential tariff at various levels (data collection, data processing, data analysis), including the development of workplan and regional mechanism; c. Organisation development and facilitation of national and regional workshop; d. Facilitation and writing; e. Government service or consulting work in ASEAN/ AANZFTA is preferred but not necessary.	40%
2	Appropriateness of proposed concept and work plan, including detail content and clear deliverables	30%
3	Qualification of proposed team members	30%

3 RFP REQUIREMENTS

3.1 PROPOSAL SUBMISSION INSTRUCTIONS

- a) Consultant must ensure that both Technical & Financial Proposals are received via email at the following address before the tender closing date **23 July 2021**

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

- b) All proposals must be submitted in English.
c) Consultant should indicate the Title of the Tender at the subject of the email.
d) The Technical and Finance Proposals must be submitted in two separate documents.
e) Consultant must not include any financial/cost data in the Technical Proposal, but only in the Financial Proposal.
f) 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.
g) Proposals that are incomplete or do not address the required criteria may not be considered in the review process.

3.2 RFP TERMS & CONDITIONS

3.2.1 3.3.1 Bid Expiration Date

Received proposals shall be valid until **30 November 2021**

3.2.2 Implementation/Delivery Schedule

- a. Contract award will be decided by the Selection Committee comprised of Co-Chairs of the AANZFTA Committee on Trade in Goods (CTG).
b. Terms and reference of the contract will be negotiated by the ASEAN Secretariat.
c. In carrying out his/her assignment, the consultant or consultant team will work closely with the ASEAN Secretariat and reporting to the AANZFTA CTG through the ASEAN Secretariat.
d. The timeline for hiring and initial activities of the consultant will be as follows:

Action	Deliverables	Indicative Timeline
Contracting		July/August 2021
Submission of draft output:		
Submission of inception report	Inception report	July/August 2021
Review the availability of data to support regional mechanism for	• Desk-based review, pre-interview survey and stakeholder interview	August – September/October 2021

Monitoring Utilization of AANZFTA Tariff Preferences Phase II
Building Individual Parties Capacities to Submit Compatible Data for CTG Analysis

Action	Deliverables	Indicative Timeline
monitoring utilization of AANZFTA preferences	<ul style="list-style-type: none"> • Draft report of the desk-study 	
Series of National Workshops (virtual) in/for each AANZFTA Parties	<ul style="list-style-type: none"> • Agenda for the workshop; • Workshop materials; • Workshop facilitation; and • Workshop report. 	September – October/November
Regional Workshop	<ul style="list-style-type: none"> • Agenda for the workshop; • Workshop materials; • Workshop facilitation; and • Workshop report. 	November 2021
Revision and finalisation of Review Study, recommendation and workplan for establishing regional mechanism, incorporating all inputs/comments from the Consultation Workshop	Final Review Study and Regional Mechanism workplan	November/December 2021
Submission of the final report	Final report	December 2021

4 RESPONSE FORMAT (PROPOSAL FORMAT)

In conformance to the ASEAN Secretariat's Financial Rules and Administrative Procedures (AFARP), the Consultant shall submit the applications in **two** separate documents: Technical Proposal and Financial Proposal.

4.1 TECHNICAL PROPOSAL

The technical component should contain the following information:

- a. A brief discussion indicating the prospective Consultant's understanding of the project's purpose;
- b. A discussion of how the prospective Consultant proposes to approach the project including but not limited to methodology to undertake the assignment, list of possible reference materials and a work plan specifying the activities to be undertaken (including draft agenda or focused topics for workshops, travels per expert for each activity), an outline of the reports to be delivered, and schedule of activities, taking into account the targets to complete the undertaking;
- c. A brief summary of the prospective Consultant's expertise and knowledge in the application, implementation of trade in goods, application and best practices on implementation and monitoring of utilization of tariff commitments, highlighting experience in related work relevant to the project and capacity building. *(Please provide links to the publications if available, or enclose selected publications in soft-copy in the application)*;
- d. Brief discussion on the consultant's or firm's past experience in undertaking similar work and brief summary of projects undertaken;
- e. Names and curriculum vitae of associates, subcontractors, personnel or employees who will be engaged in the performance of services;
- f. Complete the attached Appendix 1 and 1a - Company General Information and List of Clients; and
- g. Other information to substantiate the capacity of applicants to undertake the project.

4.2 FINANCIAL PROPOSAL

Please complete submit the financial proposal which shall include detailed cost estimates including a summary sheet indicating the unit prices; payments schedule, following Appendix 2 to this RfP.

The financial component should specify all direct and indirect costs for undertaking the project, including but not limited to:

- Professional services fee for completing all deliverables in unit cost and the number of hours/days. Noting the possibility of some Parties joining the study at a later stage, the financial component needs to identify the component of cost to deliver study, including to facilitate a respective national workshop, per country;
- Miscellaneous charges, if applicable.

The cost of travels to support the proposed work program, as may be required and arranged by the ASEAN Secretariat, shall be borne by the Project Fund and based on actual costs.

Monitoring Utilization of AANZFTA Tariff Preferences Phase II
Building Individual Parties Capacities to Submit Compatible Data for CTG Analysis

Appendix 1

Company General Information

*(Only required for consulting firms, to be submitted as part of the **Technical Proposal**)*

Company's 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			

Monitoring Utilization of AANZFTA Tariff Preferences Phase II
Building Individual Parties Capacities to Submit Compatible Data for CTG Analysis

Appendix 1a.
Customer Reference

To be submitted as part of 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

Price and Payment Schedule
To be submitted as part of 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 expenses		
	- Item 1		
	- Item 2		
TOTAL			

B. PROPOSED PAYMENT SCHEDULE