



**TERMS OF REFERENCE FOR THE PROCUREMENT OF A CONSULTANT ON THE  
MANAGEMENT OF DOMESTIC EXCISE IN THE MALAWI REVENUE AUTHORITY**

**APRIL 2016**

## **1. Back ground**

In an attempt to improve and optimize revenue collection, the Malawi Revenue Authority seeks to build an effective and broad-based tax system with skilled personnel to effectively execute their duties. It has been established that a number of officers managing the Excise Unit lack detailed understanding of the production processes of key industries liable for domestic excise. Currently, the Authority has been using officers who have basic knowledge on the management of domestic excise train other officers as a way of addressing skills gaps in officers who were not trained in Excise. In response to the issue of capacity building, MRA through the Ministry of Finance, Economic Planning and Development sought the assistance of the Africa Development Fund to assist in institutional capacity building for domestic excise taxation.

## **2. Objectives**

The objectives of the initiative to enhance the management of the Domestic Excise in the Authority are;

- a. To assess the legal and policy environment surrounding the management of the Domestic Excise and identify areas that needs to be reviewed in order to improve the Domestic Excise revenue collection.
- b. To build capacity and have competent tax officers who have the necessary skills in executing their duties in the management of domestic excise in Domestic Taxes Division. The capacity building program should also provide Training of Trainers to the officers to impart knowledge to other officers in the Division.
- c. To have an operating user manual as effective management of the Domestic Excise is supposed to be guided by a common reference tool for the officers to promote uniformity in the execution of their duties.

## **3. Scope of the Consultant**

Malawi Revenue Authority requires the services of a consultant to assist in the review of the policy and legal environment governing the operations of the domestic excise which is expected to highlight areas of concentration for the training of officers and assist in the development of the user manual for the domestic excise unit. In summary, the following are expected:

- Undertake a Needs Assessment to review legal and policy environment and skills gaps that impinge on domestic excise collection;
- Develop a detailed domestic excise training plan. The training methodology to include Domestic Excise audit theory and applying the theoretical knowledge into practice though live audits.

- Train staff on the production processes to enable them assesses the domestic excise payable.
- Develop a user manual as a reference tool for MRA in collection of domestic excise.

#### **4. Required Qualifications and Experience.**

The individual consultant eligible for the assignment should have the following qualifications:

- a. At least a Bachelor's Degree in Production Chemistry. A Master's Degree will be an added advantage;
- b. Minimum of ten years' experience and must have sufficient knowledge of the Tax System in Malawi or the region;
- c. High level of technical competence in tax policy, tax administration with specialization and practical experience in domestic excise matters especially in the production processes of excisable products;
- d. Training experience;
- e. Work experience in a Sub-Saharan African country will be an added advantage;
- f. Should have good command of the written and spoken English;
- g. Must have computer knowledge.

Thus the individual consultant with these competencies and proven experience of similar or related assignments work done are eligible to bid. Applications should be supported by no less than three traceable referees.

#### **5. Time Schedule and Deliverables.**

It is expected that the needs assessment for the management of domestic excise, training programme and the development of the user manual will be done within the funding period as stated in the funding agreement with the African Development Bank. The individual consultant is therefore expected to:

- a. Do need assessment and report on the same within 14 days.
- b. Deliver training as outlined in their bid document and work plan and agreed upon by the training beneficiary. The training is expected to be completed in one month; thus covering both theory and practical.
- c. Develop the Domestic Excise user manual to guide the domestic excise operations. The exercise is expected to be completed within one month.

During the exercise the consultant is expected to submit the following reports:

- **The Inception Report-** within two weeks of commencing the assignment the Consultant will submit an inception report, which will include, a detailed methodology and work programme for the task to be undertaken, and an indication of the expected outputs and targets of the assignment. This will be provided to the Project Steering Committee for comments and feedback.
- **Draft Final Report** – Draft Final Report will be submitted half way into the contract, including the review of the policy and legal aspects governing domestic excise and description of all achieved outputs. This report will be finalized to such extent that if there are no objections from all the interested parties within 5 calendar days after submission, the report could be considered final. Within 5 calendar days of receiving the comments from the project team, the consultant shall prepare the final report.
- **Final Report-** taking into account comments made by the Project Steering Committee after the submission of the Draft Final Report, the Consultant shall submit a Final Report to the Project Steering Committee 5 working days after receipt of the comments.
- In addition the Consultant will be required to provide progress reports. The reports will summarize in detail the actual progress made. The report will also identify any problems or issues that may have arisen, or which are foreseen, and suggestions on how these should be resolved. The progress report should include results of carrying out the tasks and also the plans for the next period and submitted within one month from the start of the assignment.

### **5.1 Number of Reports and copies**

The consultant will be expected to submit One Original and three hard copies and a CD ROM to a Project Steering Committee on completion of every milestone.

### **6. Selection Criteria**

Qualifying individuals will be expected to submit technical proposals. The Ministry of Finance, Economic Planning and Development and Malawi Revenue Authority will evaluate technical proposals against set procurement guidelines and procedures based on criteria as outlined below:

- a. Experience in similar assignments (summary of previous assignments)

- b. Qualification and experience of the Consultant (include CVs and relevant copies of certificates)
- c. Detailed methodology and work plan

### **7. Duration of the Assignment**

It is expected that the assignment will be completed within **three (3) months**.

### **8. Client's Input**

In facilitating the needs assessment, training programme and the development of the user manual for the management of domestic excise, the Malawi Revenue Authority will provide the following:

- a. Transport for the consultant;
- b. Training venue;
- c. Office and basic office facilities (excluding computer equipment);
- d. Assign selected staff to work with the consultant in the development of the user manual for domestic excise.