Terms of reference (ToRs) for the procurement of services above the EU threshold

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

CONFIDENTIAL

Project title	**Processing number:**
Private Sector Development in Ethiopia (PSD-E)	**G-011391-010**
Country	**Tender number:**
Ethiopia	**10002336**

Subject of the tender procedure

Short-Term Expert Pools for Tax & Customs Expertise

0. List of abbreviations

AABE – Accounting and Auditing Board of Ethiopia

APAs – Advance Pricing Agreements

AuV – Outsourcing of Data Processing

BEPS – Base Erosion and Profit Shifting

BMOs – Business Membership Organizations

BMZ – German Federal Ministry for Economic Cooperation and Development

CO2 – Carbon Dioxide

ECC – Ethiopian Customs Commission

eDMS – Electronic Document Management System

e-ECVS – Electronic Customs Valuation System

ESW – Electronic Single Window

ETICPA – Ethiopian Institute for Certified Public Accountants

EU – European Union

GDPR – General Data Protection Regulation

GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit

MoF – Ministry of Finance

MoR – Ministry of Revenue

MSME – Micro, Small, and Medium Enterprises

PSD-E – Private Sector Development in Ethiopia

SOPs – Standard Operating Procedures

STEPs – Short-Term Expert Pools

STEs – Short-Term Experts

TADAT – Tax Administration Diagnostic Assessment Tool

ToRs – Terms of Reference

WCO – World Customs Organization

1. Context

The Private Sector Development in Ethiopia (PSD-E) programme aims at strengthening the private sector to become more competitive and resilient as a result of the transition towards a market-friendly economy. The PSD-E programme is commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ), co-financed by the European Union (EU), and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The programme works with key public institutions, private sector stakeholders and sub-national actors to address structural constraints affecting enterprise growth and economic transformation.

One output of the programme focuses on improving tax and customs policy and administration to create a more predictable, efficient and business-friendly regulatory environment. In the context of Ethiopia's ongoing economic reforms, weaknesses in tax and customs systems continue to pose challenges for private sector development, compliance and revenue mobilisation. The PSD-E programme addresses these challenges by supporting institutional and procedural reforms within tax and customs authorities, strengthening coordination between relevant public institutions, and promoting transparent and simplified processes. In doing so, the programme contributes to reducing administrative burdens on businesses, enhancing compliance, and fostering fair competition, thereby supporting sustainable economic growth.

This consultancy contract supports the implementation of the EU-cofinanced output of the PSD-E programme which focusses on tax & customs, hereafter referred to as the "tax & customs project". The set-up of the PSD-E Programme structure is demonstrated in annex 1.

To achieve its objective, the tax & customs project focuses on the following two specific objectives:

(1) Enhance transparent, proactive and accountable domestic tax administration systems in Ethiopia with better understanding and service to private sector operators in critical value chains.

(2) Enhance cross-border trade facilitation through optimized electronic customs management and valuation systems and efficient customs services that leverage digital means.

Each specific objective comprises a tailored set of interlinked activities including analytical work; policy advice; organisational development; support for the conceptualisation and preparation of digital tools; and capacity development through formal and on-the-job trainings, coaching and mentoring, as well as peer-to-peer learning.

The lead executing agencies for the project are the Ministry of Revenue (MoR) and the Ethiopian Customs Commission (ECC). Other key partners include the Ministry of Finance (MoF), the Accounting and Auditing Board of Ethiopia (AABE), and the Ethiopian Institute for Certified Public Accountants (ETICPA).

In addition to state institutions, the tax & customs project collaborates with private sector stakeholders and subnational governments. The ultimate beneficiaries of the project are the businesses and citizens of Ethiopia who will benefit from a more effective, efficient, transparent, accountable, and business-friendly taxation and customs environment.

The tax & customs project was commissioned by BMZ and co-financed by the European Union and will be implemented from November 2025 to December 2029.

2. Tasks to be performed by the contractor

The GIZ tax & customs project is seeking a contractor for the supply and management of short-term expert services to support the implementation of the tax & customs project for two specific objectives. The contractor's services will be part of the overall project approach and will therefore follow the same strategy and objectives.

The services will be delivered through two pools of short-term experts: with national and international experience, in the form of technical and administrative services related to the specific objectives of the project, both on tax administration and customs modernization, as well as cross-cutting areas such as communication, human capacity development, digitalisation and gender mainstreaming.

The assignment encompasses the following provisions:

- Management of short-term expert's services to the tax & customs project. The contractor's services will be part of the overall project's strategy and will therefore follow the same strategy and objectives.
- A long-term expert with national experience, referred to as the "pool manager", must be assigned by the contractor. S/he will be responsible for the operational management of the two short-term expert pools (STEPs). The pool manager shall be permanently posted in Addis Ababa, Ethiopia.

Concrete tasks include:

- Managing the two STEPs (with international and national experience), who provide their services in the key intervention areas of the project. The contractor is responsible for selecting, preparing, training and steering the experts assigned to perform the consultancy tasks.
- Joint planning of each individual assignment of any STE together with the project and its partners.
- Contracting STEs and managing all related administrative issues (including travel arrangements).
- Managing the STE's assignments, ensuring quality of services and timeliness of agreed deliverables (including products and reports).
- Supporting the project team in drafting terms of reference (ToR) to define experts' assignments, concept notes.
- Coordination with and reporting to the project team.
- Organization of workshops, trainings and study trips (both regional and international).

The contractor is expected to make the experts' services available on a demand-driven basis. All necessary expert assignments will be jointly identified by the project and its partners and closely coordinated with the contractor by the project staff. For each expert's assignment the contractor needs the final approval by GIZ.

The project follows a results-oriented approach that requires a high level of flexibility and adaptability. This implies that although required services will in general follow the provided examples and thematic areas, the detailed activities cannot be exactly defined at this point. Please note that the list of activities will be broken down into more detailed sub-activities and might be adapted during project implementation in coordination with the successful tenderer due to possible changing needs of the beneficiaries.

2.1 Term

The expected term of the contract for services is specified in the 'Special terms and conditions of contract'. The definitive term and service delivery period are set out in the contract award notification.

2.2 Objectives and indicators

By timely and flexibly providing short-term experts to perform tasks as demanded by the tax & customs project, the contractor contributes to achieving the objectives of the project as detailed below.

Specific objective (outcome) 1: Enhanced transparent, proactive and accountable domestic tax administration systems and auditing practices in Ethiopia with better understanding and service to private sector operators in critical value chains

Output 1.1: Strengthened and modernized domestic tax audit procedures and tools designed to understand business's needs.

Indicative activities for output 1.1:

- Provide technical assistance to support the modernisation of tax audit systems by developing the conceptual, procedural and organisational preconditions for the future introduction of digital tools, advanced analytics and risk-based methodologies, including AI-supported and computer-assisted audit techniques.
- Deliver capacity development support through structured training, mentoring, peer learning and hands-on coaching for tax officials in areas such as data analysis, transfer pricing and complex audits.
- Support tax administration reforms by conducting assessments, aligning reform actions with TADAT priorities, and facilitating peer exchange and international cooperation on emerging tax policy and administration topics.
- Up to 2 study visits to relevant countries to study modern tax audit systems, with up to 12 participants from the Ministry of Revenue; duration 5 days; first study visit foreseen in late 2026/early 2027 (*subject to request by key partners, decision by GIZ and commissioning parties as well as availability of funds*).

Output 1.2: Domestic tax administration procedures and tools further enhanced and harmonised between federal and regional tax authorities

Indicative activities for output 1.2:

- Provide technical support to strengthen and modernise tax regulatory frameworks, including harmonisation between federal and regional levels and the development of tools and procedures for taxing the digital economy.
- Support the implementation and monitoring of tax reform agendas by developing reform-tracking tools, aligning with international tax standards (e.g. BEPS, Pillar 1 & 2), and facilitating peer learning (incl. study visits) with regional and global partners.
- Support digital transformation and service delivery improvements through the rollout of digital tax systems, enhancement of regional tax administration processes, and implementation of the Integrated Company Creation Journey (ICCJ).
- Up to 2 study visits to relevant countries to study harmonization of federal and local tax administration, with up to 12 participants from the Ministry of Revenue; duration

5 days; first study visit foreseen in 2027 (*subject to request by key partners, decision by GIZ and commissioning parties as well as availability of funds*).

Output 1.3: Ethiopian tax dispute settlement procedures and tools digitalized, upgraded and strengthened.

Indicative activities for output 1.3:

- Provide technical assistance to strengthen tax dispute resolution systems by upgrading procedures, coordination mechanisms and legal frameworks across relevant institutions at federal and regional levels.
- Support the digitalisation and efficiency of dispute resolution processes by developing the conceptual, procedural and organisational foundations for the future introduction of electronic case management systems, tracking tools and mechanisms for early dispute prevention (e.g. rulings and advance pricing agreements).
- Strengthen institutional capacity and taxpayer awareness through targeted training, peer learning (incl. study visits), and outreach initiatives to promote fair, transparent and timely dispute resolution.
- Up to 2 study visits to relevant countries to study tax dispute settlement systems, with up to 12 participants from the Ministry of Revenue and tax dispute settlement institutes; duration 5 days; first study visit foreseen in 2026 *(subject to request by key partners, decision by GIZ and commissioning parties as well as availability of funds).*

Specific objective (outcome) 2: Enhanced cross-border trade facilitation through optimized electronic customs management and valuation systems and efficient customs services that leverage digital means.

Output 2.1: Upgraded and harmonized digital systems for customs management and customs valuation including end-to-end services on Electronic Single Window (ESW).

Indicative activities for output 2.1:

- Provide technical assistance to upgrade customs valuation and clearance processes, including support for the conceptual, procedural and institutional foundations for the future introduction and use of digital tools such as the Electronic Customs Valuation System (e-ECVS), the Electronic Single Window (e-SW), and related user-friendly trade portals.
- Support institutional coordination and system integration by strengthening the organisational, procedural and regulatory preconditions for improved data exchange and interoperability between customs and other trade regulatory bodies, including the application of the once-only principle.
- Deliver capacity development and operational support through process mapping, legal and procedural reviews, targeted training, and peer-to-peer exchanges to strengthen customs valuation, inspection processes and digital service delivery.

Output 2.2: Human capacity gaps in customs management and customs valuation addressed.

Indicative activities for output 2.2:

- Provide technical support to design and implement a national customs capacity development programme, including training needs assessments, standardized training modules, and collaboration with academic partners.
- Support delivery of capacity-building activities through training-of-trainers, nationwide training roll-out, and development of e-learning modules on selected customs procedures.

- Strengthen private sector engagement through structured consultations and targeted training for traders, customs brokers and logistics operators to improve compliance and service delivery.

Output 2.3 Improved external trade statistics collection, analyses and dissemination and value-added services including market intelligence to private sector in key value chains

Indicative activities for output 2.3:

- Provide technical assistance to harmonize regulatory frameworks and upgrade procedures and tools for external trade data collection, management and analysis, including alignment with international standards and global data systems.
- Strengthen institutional and technical capacities through targeted training programmes, development of standard operating procedures (SOPs), and support for professionalization of trade data management and reporting.
- Support improved access to and use of trade data by assisting public institutions and business membership organizations (BMOs) to develop analytical tools, dissemination platforms and market intelligence services for key value chains.

Cross-cutting activities (for all outputs)

- Support in project's ongoing communication activities

2.3 Project and knowledge management requirements

Requirements on the assignment of experts:

- The contractor is responsible for identifying, selecting, preparing, training and steering the experts assigned to implement the tender activities based on the requirements outlined. The tax & customs project will have to agree on the proposed experts for each assignment.

Requirements on materials and equipment and operating costs:

- The contractor makes the required materials, equipment and consumables available and covers their operating and administrative costs.
- The contractor covers the costs for all required equipment, training materials and training venue as well as accommodation for participants. All procurement process shall abide by GIZ procurement rules. Liaison with GIZ project administrative team will be needed in this case.
- The contractor is responsible for the travel of international short-term experts to and from, as well as within Ethiopia, and their accommodation in Ethiopia, and assumes the associated operating and administrative costs.

Requirements on expenditure management and cost control:

- The contractor manages costs and expenditures, accounting processes and invoicing in line with GIZ requirements. The contractor shall keep timesheets for individual expert assignments and submit the same to the project within one month after the end of the assignment for approval. Invoice(s) for the completed assignments shall be submitted quarterly.

<u>Monitoring and reporting requirements</u>:

- The contractor's contributions will form an important element in the results-based monitoring of the programme, in line with the monitoring and evaluation guidelines.
    - All required data points (e.g. gender, age, participant numbers, legal frameworks) must be provided in compliance with EU data protection regulations, with appropriate documentation and proof.
    - All reported outcomes must be supported by verifiable evidence (e.g. attendance sheets, photos, signed reports, or official communications).
    - The contractor must maintain complete and accurate records of all monitoring activities and make them available upon request for audit or evaluation purposes.

The contractor reports to GIZ as follows:

- The contractor provides **regular information** (in line with the results-based monitoring guidelines of the project)
    - The degree to which activities are implemented
    - Any adjustments or change of activity timelines if necessary
    - The degree to which the objectives and indicators listed in section 2.2 of these ToRs have been achieved
    - Results within the contractor's sphere of responsibility
    - Relevant results outside the contractor's sphere of responsibility
    - Evaluation of risks

Instead of the reporting language stipulated in GIZ's General Terms and Conditions of Contract (i.e. German), the contractor shall provide following reports in English:

- **Inception report** (*not more than 12 pages*) to be submitted within 30 days after contract award. The inception report shall cover all the contractual services under this ToR.
- **Final report** (*not more than 30 pages*) to be submitted by end of contract.

In addition to the inception and final reports, the contractor submits the following reports:

- **Regular progress reports** on the implementation status of activities (twice per year, to be submitted in the months of October and April), planned and recently concluded activities incl. consumption of resources (expert days for both STEPs and pool manager in the form of time sheets and travel costs).
- **Brief concluding reports** on each individual short-term expert's assignment (up to 2 pages per completed assignment). The reporting template will be provided by the tax & customs project.

The interim report(s) and the final report should provide information about the progress made towards objectives in each of the monitoring areas specified above.

Additionally, the contractor is required to produce:

- Contributions to GIZ's reporting to commissioning parties

Requirements for company-wide learning, knowledge and innovation:

– *Not applicable* –

Backstopping requirements:

The contractor ensures appropriate backstopping. The following services form part of the standard backstopping package. In accordance with GIZ's *General Terms and Conditions for supplying services and work on behalf of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*, these services – as well as the ancillary personnel costs – must be priced into the fee schedules of the staff listed in the tender:

- The contractor's responsibility for its own staff
- Ensuring the flow of information between GIZ and the contractor's field staff
- Process-oriented technical and conceptual steering of the consulting services
- Steering adaptations to changing framework conditions
- Performance monitoring
- Ensuring the administrative management of the project
- Ensuring compliance with reporting requirements
- Technical support by the contractor's staff for its personnel on the ground
- Making local use of and sharing the lessons learned by the contractor with the GIZ team

2.4 Data protection and information security

The provisions on data protection and information security of the current version of GIZ's *"General Terms and Conditions for supplying services and work"* (section 1.10 - Data protection and section 1.6 - Confidentiality) apply.

The performance of the contract may be associated with the processing of personal data by the contractor, such as (but not limited to) names and contact information. In such cases, the contractor shall act as an independent DATA CONTROLLER and must alone comply with ALL applicable data protection obligations, including those stemming from regional and local laws. The contractor shall process personal data only when a given goal cannot be reasonably attained without such data. The data protection principles such as lawfulness, data minimization, accuracy, purpose limitation, storage limitation, transparency, integrity and confidentiality, and accountability, as well as the numerous rights of the data subject must be paid due attention. The GIZ is NOT in any way responsible for such processing.

Whenever the contractor executes the instructions of a partner to the GIZ with regard to such processing, the partner shall be the data controller, and the data processing shall be carried out in accordance with the partner's instructions as well as laws and standards to which it is subject.

If the contractor is not subject to the GDPR and the applicable laws do not contain any explanation on the data protection principles and rights mentioned here, the definitions and meanings provided by the GDPR (Regulation (EU) 2016/679) should be considered.

2.5 Other requirements

Safeguards and gender measures with specific reference to services:

In order to promote gender equality and avoid or mitigate possible unintended negative impacts in its area of responsibility, the contractor should implement the following measures:

Gender Equality: The fight against gender-specific discrimination and disadvantages, realising equal opportunities and rights for all people regardless of their gender, their sexual orientation and gender identity are essential values of GIZ, a guiding principle of our corporate actions and a quality feature of our work. The contractor is required to mitigate any unintended negative consequences that might reinforce existing gender inequalities. Within the scope of the work, the contractor is required to ensure it is being carried out in a gender-sensitive and gender-responsive manner. Where possible, gender-transformative approaches shall be included. In addition, measures will be outlined in the ToR for individual assignments. The contractor’s staffing profile should be balanced in terms of gender and age.

Conflict and context sensitivity: In the recent past, Ethiopia has experienced prolonged political instability and armed conflict, most notably the northern conflict and continued insecurity in parts of Amhara and Oromia regions. Despite the cessation of large-scale hostilities in Tigray, tensions remain high due to unresolved political grievances, ethnic-based violence, and sporadic armed confrontations. The program operates in various regions where intermittent insecurity persists, driven by intercommunal conflicts, competition over natural resources, and the impacts of climate-related shocks such as drought. These dynamics continue to pose risks to stability, mobility, and service delivery at both national and sub-national levels.

Environmental protection and climate action (climate change mitigation/adaptation): GIZ would like to reduce greenhouse gas emissions caused by travel. Contractors are required to include options for reducing emissions in the tender documents, such as selecting the lowest emission booking class (economy) and using means of transport, airlines and flight routes with a higher CO_2 efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option. CO_2 emissions caused by air travel must be offset.

Security precautions: Security precautions prescribed by GIZ’s risk management structure have to be strictly adhered to. GIZ will share relevant information to enable them to plan their security and safety while in-country. Security briefings will be offered by GIZ upon arrival. Filing of Personal Data Sheets is voluntary, but highly recommended.

Communication: All communication products produced by the contractor require approval from GIZ before they may be published, distributed, or used in any form.

The contractor’s staffing profile should be balanced in terms of gender and age.

3. Technical-methodological concept

In this section, the tenderer is required to reflect on the objectives and terms of reference of the tender at hand, describe the partner system and its processes in the area of responsibility and present the technical-methodological concept for completing the tasks listed in section 2 and achieving the set objectives. In addition, the tenderer must describe the design of the project management process.

3.1 Interpretation of objectives *(section 1.1 of the assessment grid)*

The tenderer is required to **interpret the objectives** for which it is responsible. Simple repetition of the objectives formulated in section 2 of the ToRs is not desired. Rather, the tenderer should describe and interpret the changes in the partner system that are to be directly achieved by the object of the tender procedure. The resulting positive impact on the partner system should also be presented (*section 1.1.1 of the assessment grid*).

The contractor must undertake a **critical examination of the ToRs** *(section 1.1.2 of the assessment grid):*

- Undertaking an assessment of the appropriateness of the personnel concept for implementing the scheduled tasks
- Providing an assessment of the results hypotheses for achieving the objectives and possible risks in implementation

3.2 Processes and actors in the partner system *(section 1.2 of the assessment grid).*

Processes describe actions (or a set of tasks) that are necessary in order to render specific services in a sector or in the cooperation/partner system. Specific actors are given responsibility for determining and implementing these actions and sets of tasks in line with the regulations. Actors are usually institutions such as ministries, local governments, associations and chambers, non-governmental organisations, companies in a sector or individual businesses, universities or banks, but may also be individuals (e.g. a person with higher decision-making authority).

The tenderer is required to describe, using existing documents where possible (see annexes), the processes in the sector or partner system that are relevant to the services put out to tender *(section 1.2.1 of the assessment grid).* The project's key partners are listed in section 1 (context) of this ToR.

The tenderer is required to present the actors (partners and others) who are relevant for the tender in the form of a map of actors. As far as possible, it should list the actors by name. Their mandates as well as strengths, weaknesses and interests with respect to the services put out to tender are also to be briefly presented *(section 1.2.2 of the assessment grid).*

In addition, the tenderer is required to describe the interaction between the actors mentioned above. This can consist of a description of the specific collaboration between individual actors in the processes listed above, of the dependencies or conflicts between the actors and their consequences or of existing dialogue and communication formats *(section 1.2.3 of the assessment grid).*

3.3 Strategy *(section 1.3 of the assessment grid)*

The strategy for delivering the services in the tender is the core element of the technical-methodological concept. It is composed of the following elements:

- Procedure for achieving the objectives stated in section 2.2 of these ToRs
- Approaches for leverage effects and measures for scaling-up

- Consideration of environmental and social compatibility requirements (including gender equality)
- Appropriate consideration of further requirements

3.3.1 Strategic approach to achieving the objectives mentioned in the ToRs
(section 1.3.1 of the assessment grid)

The tenderer is required to describe and justify the approach it plans to adopt in order to achieve the objectives and results (see section 2 of these ToRs) for which it is responsible.

3.3.2 Building partnerships with the relevant actors
(section 1.3.2 of the assessment grid)

– Not applicable –

3.3.3 Approaches for leverage effects and measures for scaling-up
(section 1.3.3 of the assessment grid)

The tenderer is required to state whether there are promising approaches for leverage effects beyond the measures mentioned in section 2 of these ToRs and to describe them. In doing so, the tenderer is required to present and explain measures that promote both horizontal and vertical scaling-up. In particular, the tenderer must submit proposals on how innovations that have been developed in the context of implementation can be disseminated beyond the sphere of influence of the project.

3.3.4 Consideration of social compatibility requirements
(section 1.3.4 of the assessment grid)

Gender equality

The tenderer is required to outline in the tender how it can prevent negative impacts on gender equality in its area of responsibility and how it can contribute to improving gender equality through corresponding measures (see also relevant requirements in section 2.5 of these ToRs).

Conflict and context sensitivity

The tenderer is required to outline in the tender how they can prevent negative impacts on Ethiopia's current governance system and political instability, and in addition, how it can contribute to improving this situation through corresponding measures (see also relevant requirements in section 2.5).

Section 1.3.4 of the assessment grid will be weighted as follows:

Requirement: **Gender equality**	5 points out of 10 (maximum)
Requirement: **Conflict & context sensitivity**	5 points out of 10 (maximum)

NB: The topics listed in section 2.5 *(i.e. 'Environmental protection and climate action', 'Security precautions', and 'Communication')* are not evaluated in section 1.3.4 of the assessment grid but nonetheless are also to be observed for the offer (e.g. travel budget, backstopping).

3.4 Project management

(section 1.4 of the assessment grid)

In this section, the tenderer presents the operational plan for implementing the services in the tender, describes the procedure for coordination with the project, and explains its monitoring system.

3.4.1 Operational plan

(section 1.4.1 of the assessment grid)

The tenderer is required to draw up and explain an operational plan for implementing the strategy described in section 3.3, including a plan for the assignment of all the experts included in the tender. The operational plan must include the assignment times (periods and expert days) and assignment locations of the individual experts, the activities as presented in section 2 and, in particular, describe all the necessary work stages in detail and in chronological order. The tenderer may define further activities beyond those prescribed in section 2 and map them out in the plan of operations.

3.4.2 Coordination with GIZ

(section 1.4.2 of the assessment grid)

In the tender, the tenderer is required to describe the procedure for coordinating with GIZ. In particular, the mechanisms for coordination between the pool manager, the (prospective) short-term experts, the contractor's backstoppers, the tax & customs project and their key partners are to be described.

3.4.3 Steering or coordination of measures with the relevant implementing partner

(section 1.4.3 of the assessment grid)

– Not applicable –

3.4.4 Monitoring

(section 1.4.4 of the assessment grid)

In the tender, the tenderer is required to describe how it can ensure that the requirements resulting from the monitoring system of the project or the partner are met (*see section 2*). In doing so, the tenderer is required to describe how the information that is relevant for monitoring is collected and in what form and at what intervals monitoring data are updated.

Furthermore, the contractor is required to explain its approach to the management of expenditures and costs, accounting processes and invoicing (in accordance with GIZ's requirements). Moreover, it is required to describe an IT-based financial monitoring tool which includes an overview of expert days committed and delivered, and updates on the status of assignments (financial monitoring).

3.5 Further requirements

(section 1.5 of the assessment grid)

The tenderer is required to describe its **backstopping concept**. Brief CVs (*max. 4 pages each*) must be provided for each backstopper *(Section 1.5 the assessment grid)*. Please refer to section 2.3 for the elements to be addressed.

The tenderer is required to submit up to 4 pages describing their approach in addressing the **scenario** below *(Section 1.5 the assessment grid)*. In doing so, the tenderer is required to include the following aspects:

- Describe the approach to address the task.
- Highlight key elements to be included in the ToR for the consultancy.
- Describe the setup of the consultancy team.
- Describe potential challenges when implementing the assignment and describe approaches to mitigate challenges.

Scenario
• *The project seeks to support the Ministry of Revenue (MoR) of Ethiopia in strengthening tax administration performance in line with TADAT Performance Outcome Area (PoA) 6, with a specific focus on the large-scale, automated cross-checking of third-party data to verify taxpayer declarations. Improving the systematic use of third-party information is a key element to enhance compliance risk management, detect underreporting, and improve the accuracy and credibility of tax assessments.* • *The support aims to assist the MoR in developing and operationalizing processes, systems, and institutional capacities for the effective collection, integration, and automated matching of third-party data against taxpayer declarations. This will contribute to more robust compliance verification, reduced manual interventions, and increased efficiency and transparency in tax administration.* • *The project is looking to engage a team of consultants with national as well as international expertise to support this assignment.*

Section 1.5 of the assessment grid will be weighted as follows:

Requirement: **Backstopping concept**	5 points out of 10 (maximum)
Requirement: **Scenario**	5 points out of 10 (maximum)

4. Personnel

The tenderer is required to provide experts for the positions referred to and described (scope of tasks and qualifications) in this section on the basis of corresponding CVs. **The requirements on the format and content of the CVs are described in section 6.**

It is desirable that the contractor's staffing profile is diverse in terms of gender (will not be evaluated).

The qualifications mentioned below correspond to the requirements for achieving the highest number of points in the technical assessment.

'One year of professional experience' is therefore defined as a cumulative 12 expert months with at least 18 expert days per month, provided no diverging definition is specified for individual qualifications.

Key expert 1: Pool manager with national experience *(section 2.1 of the assessment grid)*

This pool manager position is a **key expert position**. As such, a **statement of availability** for the pool manager must be attached to the tender as an annex.

A long-term expert with broad experience at the national level, referred to as the "pool manager", must be employed, in a part-time position, by the tenderer. The expert will be responsible for the operational management of the two short-term expert pools (STEPs). The pool manager shall be based in Addis Ababa, Ethiopia.

The pool manager will be responsible for the management of the expert pools on operational level and identifying, in collaboration with the tax & customs project staff, the appropriate short-term experts in line with the needs of the project. This will require continuous exchange of information with the advisors and managers of the programme. The pool manager will participate in meetings with partners and will be involved in developing and monitoring joint work plans (e.g. participation at operational planning sessions).

The pool manager, in consultation with tax & customs project staff, will conduct needs assessments, prepare concept notes, develop ToRs, contract qualified experts, organise workshops, trainings and study visits, and manage the assignments awarded to them, including the preparation of inception and validation meetings as required by the partner institutions. S/he will manage the quality of reports written by the short-term experts, maintain and constantly update the database of short-term experts, bringing in newly selected experts that meet the expectations of the partners and the staff of the tax & customs project.

To effectively fulfil these tasks, the pool manager should have work experience, specifically in the public finance sector in Ethiopia and should have access to an extensive network of Ethiopia-based consultants. During the assignment of short-term experts in Ethiopia the pool manager will be responsible for the administrative support. The pool manager will also assist the programme and STEs with the organisation and procurement of workshops, events, and trainings.

<u>Tasks of key expert 1 (pool manager with national experience) include:</u>

- Manage the two short-term expert pools
- Organise conferences, workshops, events, study visit and trainings end-to-end, including planning and coordination, procurement, logistical execution, and the preparation of all invoices and vouchers for administrative and financial settlement.
- Maintain and update a database of STEs and bringing in new selected experts that fulfil the criteria of one of the pools (see below) and meet the expectations of the tax & customs project and their partners
- Participate in the planning of individual STE assignments together with the GIZ and their partners
- Support the programme team in defining experts' assignments (e.g. provide drafts for and comments on ToRs and concept notes)
- Identify/recommend qualified STEs for the tasks required
- Contract STEs and manage all related administrative issues (including travel arrangements)

- Manage assignments, ensuring quality of services and timeliness of agreed deliverables (including products and reports)
- Ensure the coherence and complementarity of the contractor's services with other services delivered by the project at local and national level
- Coordinate with the tax & customs project team on a regular basis
- Ensure that monitoring procedures are carried out
- Report regularly in accordance with deadlines
- Keep track of assignment progress and contract budget utilisation; maintain good communication with tax & customs project
- Provide advice to the programme team on implementation approaches and planning of work packages upon request
- Ensure payment of STEs upon satisfactory delivery of the tasks as approved by the tax & customs project

<u>Qualifications of key expert 1:</u>

Education/training *(section 2.1.1 of the assessment grid):*	Bachelor's degree (or equivalent) in economics, public finance, law, political science, public administration, business administration or similar
Language *(section 2.1.2 of the assessment grid):*	Knowledge of English, C2-level in the Common European Framework of Reference for Languages (5 out of a possible 10 points), and knowledge of Amharic, C2-level in the Common European Framework of Reference for Languages (5 out of a possible 10 points)
General professional experience *(section 2.1.3 of the assessment grid):*	5 years of professional experience in administrative procedures, contract management, reporting and/or financial administration
Specific professional experience *(section 2.1.4 of the assessment grid):*	5 years of professional experience in projects concerning public finances, decentralisation, data management, accountability, private sector development, and/or civil society cooperation
Management experience *(section 2.1.5 of the assessment grid):*	2 years of experience in the management of short-term expert teams and/or pools
International professional experience outside the country of assignment *(section 2.1.6 of the assessment grid):*	*Not applicable*
Professional experience in the country of assignment *(2.1.7 of the assessment grid):*	*Not applicable*
Experience in the field of development cooperation *(section 2.1.8 of the assessment grid):*	5 years of professional experience in development cooperation
Other *(section 2.1.9 of the assessment grid):*	*Not applicable*

Expert pool 1 "Short-term expert pool with international experience (with 30 experts)"
(section 2.2 of the assessment grid)

The bidder's ability to offer a pool of skilled experts as required is being evaluated based on **4 exemplary CVs**. Therefore, **only 4 CVs are to be submitted for this pool**. These four CVs will be equally weighted in section 2.2 of the assessment grid.

- In other words, each expert will contribute to ¼ of the points for each criterion. Total points will be rounded (up or down) as per convention of standard rounding (also known as "commercial rounding" or "*kaufmännisches Runden*" in German).
- If more than 4 experts are proposed in this pool, merely the first 4 experts listed in the offer will be assessed. If less than 4 experts are offered, each missing expert will be rated with 0 points.

The actual number of experts assigned from the pool may differ from the number of experts required in section 4 of these ToRs. For experts not named in the tender, GIZ must confirm before their assignment that their qualifications are equivalent to those of the short-term experts proposed in the tender.

During the implementation of the contract, this pool's experts shall be added and/or exchanged only after consultation with and approval by GIZ. Furthermore, GIZ retains the right to recommend and suggest specific experts to be assigned for this expert pool.

Tasks of the "short-term expert pool with international experience" include:

- Strengthening the capacity of partner organisations in the areas of tax audit, harmonization of national and regional tax administration, tax dispute resolution, customs management and valuation modernisation, customs statistics, and other areas related to public finance management (see chapter 2)
- Strengthening partners' capacities through organizational development
- Developing and enhancing digital tools and training partners in their application and use
- Developing and implementing high-quality training modules and training-of-trainers concepts
- Delivering of trainings (both online and in person), trainings on-the-job and mentoring of partners
- Ensuring the long-term anchoring of gained capacities and knowledge

Qualifications for "short-term experts with international experience"

Education/training *(section 2.2.1 of the assessment grid):*	Each expert with a master's degree (or equivalent) in economics, public finance, law, international trade, accounting, political science or similar
Language *(section 2.2.2 of the assessment grid):*	Each expert with an excellent command of English (C2-level as per the Common European Framework of Reference for Languages)
General professional experience *(section 2.2.3 of the assessment grid):*	Each expert with 10 years of work experience in advisory work and/or capacity development of governments and/or state institutions

Specific professional experience *(section 2.2.4 of the assessment grid):*	Each expert with 10 years of work experience in a specific sub-field of taxation and/or customs. Specifically: • One expert with 10 years of experience in tax administration (e.g. digitalization, software development, data science, audit analytics, sector notes, federal–subnational harmonization) • One expert with 10 years of experience in tax law & policy (e.g. tax dispute resolution, international taxation, regulatory compliance, public administration) • One expert with 10 years of experience in customs operations (e.g. digitalization, e-customs management systems, electronic single window, software development, UI/UX, data science) • One expert with 10 years of experience in customs law & policy (e.g. customs valuation, regulation, processes, WCO-related training, and international trade statistics) **Each of these specialisations must be covered by a different expert.**
Leadership/management experience *(section 2.2.5 of the assessment grid):*	*Not applicable*
International professional experience outside the country of assignment *(section 2.2.6 of the assessment grid):*	Each expert with 10 years of professional experience outside of Ethiopia.
Professional experience in the country of assignment *(2.2.7 of the assessment grid):*	*Not applicable*
Experience in the field of development cooperation *(section 2.2.8 of the assessment grid):*	*Not applicable*
Other *(section 2.2.9 of the assessment grid):*	*Not applicable*

Expert Pool 2 “Short-term expert pool with national experience (with 30 experts)” *(section 2.3 of the assessment grid)*

The bidder's ability to offer a pool of skilled experts as required is being evaluated based on **4 exemplary CVs**. Therefore, **only 4 CVs are to be submitted for this pool**. These four CVs will be equally weighted in section 2.3 of the assessment grid.

- In other words, each expert will contribute to ¼ of the points for each criterion. Total points will be rounded (up or down) as per standard rounding convention (also known as “commercial rounding” or “*kaufmännisches Runden*” in German).
- If more than 4 experts are proposed in this pool, merely the first 4 experts listed in the offer will be assessed. If less than 4 experts are offered, each missing expert will be rated with 0 points.

The actual number of experts assigned from the pool may differ from the number of experts required in section 4 of these ToRs. For experts not named in the tender, GIZ must confirm before the assignment that their qualifications are equivalent to those of the short-term experts proposed in the tender.

During the implementation of the contract, this pool's experts shall be added and/or exchanged only after consultation with and approval by GIZ. Furthermore, GIZ retains the right to recommend and suggest specific experts to be assigned for this expert pool.

<u>Tasks of the "short-term expert pool with national experience" include:</u>

- Strengthening the capacity of partner organisations in the areas of tax audit, harmonization of national and regional tax administration, tax dispute resolution, customs management and valuation modernisation, customs statistics, and other areas related to public finance management (*see chapter 2*)
- Undertaking research on tax and customs related topics
- Developing and reviewing of policy, legislative and regulatory frameworks.
- Developing and enhancing digital tools and training partners in their application and use
- Conducting trainings and building capacity to partners on agreed topics

<u>Qualifications for "short-term experts with national experience"</u>

Education/training *(section 2.3.1 of the assessment grid):*	Each expert with a master's degree (or equivalent) in economics, public finance, law, accounting, political science or similar
Language *(section 2.3.2 of the assessment grid):*	Each expert with - Knowledge of English, C2-level in the Common European Framework of Reference for Languages *(5 out of a possible 10 points*), and - Knowledge of Amharic, C2-level in the Common European Framework of Reference for Languages (*5 out of a possible 10 points*)
General professional experience *(section 2.3.3 of the assessment grid):*	Each expert with 10 years of work experience in advisory work and/or capacity development of governments and/or state institutions
Specific professional experience *(section 2.3.4 of the assessment grid):*	Each expert with 10 years of work experience in a specific sub-field of taxation, customs, and/or government service delivery. Specifically: • One expert with 10 years of experience in tax law & policy and tax administration in Ethiopia (e.g. legal expertise in Ethiopian tax law, local tax administration, public fiscal administration) • One expert with 10 years of experience in digital government services and public sector digitalisation (e.g. e-government systems, digital public service

	platforms, e-learning platforms for government institutions, or public financial management systems) • One expert with 10 years of experience in customs digitalisation and data systems (e.g. electronic customs management and valuation systems, document management systems, public administration digitalisation, customs data science) • One expert with 10 years of experience in customs regulation and stakeholder engagement (e.g. customs regulation, WCO-related trainings, public–private dialogue) **Each of these 4 specialisations must be covered by a different expert.**
Leadership/management experience *(section 2.3.5 of the assessment grid):*	*Not applicable*
International professional experience outside the country of assignment *(section 2.3.6 of the assessment grid):*	*Not applicable*
Professional experience in the country of assignment *(2.3.7 of the assessment grid):*	Each expert with 10 years of professional experience in Ethiopia.
Experience in the field of development cooperation *(section 2.3.8 of the assessment grid):*	*Not applicable*
Other *(section 2.3.9 of the assessment grid):*	*Not applicable*

The tenderer must assign all the proposed experts to the required qualifications and clearly present them in a separate table preceding the CVs. The summary presentation must mention only qualifications that are actually indicated in the CVs. Professional experience must be evidenced by meaningful references in the CVs. It is advisable to make explicit reference to each example of professional experience.

<u>Soft skills of team members</u>
In addition to their specialist qualifications, all team members are also expected to have the following qualifications:

- Team skills
- Initiative
- Communication skills
- Sociocultural and intercultural skills
- Efficient partner- and client-oriented working methods
- Interdisciplinary thinking

Soft skills are not evaluated.

5. Costing requirements

In your tender, please do not deviate from the specification of inputs required in these ToRs (the number of experts and expert days, the budget specified in the price schedule). This is part of the competitive tender and is used to ensure that the tenders can be compared objectively.
Please note: only services that were commissioned by GIZ and rendered by the contractor will be remunerated. We would also like to point out that it may not be necessary to make use of the total number of proposed expert days.

5.1 Assignment of experts

The number of expert days corresponds to full working days.

Expert	Expert days in the country of residence /remote	Availability of expert in the country of assignment* in expert days	Expert days in total	Consecutive stay > 3 months (*see General Terms and Conditions, section 3.6.2*)	Number of international flights	Number of national flights
Key expert 1: Pool manager with national experience	0	160	160	No	0	2
Expert pool 1: “Short-term expert pool with international experience (with 30 experts)”	80	245	325	No	35	5
Expert pool 2: “Short-term expert pool with national experience (with 30 experts)”	0	440	440	No	0	5
Backstopping *(to the extent travel is required):*	Not applicable	Not applicable	Not applicable	Not applicable	3	0

5.2 National administrative staff

– Not applicable –

5.3 Travel expenses

5.3.1 Travel – sustainability considerations

GIZ would like to reduce greenhouse gas emissions (CO_2 emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, for example by selecting the lowest-emission booking class (economy) or using means of transport, airlines and flight routes that are more CO_2-efficient. For short distances, travel by train (second class) or e-mobility are the preferred options.

CO_2 emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The Development and Climate Alliance has published a list of standards (only in German available). GIZ recommends using the standards specified there.

5.3.2 Travel expense requirements

The travel expenses must be costed as follows by the contractor:

Travel expenses item	Quantity/budget
Total number of international return flights (economy class)	38
Total number of regional/national return flights (economy class)	12
CO_2 offsets for flights	EUR 6.280,00 An unalterable budget for CO_2 offsets for settlement against evidence is specified.
Transport costs (rail travel, car travel, public transport)	EUR 5.000,00 (against evidence)
Per-diem allowances for STEs from Pool 1:	254 days / up to EUR 44 per day (lump sum)
Per diem allowances for STEs from Pool 2 and Key Expert 1:	100 days / up to EUR 15 per day (lump sum)
Accommodation allowances for STEs from Pool 1:	254 days up to EUR 159 per night
Accommodation allowances for STEs from Pool 2 and Key Expert 1:	100 days up to EUR 96 per night (lump sum)

Other travel expenses (e.g. visa, project-related travel expenses outside the place of business)	EUR 5.000,00 (against evidence)

For Expert Pool 1: Per-diem allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table in the circular from the German Federal Ministry of Finance on travel expense remuneration (download at https://www.bundesfinanzministerium.de).

For Expert Pool 2 and Key Expert 1: Per diem allowances are reimbursed as a lump sum up to the maximum amount of 15 EUR/day.

In addition, for the following items, reasonable costs can be settled against evidence up to the proposed amount.

- Flight costs
- Transport costs
- Other travel expenses

Accommodation allowances for STEs from Expert Pool 1:

For Ethiopia, tenderers may offer accommodation allowances up to EUR 159. This is the maximum amount permissible under tax law as per the German Ministry of Finance (BMF) circular on travel expense reimbursement (as valid per January 2026).

- If the contractor offers accommodation allowances at up to 75% (EUR 119,25) of the maximum amounts permissible under tax law as per the BMF circular on travel expense reimbursement, the expenses will be reimbursed **on a lump-sum basis** in the contractually agreed amount.

- If the contractor offers accommodation allowances at between 75% and 100% (EUR 119,26 – EUR 159) of the maximum amounts permissible under tax law as per the BMF circular on travel expense reimbursement, the corresponding **evidenced expenses** will be reimbursed up to the contractually agreed amount.

Accommodation allowances for STEs from Expert Pool 2 and Key Expert 1:

The contractor can offer accommodation allowances up to EUR 96,00 for STEs from Expert Pool 2 and the Key Expert 1 on a lump sum basis.

5.4 Materials and equipment

<u>Budget for materials and equipment</u>: EUR 10.000,00

The fixed, unalterable budget above is earmarked for the procurement of the materials and equipment described in the table below (payment against evidence).

Made available free of charge by GIZ for the duration of the contract.	**Materials and equipment to be procured by the contractor in the financial bid.**
• Furnished office space	• IT equipment (including laptop and mobile phone for the Pool Manager) • Equipment related to conducting trainings and workshops

5.5 Operating costs in the country of assignment

Furnished office space is being made available free of charge by GIZ for the duration of the contract (i.e. work desk in shared office space in Addis Ababa). This includes basic furniture as well as internet and printing devices (strictly for project implementation purposes only).

For obligations covered by this contract, the pool manager, as well as STEs, will be authorised to make use of the programme's car-pool. Use of programme cars needs to be closely coordinated with the programme's fleet management.

No further costs shall be calculated in the price offer.

5.6 Workshops, education and training

Within the contract period, approx. 25 workshops and trainings are to be organised and facilitated by the Contractor.

NB: The exact amount of such events is still subject to discussion and coordination with partners and their requests.

<u>Workshop budget</u>: EUR 250.000,00

The fixed, unalterable budget above is earmarked for workshops and entered in the price schedule. The budget includes the following costs relating to the planning and running of workshops:

- Room hire
- Technical systems
- Moderation services *(when such services are not provided by experts of one of the STEPs)*
- Translation/interpreting services
- Catering
- Workshop materials
- Travel expenses for partner experts (subsistence, accommodation, travel costs)
- Other costs relating to the workshops

The budget does not include the fees and travel expenses for the contractor's experts incurred in connection with the planning and running of the workshops. These are covered by the corresponding number of expert days and travel expenses (*see sections 5.1 and 5.3 above*).

Please note that the heading "workshops" is to be understood widely, thus including, for example, international/national forums, consultations/round tables, presentations, and international study visits/expert exchanges.

5.7 Local contributions

– Not applicable –

5.8 Other costs

– Not applicable –

5.9 Flexible remuneration item

<u>Budget for flexible remuneration</u>: **EUR 100.000**

The fixed, unalterable budget above is earmarked in the price schedule for flexible remuneration. Flexible remuneration is intended to facilitate the flexible management of the contract by the commission manager at GIZ. The contractor can make use of the funds in accordance with section 3.3.5.7 of the General Terms and Conditions.

6. Requirements on the format of the tender

The structure of the tender must correspond with the structure of the ToRs. It must be legible (for example Arial, font size 11 or larger) and clearly formulated. Neither Papyrus nor Comic Sans are to be used as fonts. The technical tender must be written in English.

The technical-methodological concept of the tender (i.e. *section 3 of the ToRs*) must not exceed 30 pages (not including the cover page, list of abbreviations, table of contents, brief introduction and CVs for backstoppers). Additional annexes not requested will not be assessed. External content (e.g. *links to websites*) will also be disregarded.

The CVs of the staff proposed in accordance with section of the ToRs must be in a format like Europass/EuropAID (preferred but not a strict requirement). Each CV must be **<u>limited to four pages</u>** and be composed in English.

The CVs must clearly and unequivocally show what position the proposed person held, which tasks they performed and how long they worked during which period in the specified references. **The references contained in the CVs must therefore include the following information:**

- Name of the company/organisation/reference project in which the expert worked

- Position held and task(s) performed by the expert in the company/organisation/reference project
- Work outcomes or products produced by the expert, or expert's contribution to the completion of these outcomes and projects
- Duration of the expert's assignment in the company/organisation/reference project either per calendar year in full-time expert days, weeks or months (*e.g. 2019: 2 months, 2020: 10 months, 2021: 1 month*) OR as a total for the whole assignment period (*e.g. 7 months, 18 days during 3/2020-7/2023*).
- Leadership experience/management: clear information on the reference projects or fixed positions within the company/organisation in which the requirements specified in section 4 were fulfilled (for example, period, number of persons for whom the expert had disciplinary responsibility, project budget)
- International professional experience/professional experience in the country of assignment: clear information on the reference projects or fixed positions in the company/organisation in which the requirements specified in section 4 were fulfilled (for example, actual duration of assignment on the ground in full-time expert days, weeks or months)

In order to facilitate the assessment, we request that you number the references sequentially and provide only references that are clearly related to the object of this tender.

7. Options or follow-on contract

7.1 Option to expand the service content/extend the contract term pursuant to section 132 (2) no. 1 German Act against Restraints of Competition (GWB)

GIZ can exercise the following option if it wishes to expand the tendered services. This is described in detail below.

Nature and scope: While retaining the overall character of the contract, there is a possibility of GIZ continuing to obtain the services specified in section 2 of these Terms of Reference and/or of expanding the contract to include further services of the same kind. The overall contract term must not exceed three times the original contract term, and the overall contract value must not exceed twice the original contract value.

Precondition: GIZ's commissioning party extends and/or provides additional funding for the current project or commissions a follow-on project and/or an agreement is concluded to provide cofinancing for the measure.

7.2 Follow-on contract pursuant to Section 14 (4) no. 9 German Ordinance on the Award of Public Contracts (VgV)

Pursuant to Section 14 (4) no. 9 VgV, GIZ reserves the right to award a follow-on contract to the contractor in order to procure similar services.

Scope of possible services: The term of the follow-on contract must not exceed twice that of the original contract, and the value of the follow-on contract must not exceed twice that of the original contract.

Condition: The above option is subject to GIZ receiving a commission from the commissioning party or the conclusion of an agreement for cofinancing of the measure. Any follow-on contract must be awarded within three years of the award date of the original contract.

A follow-on contract under 7.2 can be considered only as an alternative to the option in 7.1.

8. Annexes

- Annex 1: Structure of the GIZ Programme “Private Sector Development in Ethiopia”
- Annex 2: Data protection standards for developing digital tools meant for GIZ's partners