

Terms of Reference

**Recruitment of Consultancy Services for
Business Process Reengineering
(Integrated Business Licensing)**

May, 2020

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1. BACKGROUND

As the country desires to adopt One Government principle as stated in the Economic Development Policy (EDP) 2016, Information Technology (IT) provides an opportunity to fulfill the government's aspiration of providing efficient and effective public service delivery. Though the individual agencies had initiated the adoption of ICTisation to enhance the service delivery, they are mostly isolated and discrete efforts whereby the systems are developed independently and do not share with other relevant services. Therefore, there is an urgent need for the integrated approach where the relevant services are integrated and shared for the seamless transection of processes within the agency and among the relevant stakeholders as stated in EDP 2016 section 7.1.2.4 "One stop shop shall be introduced through the use of IT among government agencies responsible for providing clearances."

There are more than **50 agencies** involved for the business licensing processes and about **300 business activities**. Though 34 Business Licensing related services were made online which had benefited the citizens, their scope was limited to the operations under the jurisdiction of the ministry (MoEA). Therefore, one of the major challenges faced by entrepreneurs currently, are needed for them to run from one agency to other agencies to get clearance and other documents, which are prerequisites for the licensing processes.

2. SCOPE OF WORK

There are about 50 stakeholder agencies that are involved in the issuance of clearances as a prerequisite for the citizens to avail business license from the Ministry of Economic Affairs (MoEA).

As a part of the government initiative to provide Single Window Licensing Services, MoEA embarks to build integrated business Licensing services to facilitate the entrepreneurs and improve the Ease of Doing Business. For the purposes, there is need to capture and document the current state (AS-IS) processes involved in MoEA as a business license issuing authority, and the processes taken up by the respective stakeholder agencies for providing clearances.

3. General Methodology for the consultancy

Currently, the UNCTAD is providing technical assistance and mentorship to the ICT Division on the technique and approach to study the existing business processes, identify gaps and design the To-Be processes. However, due to the recent Covid-19 outbreak, the ICT Division with off-site technical assistance by the resource person from UNCTAD is underway. To complement the effort and expedite the process

transformation, development, deployment and implementation of the solution, the local consultancy firm will be working together with the ICTD and the UNCTAD. This trilateral engagement shall follow the generic outline and is also free to suggest approaches and methodologies based on their own experience and expertise. For the purposes, the consultant is/are expected to perform the following but not limited to:

1. Review, assess and map the existing business licensing processes along with their mandates to obtain prerequisites (sectoral clearances, recommendations, approval, etc).
2. Consultative meetings with the relevant stakeholders to verify and validate their roles and business processes for the issuance of sectoral clearances in business licensing procedures.
3. Conduct diagnostic review and analysis of legal/regulatory frameworks and their implications that mandates the stakeholders to issue clearances OR requires the applicants to obtain and furnish the clearances/prerequisites.
4. Recommend any amendments, reforms and potential opportunities to address the gaps and challenges to:
 - Achieve operational efficiency.
 - Eliminate duplication of efforts and manual interventions.
 - Reduce the Turn-around-time for business service delivery to the citizens.
5. Submission of periodic reports and progress update to the ICT Division as per the agreed work plan.

4. Overall Tasks

The key tasks and main activities of the assignment are the following (but not limited to):

- Full coordination with UNCTAD's local expert through ICTD and the consultancy firm will be working full-time, on premise with the ICTD.
- Online weekly coordination meetings with the UNCTAD project team in Geneva and ICTD.
- Information collected by the consultants will be shared with UNCTAD experts to be reflected in eRegulations Bhutan.

Business Process Team (3):

1. For all activities listed in the national [activity catalogue](#), identify the sectoral clearances and the agencies involved as per the [model attached](#).
2. For each clearance, identify the steps, forms and requirements and register them in the [Bhutan eRegulations system](#); validate the registered information with involved agencies
3. Make proposals to streamline application forms for each clearance/agency (i.e removing unnecessary fields)
4. Make proposals to harmonize application forms among licences/agencies. In particular for:
 - a) the fields used for identity of the applicant and addresses, they should be the same in all forms;
 - b) the catalogues of activities should be the same; see if other catalogues are used in all forms, and ensure that they are the same (locations, etc.)
5. For each clearance, verify the requirements requested in practice, check if they are effectively required by law, and by which law/norm
6. For each clearance, propose a new list of requirements (if current requirements are seen as unnecessary, although they are mandatory)
7. For each clearance, check if the agency/unit in charge has an electronic online database; if yes, check if they have the capacity to develop APIs for exchanging data; if not, do they want to have an online database.

Legal expert:

In addition to tasks 5 and 6 above, the legal expert will be entrusted with the following:

1. For each sectoral clearance simplification, where regulatory change is required, identify and draft a simplifying interpretation of the regulations (where possible)
2. Present and validate the proposed interpretations to the legal advisors of concerned agencies.
3. For each simplification requiring regulatory change, draft a new text (decree, circular, regulation, etc) and obtain its approval from the legal advisors of the involved agencies.
4. Maintain a consolidated repository of the proposed legal texts and simplifications.

Team coordinator/Project manager:

The coordinator will oversee the activities of the BPR team and Legal expert and will be entrusted with the following tasks:

1. Organize and participate in the work of the BPR team and legal expert.
2. Reflect the findings/proposals in a small report for each clearance.
3. Discuss the reports with each concerned agency.

4. Organize and participate in coordination meetings with UNCTAD and ICTD/MoEA.

5. Deliverables and Project Timeline

1. Quality of Work

The consultant must ensure all deliverables such as reports, project plans, other artifacts related to the assignment should be delivered to the ICTD, MoEA for acceptance and/or approval, in order to reach the milestone planned and continue to the next phase of the assignment. The acceptance by the ICT Division will depend on the consensus of the domain experts and the relevant stakeholders.

2. Timely Completion

The duration of the assignment shall be **6 months** from the date of receipt of letter of award for the work.

3. Confidentiality of offer

The details of the offer proposed by the consultant or its acceptance thereof with or without modifications by MoEA shall not be passed in part or full to any third party without prior written approval of the parties involved. This applies to both clients as well as the consultant.

4. Confidentiality of Data

Since some information, findings and legacy data handled by the consultants during the engagement of the project assignment is classified and restricted in nature, all the team members from the consultant's side must sign a Non-Disclosure Agreement (given in Annexure II) with MoEA.

5. Implementation Arrangements

The ICT Division (ICTD) under Directorate Services, Ministry of Economic Affairs (MoEA) will be the Project Management Office (PMO). A contractual agreement shall be drawn between the consultant and the ICTD, and any major decisions related to the project shall be taken by ICTD in consultation with relevant stakeholders.

6. DELIVERABLES FROM THE CONSULTANT

The deliverables such as reports, plans and other artifacts, should be delivered to the ICT Division, MoEA for acceptance and/or approval, in order to reach the milestone planned and continue to the next phase of the assignment.

The process timeframe for each activity and deliverable of the assignments, inclusive of the records and in-person, involvement where required, are outlined as below:

S#	Activities	Delivery Timeframe	Deliverables
i. Documentation and capacity development.			
1	Develop and document the details about the methodology to be used, project schedule, expected deliverables, formats and the frameworks.	Commencement date + 2 week	Inception report. Presentation of their plans, approach, methodology and inception report to ICTD, MoEA.
2	Capacity development of the working group with UNCTAD technical team.	2 week	Tools and methodologies for process transformation.
From (ii) to (v), the process transformation will iterate for both the phases. The deliverables from each phase of process transformation shall release the process transformed accordingly.			
ii. As-Is Report 1st Phase: Process Transformation for first 200 business activities. 2nd Phase: Remaining 100 business activities to be transformed.			
3	Consultation with the relevant agencies to review and validate on the mapped AS-IS business processes.	6 weeks	i)AS-Is report. ii)Present the report to ICTD +Working group + key stakeholders, electronic copy (word +PDF).
iii. To-Be Report			
4	Detailed To-Be report on the 300 business licensing processes.	4 weeks	i)To-Be report.
5	Gap analysis & BPR recommendations for: <ul style="list-style-type: none"> - Simplification and streamlining the business procedures. - Identify opportunities to improve, evaluate it's value addition (effectiveness + efficiency) and 	5 weeks	ii)Present the progress and report to ICTD +Working group + relevant

	re-design the current processes.		stakeholders. iii) Share e-copy to the same.
iv. Diagnostic review of legal/regulatory frameworks.			
6	Regulatory review: Report detailing the legal/regulatory constraints in the existing licensing procedures (eg. requirement of prerequisites, clearances, recommendations, legal stamps, etc). Propose suggestions to revise, reform or amend the legal clauses, wherever necessary to implement the new/ improved processes.	3 week 2 weeks	i) Diagnostic review report of legal/regulatory framework. ii) Present the progress and report to ICTD + Working group + relevant stakeholders. Share e-copy to the same.
V. Reports For both the phases, consultants shall submit monthly progress reports and periodic reports consisting of progress vis-a-vis agreed work plan and including workshops related reports, focus group discussion reports, minutes, record of discussions, and other documentation that form part of the assignment.			

7. Duration and Timely Completion of the Assignment

1. The Consultant shall commence work within 5 calendar days of the effective date of the contract. The effective date shall be the date on which the Client shall sign the Consultancy agreement. The work will be carried out strictly within **six (6) months** from the effective date of the contract. The consultants should clearly express the willingness and ability to work within that period. The Consultant(s) will be required to prepare and submit a work plan, indicating deliverables.

2. The entire work of BPR/reform activities/assessment and regulatory review should be completed within **6 months** from the date of receipt of letter of award of work.

3. The time period of **6 month** for the vendor is for requirement analysis, gap analysis, BPR recommendations, consultations, workshops, reports and other deliverables.

7. MINIMUM REQUIREMENTS FOR THE CONSULTANTS

The consultant shall have the following minimum requirements to carry out the assignment by the licensed local consultants. Local consultancy firms (consortium firms) with multi-disciplinary expertise are encouraged to participate.

Following are the Evaluation Criteria based on which the competing firms shall be evaluated:

S#	Criteria	Points
1	<p>Relevant experience of the firm(s) that best fit with a proposed assignment:</p> <p>i. Provide evidence of having undertaken similar assignments by submitting at least two letters of reference.</p>	10
2	<p>Adequacy of the proposed methodology and workplan in responding to the TOR;</p> <p>Demonstrate an understanding of the objectives of assignment and terms of reference by providing the following:</p> <p>i. Technical Approach and Methodology ii. Work Plan iii. Training approach for core team and training methodology</p>	35
3	<p>Relevant experience of the consultant’s professional staff (including external professionals to be hired for the proposed assignment) in reference to the proposed assignment.</p> <ul style="list-style-type: none"> ● The key experts should provide the assignments they have undertaken with their reference contacts. The assignments require at least the following a team coordinator, one legal expert and 3 BPR team members, with their respective technical abilities, not less than: <p>i. Team Coordinator: Minimum of Bachelor’s degree in the related field;</p> <ul style="list-style-type: none"> - Records of past three years’ experiences in relevant fields; Preferably with a proven track record in leading a business process transformation and re-engineering experience. - Excellent communication, facilitation and report writing skills; - Skills in research and analysis will be added values; - Demonstrated values of commitment, integrity and 	55

	<p>reliability.</p> <p><i>ii. Legal Expert:</i></p> <ul style="list-style-type: none"> - Minimum of Bachelor’s degree in law with at least five years of professional experience; - Familiarity with the Bhutanese legal systems with proven track record in review and analysis of governing frameworks, along with contact details of two latest references; specific experience on policies, regulations and rules on public service delivery, governance and local governance will be an added value; - Records of past three years’ experiences in relevant fields; - Excellent communication, facilitation and report writing skills; - Skills in research and analysis will be added values; - Demonstrated values of commitment, integrity and reliability. <p><i>iii. BPR team (3 personnels):</i> Minimum of Bachelor’s degree in the related field;</p> <ul style="list-style-type: none"> - Records of past experience in system analysis and/or business process analysis in relevant fields; - Excellent communication, facilitation and technical report writing skills; - Skills in research and analysis will be added values; - Demonstrated values of commitment, integrity and reliability. 	
	<p>Note: Consultant(s) must produce written permission from employer(s) allowing submission of past report samples, if the bid contains any of such documents.</p>	<p>TOTAL 100</p>

1. Roles and Responsibilities

ICTD, MoEA will undertake the following responsibilities for the smooth execution of the assignment:

- Provide documents and data related to the project that are readily

available.

- Ensure active participation of the working group members at all levels during the whole time of the assignment.
- Facilitate consultations with other key stakeholders.
- Provide necessary support to conduct workshops, training and other consultations; logistic support (accommodation and meals) for consultants will be arranged for absolute necessary off-site meetings or workshops that does not include payment for travel and other allowances.
- Identify and constitute Working Group from within the key stakeholders at various levels to aid the Consultants in execution of the assignment;
- Facilitate prompt feedback on reports and approvals of documentation submitted by the Consultants;

The Consultants' responsibilities includes, but not limited to:

- Ensure active collaboration and engagement of UNCTAD and UNDP, who will be providing technical expertise to MoEA for the task.
- Ensure active participation and engagement of the ICTD and working group members at all levels during the whole time of the assignment;
- Ensure to provide support and knowledge transfer to build technical capacity of the Working Group during the assignment;
- Submission of periodic reports, consisting of progress vis-a-vis agreed work plan and including workshops related reports, focus group discussion reports, minutes, record of discussions, and other documentations that form part of the assignment.
- All deliverables, reports and artifacts produced by the Consultant(s) in this assignment shall be made available to ICTD, MoEA in English in hard/ printed copy and in all suitable digital forms (such as pdf, doc).
- The consultants will be responsible to make necessary arrangements for travel and transportation for activities requiring off-site consultations.

2. Logistics

- The assignment requires regular interactions with ICTD, MoEA, the stakeholders and the key agencies; therefore, it is essential that the selected Consultant(s) has its office/logistics in Thimphu with other required resources. The selected Consultant(s) should lead and provide overall guidance to consultancy service to ICTD, MoEA.
- The official language for the assignment shall be English. All deliverables, reports and artifacts produced by the Consultant(s) in this assignment shall be made available to ICTD, MoEA in English in hard/ printed copy and in all suitable digital forms (such as pdf, doc).
- All documents, software, material, and reports produced under this assignment, in any form whatsoever, will be the sole property of ICTD, MoEA and the

Consultant(s) shall not use, replicate, and reproduce the same in any manner without the written consent of ICTD, MoEA.

8. Any other information

- All the documents must be completed, signed and submitted in compliance to the requirements. Failure to meet any of the requirements will result in disqualifying the bid.
- Any clarification of the RFP document shall be sought through written communication at least five days before the submission of RFP and no inquiry via phone call or walk-in shall be entertained.
- ICTD, MoEA reserves the right to validate the references and documentary evidence submitted as a part of the bid.

9. Change Management Contract

If there is a major change(s)/additions in the requirements of the assignment, the vendor must provide post implementation support under a Change Request Contract for **1 year** from the date of acceptance of the deliverables by the ICTD, MoEA.

Change Request Charge will be estimated in terms of the man-day rate. In the financial proposal, the vendor must submit the man-day rate for each person who will be involved in the change management. The rates should be valid for **1 year**. The total cost for the change will be worked out from the quoted rates and the total man days needed to address the changes.

The Change Request is completely need based and payments are made only based on the major changes agreed between the parties.

The vendor shall not entertain frequent changes in the current assignment from the client, once the requirements are finalized, which will adversely affect the project completion date and delay the project. However, the changes that come through the change management shall be executed by the vendor under the terms and conditions of Change Request Contract (CRC).

Whenever there are major new requirements due to a change in the procedures/guidelines of the MoEA, the client will ask for additional requirements through a Change Request Document. The work involved in the change request and the cost will be worked out by both clients and vendor and a cost will be agreed within the framework of the Change Request Contract (CRC).

The CRC will be initiated, if the change is considered major, bringing in a major impact on the database or adding more input screens.

The CRC will also be initiated, if the Client decides to introduce any new technologies in replacement of the services or along with the services, due to the advancement of the new reforms, as may deem necessary by the vendor. Such CRC will occur, provided that the above work scope is not being covered under the license agreement.

Within this contract period, the client shall directly negotiate with the winning bidder for commissioning of small-scale BPR work for estimates not exceeding 0.5 million based on the quoted man-day rates.

10. ANNEXURES

- [List of Business Activities along with the stakeholders.](#)
- Non-Disclosure Agreement

Annexure II - NON DISCLOSURE AGREEMENT

This agreement is entered into this ___ day of _____, 20__ by and between _____ (hereinafter "Recipient"), with offices at _____, and _____, with offices at _____ (hereinafter "Disclosure").

WHEREAS Disclosure possesses certain ideas and information relating to _____ that is confidential and proprietary to the Disclosure (hereinafter "Confidential Information"); and

WHEREAS the Recipient is willing to receive disclosure of the Confidential Information pursuant to the terms of this agreement for the purpose of _____; NOW THEREFORE, in consideration for the mutual undertakings of the Discloser and the Recipient under this agreement, the parties agree to the below terms as follows:

1. Disclosure. The Disclosure agrees to disclose, and the Receiver agrees to receive the Confidential Information.

2. Confidentiality.

2.1 No Use. The Recipient agrees not to use the Confidential Information in any way or manufacture or test any product embodying Confidential Information, except for the purpose authorized by the Disclosure.

2.2 No Disclosure. The Recipient agrees to use its best efforts to prevent and protect the Confidential Information, or any part thereof, from disclosure to any person other than the Recipient's employees that have a need for disclosure in connection with the Recipient's authorized use of the Confidential Information.

2.3 Protection of Secrecy. The Recipient agrees to take all steps reasonably necessary to protect the secrecy of the Confidential Information and to prevent the Confidential Information from falling into the public domain or into the possession of unauthorized persons.

3. Limits on Confidential Information. Confidential Information shall not be deemed proprietary, and the Recipient shall have no obligation with respect to such information where the information:

(a) Was known to the Recipient prior to receiving any of the Confidential Information from the Discloser;

(b) Has become publicly known through no wrongful act of the Recipient;

(c) Was received by the Recipient without breach of this agreement from a third party without restriction as to the use and disclosure of the information;

(d) Was independently developed by the Recipient without use of the Confidential Information; or

(e) Was ordered to be publicly released by the requirement of a government agency.

4. Ownership of Confidential Information. The Recipient agrees that all Confidential Information shall remain the property of Discloser and that the Discloser may use such Confidential Information for any purpose without obligation to Recipient. Nothing contained herein shall be construed as granting or implying to the Recipient any transfer of rights, any patents, or any other intellectual property pertaining to the Confidential Information.

5. Term and Termination. The obligations of this agreement shall be continuing until the Confidential Information disclosed to the Recipient is no longer confidential.

6. Survival of Rights and Obligations. This agreement shall be binding upon, inure to the benefit of, and be enforceable by (a) the Discloser, its successors and assignees; and (b) the Recipient, its successors and assignees.

IN WITNESS WHEREOF, the parties have executed this agreement effective as of the date first written above.

Discloser (Name of the Discloser)

Recipient (Name of the Recipient)

Signed _____.

Signed _____.

Print Name _____.

Print Name _____.

Title _____.

Title _____.

Date _____.

Date _____.