

UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)
Better Than Cash Alliance (BTCA)
Success factors in digitizing and integrating tax filing and payments

REQUEST FOR APPLICATIONS
Deadline for submission: April 24th 2019 at 23.00 ET

1. INTRODUCTION TO THIS REQUEST FOR APPLICATIONS

a) Purpose of the RFA

The purpose of this request for applications (RFA) is to identify the factors of success in digitizing and integrating tax filing and payments, highlighting good practices that enable the adoption and scaling of digital tax payments in emerging economies. The analysis will be based on the analysis of at least three case studies of tax administration digitization reforms in at least three countries among the following members of the Better Than Cash Alliance: Liberia, Rwanda, Mexico, Philippines and or Indonesia. The final deliverable will have the following components:

- A global overview of insights and lessons on the digitization and integration of tax filing and payments drawing on specific case studies from three of the countries listed above.
- Three deep dive case studies analysing the reform experience, tax e-filing and e-payment integration, and successful strategies in driving usage of digital tax payment platforms.

The final outputs and deliverables of the study are considered a public good intended to support the adoption and usage of digital payments and the development of inclusive and [responsible](#) digital ecosystems. Thus, all the outputs and deliverables will be placed in the public domain after appropriate consultation with the intent that they can and should be freely and widely used by other parties, particularly government policy-makers.

Primary audience:

- Revenue Authorities and Ministers of Finance from [Better Than Cash Alliance member countries](#), in particular, members of the Addis Tax Initiative.

Secondary audience:

- Donors, international community focused on domestic resource mobilization.
- Regional bodies (AU, WAEMU, EAC, SADC, etc.)
- Journalists at global and national level (relevant strategic countries).

b) Timing

Applications should be returned to the Better Than Cash Alliance Secretariat **by email** no later than **April 24th of 2019 at 23.00 Eastern Time (GMT -4)**

It is anticipated that negotiations and grant signing will commence within 3 to 4 weeks of application submission.

Also, the deadline to submit consultations is **April 17th of 2019 Eastern Daylight Time**.

The overall duration of the whole project should be not more than **4 calendar months**.

Contact

Applications and any consultation about this RFA should be submitted via email at camillo.tellez@uncdf.org, copying rodrigo.mejia.ricart@uncdf.org and amela.cosovic-medic@uncdf.org. Please include in the subject line of the email: RFA response – Success factors in digital tax payments

c) Responses

All queries and submitted applications will be acknowledged. Clarifying questions must be submitted via email to camillo.tellez@uncdf.org, copying rodrigo.mejia.ricart@uncdf.org and amela.cosovic-medic@uncdf.org by **April 17th 2019**. FAQs will be shared with all applicants via email.

2. ORGANIZATION CONTEXT AND BACKGROUND INFORMATION

a) Organization Context

UNCDF is the UN's capital investment agency for the world's 48 least developed countries. It creates new opportunities for poor people and their communities by increasing access to microfinance and investment capital. UNCDF focuses on Africa and the poorest countries of Asia, with a special commitment to countries emerging from conflict or crisis. It provides seed capital – grants and loans – and technical support to help microfinance institutions reach more poor households and small businesses, and local governments finance the capital investments – water systems, feeder roads, schools, irrigation schemes – that will improve poor peoples' lives. UNCDF programs help to empower women and are designed to catalyse larger capital flows from the private sector, national governments and development partners, for maximum impact toward the Millennium Development Goals.

The **Better Than Cash Alliance** is a partnership of governments, private sector and international organizations hosted by UNCDF. The Alliance focuses in the acceleration of the transition from cash to digital payments in order to reduce poverty and drive inclusive growth. The Alliance seeks to make digital payments widely available by:

1. Advocating for the transition from cash to digital payments in a way that advances financial inclusion and promotes responsible digital finance.
2. Conducting research and sharing the experiences of our members to inform strategies for making the transition.
3. Catalyzing the development of inclusive digital payments ecosystems in member countries to reduce costs, increase transparency, advance financial inclusion– particularly for women– and drive inclusive growth.

b) Background Information about the research project on digital tax payments

Domestic resource mobilization (DRM) helps governments collect the funds needed to improve service delivery, citizens' well-being and standard of living. DRM helps countries grow out of aid dependence, making it the long-term, sustainable path for development finance.

DRM has received growing attention by the donor and development community. Official Development Aid has increasingly focused on enhancing public financial management and tax policy and administration reform. The 2015 Addis Ababa Action Agenda on Financing Development put a strong focus on improving domestic resource mobilization.

The evidence suggests that tax administration modernization, improving tax user registration, declaration and payment process help improve tax administration efficiency and lower compliance costs for the tax payer. Moreover, the digitization of the tax declaration process helps revenue administration offices automate processes and gather additional data and process it to identify additional income.

A recent IMF Working Paper identifies the tax policy measures that contribute the most to the sustained improvement of tax revenue mobilization in emerging markets. The Working Paper highlights that **the sustainability of these policy measures hinges on tax administration reforms in key compliance areas (registration, filing, payments, risk-based audits and reporting).**¹

According to McKinsey and Co, digital innovations are reshaping the tax administration in at least four ways:²

1. *Digitizing interactions with taxpayer* – to have more customized services and ensure an integrated view of the taxpayer;
2. *Advanced analytics* – to segment taxpayers, prioritize examinations, and choose the appropriate *examination approach* (i.e. “light touch” vs full audits);
3. *Process automation* – a new generation of process automation -based on a combination of analytics and machine learning. This goes beyond the first generation of automation which facilitated e-filing, automatic data checks, automatic reminders. This will look in particular at improving external interactions – i.e. prioritizing communications and managing inquiries;
4. *Talent management* – the changing nature of tax administration operations and the advent of new digital technologies is requiring tax administrations to rethink their talent strategies in terms of talent management, recruitment and re-skilling.

Efforts to improve modernize and improve tax collection and administration is of great relevance to the members of the Better Than Cash Alliance.³ Tax revenue collection among members of the Alliance stood at an average 15.3% of GDP⁴ in 2016, compared to 34% in OECD countries.⁵

¹ <https://www.imf.org/en/Publications/WP/Issues/2018/11/02/Tax-Revenue-Mobilization-Episodes-in-Emerging-Markets-and-Low-Income-Countries-Lessons-from-45932>

² <https://www.mckinsey.com/industries/public-sector/our-insights/four-innovations-reshaping-tax-administration>

³ <https://www.betterthancash.org/members>

⁴ World Bank (2018) World Development Indicators (Database)

⁵ OECD Revenue Statistics 2018 (excludes social contributions and other P2G/B2G payments). <https://www.oecd.org/tax/tax-policy/revenue-statistics-highlights-brochure.pdf>

Sixteen (16) BTCA countries⁶ have joined the 2015 Addis Tax Initiative, committing to enhance domestic resource mobilization to improve the fairness, transparency, efficiency and effectiveness of their tax systems.⁷ This initiative was established to follow up to the 2015 Addis Ababa Action Agenda on Financing for Development⁸ to underpin the commitment of the international community to help emerging economies strengthen their DRM efforts.

Furthermore, BTCA countries have been looking at the use of technology to reduce tax administration costs and boost revenue collection.⁹ **The digitization of tax collection offers great opportunities** in terms of:

- Reduction of administrative costs and leakages.
- Facilitating registration and authentication
- Improving filing, processing and payment
- Increased data collection and processing capabilities (i.e. data analytics) for tax administration and public service delivery
- Improving enforcement and compliance
- Increased revenue collection

While most countries members of the Alliance have some form of e-payment functionality,¹⁰ there's still need to **identify successful strategies and approaches in e-filing and digital payment integration**. This effort will look at digitization as an integrated process transformation of which payments are an enabling component. Moreover, there is also a need to **distill lessons and identify good practices that support adoption of digital tax payments at scale**.

c) Research on integration of e-filing and digital tax payments and good practices for scaling up the adoption of digital tax payments

The Better Than Cash Alliance's research project aims to answer the following research questions:

- What are the key success factors in the integration of digital tax registration, filing and payments?
- How does this integration support enhanced tax administration performance and efforts to improve compliance?
- What are the drivers of adoption and scale in digital tax payments in both the supply and demand side?
- What are the main pain points and incentives for adoption, such as VAT reduction and no-fee transfers, for different user segments, including individuals, SMEs and large businesses?
- How does the digitization of tax filing and payments affect women and women-owned businesses, in particular, their financial inclusion?

⁶ Afghanistan, Benin, Ethiopia, Ghana, Indonesia, Kenya, Liberia, Malawi, Nepal, Paraguay, Philippines, Rwanda, Senegal, Sierra Leone, Solomon Islands and Uganda

⁷ <https://www.addistaxinitiative.net/#slider-4>

⁸ https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

⁹ USAID (2018) Collecting Tax Database

¹⁰ USAID (2018) Collecting Tax Database

Drawing on concrete case studies, the final report should provide a general overview of the trends and best practices in the digitization of tax payments to facilitate process automation and improve user experience. This global outlook will pay particular attention to the design and components that support end-to-end digitization and the strategies that help drive usage.

The case studies should be supported by data indicating potential and/or actual costs savings, efficiency gains, revenue potential derived from integration and digitization of processes and payments.

As Alliance members seek to improve tax revenue mobilization, the report will distill the lessons on how successful digitization projects are conceived, designed and implemented to improve tax administration efficiency and performance – such as reduced tax collection and administration costs, greater data collection and processing capacity, as well as more targeted audits. This analysis will have a particular focus on the integration of e-filing and digital tax payments. Furthermore, the section will include an assessment of the context that made reform possible and any political economy lessons.

Another key element that will be explored in this research are the factors that contribute to adoption of digital tax payments. These may include design factors of the digital filing and payment process, reliability of the solution, education programs, awareness campaigns among other. In addition, the project will look at how easy to scale these platforms can be – that is, the capability of the platforms to process numerous payments, how flexible are these platforms to include new taxes and fees, or to support adoption by subnational governments.

Some of the potential case studies include:

Indonesia

Revenue mobilization continues to present major challenges for Indonesian authorities. Tax revenue growth has been slow over recent years. The challenge is magnified by the decline in oil and gas revenues amounting to 2% of GDP since 2014.¹¹ With a tax ratio of around 11% in 2017, Indonesia is in dire need to effectively mobilize domestic resources to support sustainable development.

A recent study by the Asian Development Bank (ADB) highlights that local authorities are working on a medium-term revenue strategy with the objective of raising tax revenue by at least 3% of GDP in 5 years through both tax policy and tax administration reforms.¹² Indonesia has moved to require mandatory electronic tax payments to reduce administration costs and improve taxpayer experience. In its effort to drive tax administration efficiency and deliver greater convenience, Indonesia has introduced new e-payment service for taxpayers.

The Directorate General of Taxes of Indonesia introduced a new mini ATM to improve the access and convenience of electronic tax payments. The Mini ATM uses an electronic data capture machine on which the taxpayer can simply swipe a debit card to pay taxes. The payment process starts with taxpayers

¹¹ IMF. 2018. Indonesia 2017 Article IV Consultation Staff Report. Country Report. No. 18/32. Washington, DC.; ADB. 2018. A Comparative Analysis of Tax Administration in Asia and the Pacific, Manila.

¹² ADB. 2018. A Comparative Analysis of Tax Administration in Asia and the Pacific, Manila.

obtaining an electronic billing (e-billing) code, which can be obtained through several channels, such as the official Directorate General of Taxes website (www.sse.pajak.go.id), internet banking, short messaging service, among others. Once obtained, taxpayers can use the billing code to complete the tax payment procedure using mini ATMs. This new feature is expected to deliver good results so that it can be implemented nationwide.¹³

Liberia

In 2014/2015, the Government of Liberia partnered with USAID to improve DRM in the country. Among other, this project sought to improve the capacity of the LRA to administer revenue policies and achieve more professional, transparent and efficient revenue collection. At the start of the project, the LRA lacked basic IT systems for tax revenue administration. Liberia did not have a well-functioning integrated Tax IT system, e-filing or digital tax payments, payments at bank branches. The LRA was also in need of a centralized data-processing function, risk-based audit selection and risk-based arrears management.

By October 2018, it had put in place a data processing center improved transparency for 30-50% of revenues, 356 taxpayers enrolled to e-file, including 254 (36%) of large taxpayers. The LRA had also introduced two types of e-payments: 1) mobile tax platform; and 2) Direct tax transfers. A total of 4,000 mobile P2G payments were made reducing cost of compliance & administration. In addition, 30-50% of taxes are paid through commercial banks e-payment portals. The number of large tax filers increased from 19% to 43%, or 126% up (2016 vs 2018). The number of tax payments increased substantially. A first-generation risk-based audit selection had been piloted by the end of 2018. These reforms along with some policy changes resulted in a 20% growth in tax revenue in LRD terms in 2017/18. Property tax revenues increased 6% in USD terms in 2017/18.

Mexico

The efforts of the *Servicio de Administración Tributaria* (SAT) to digitize tax filings began in 1995, with the development of a computer program that made the calculation of taxes for natural persons and pre-filled the fields of the format, so that the taxpayer could transfer them to the paper format.

This program, in its beginnings, was called DecAnnual and is one of the first automated services offered by SAT to taxpayers. Each fiscal year improvements are made to the program in order to simplify tax payments. The digitization program was renamed in 2006 and is now known as DeclaraSAT online.

Since 2014, digital filing and payment through direct bank transfers or card payments are available through the platform. Over 57 million e-filings and 12.7 million payments were processed online that year.

The Philippines

¹³ ADB based on Government of Indonesia, Directorate General of Taxes. 2016. Annual Report 2015. Jakarta.. see ADB. 2018. A Comparative Analysis of Tax Administration in Asia and the Pacific, Manila.

In 2016, the Bureau of Internal Revenue worked with USAID DRM and E-Peso to relaunch e-filing and to introduce mobile tax payments, supported by GCash. This initiative expanded GCash to allow payments for all types of taxes. It included a public awareness campaign through the e-Bayad campaigns to encourage the use of mobile or e-payments in government transactions to limit face-to-face interactions. The e-Filing and Payment System (eFPS) allows taxpayers to file returns and make payments online, where previously they had to visit BIR offices and stand in long, slow queues. This system was initially introduced for large taxpayers, but e-filing has expanded rapidly in the past few years. By 2016, over 924,450 active efilers were using eBIR forms.¹⁴ The number of registrations has also increased significantly since the rollout of electronic registration system (eREG) in 2009.

Rwanda

It constitutes a telling example of what can be done to improve DRM. The country has increased tax revenue by 6 percentage points over the past 17 years through tax policy reform and enhanced use of IT in tax administration. In 2004 the RRA implemented the Standardized Integrated Government Tax Administration System (SIGTAS), which supported data management for taxpayers and facilitated tax returns processing, enforcement, and audit. SIGTAS implementation paved the way for automation of RRA frontline taxpayer services, such as e-filing and e-payment – launched in 2011 and 2012.

The new e-filing and e-payment functionalities greatly reduced taxpayer compliance burdens. RRA reports that it now takes three days to get a taxpayer compliance certificate versus the 10 days that was previously customary. Taxpayers can also directly pay their tax at the bank, online, with mobile money or cards without having to make double trips to the RRA. The RRA supported these process improvements with improved taxpayer education and assistance – which saw SME registration and respective revenue collection double from FY 2010/11 to FY 2011/12. Furthermore, mobile declarations and payments were enabled in 2013 in partnership with mobile money providers.^{15 16}

It is expected that these analysis leverages on related studies/researches and provides gender-disaggregated analysis to the extent possible. Furthermore, the analysis should reference the Better Than Cash Alliance Responsible Digital Payment Guidelines¹⁷ and the High-Level Principles for Digital Financial Inclusion¹⁸ and how digital tax payments can implement and apply these principles.

3. SCOPE OF EXPECTED OUTPUTS AND DELIVERABLES

¹⁴ https://pdf.usaid.gov/pdf_docs/PA00T5XZ.pdf

¹⁵ https://www.usaid.gov/sites/default/files/documents/1865/Rwanda_DRM_case_study_briefing_note_FINAL.pdf

¹⁶ <https://www.newtimes.co.rw/section/read/69782>

¹⁷ <https://www.betterthancash.org/tools-research/case-studies/responsible-digital-payments-guidelines>

¹⁸ <https://www.betterthancash.org/tools-research/resources/g20-high-level-principles-for-digital-financial-inclusion>

BTCA is seeking applications from qualified technical partners (e.g., commercial for-profit consulting firm, educational, or non-for-profit organization) to prepare a proposal for a research project with two key components.

- A global overview of insights and lessons on the digitization and integration of tax filing and payments drawing on specific case studies from three of the countries listed above.
- Three deep dive case studies analysing the reform experience, tax e-filing and e-payment integration, and successful strategies in driving usage of digital tax payment platforms.

It is also expected that the study references the Responsible Payments Guidelines and the High-Level Principles for Digital Financial Inclusion and advance an assessment of how these can be implemented in the digitization of digital tax filing and payment.

3.1. Expected Deliverables

The expected outputs and deliverables are:

- a) **A study on global practices on the integration of digital tax filing and payment to improve taxpayer experience, with an emphasis on distilling lessons for implementation.** This document should contain an analysis of the contextual factors that shape the design and implementation strategies, the global emerging trends and an assessment of the cost and benefits of digital filing and tax payment integration for tax administration globally.

The study should include a data analysis of the investment needed, and **to the extent possible, both backward looking quantitative data and forward-looking estimations/projections** on the benefits flowing from those investment and reforms, including (but not limited to) specifically:

- a. Tax revenue gains at a national (and to the extent possible, regional or global) level, expressed quantitatively as a proportion of GDP and in real terms, including additional revenue gained specifically by preventing unlawful tax avoidance (expressed in local currency and converted to USD)
- b. Productivity gains and any impacts on GDP at a national (and to the extent possible, regional or global) level, expressed quantitatively,
- c. Other efficiency gains enjoyed by governments or other implementing entities, either qualitative and quantitative
- d. Employment benefits (with special attention to women) or other impacts at a national level (and to the extent possible, regional or global) level
- e. Efficiency and cost savings enjoyed by business or other beneficiaries of reforms, expressed both quantitatively and qualitatively (ideally split between business categories – large businesses; medium businesses, SMSEs)
- f. Any other key benefits enjoyed by businesses or other beneficiaries (particularly women) or reforms

Wherever possible, the above should be expressed in both written and graphic format.

Furthermore, it should clearly identify the factors of success of, and any significant barriers to, tax digitization initiatives. In addition, the analysis should include an assessment of the different approaches taken to stimulate adoption and use of digital filing and payment. The analysis in this report will draw lessons for members of the Alliance who would like to pursue digitization initiatives. These lessons will result in a short playbook or outline of playbook, identifying “plays” for the successful adoption of digital tax payments/

- b) **Three case studies examining the implementation of digital tax filing and payment among the following members of the Alliance: Indonesia, Liberia, Mexico, the Philippines and Rwanda.** The study should include an analysis of ongoing efforts to leverage digital technologies to facilitate the electronic filing and payment of taxes. In particular, it will look at how these reforms were undertaken, any relevant political, economic, social or developmental circumstances that made them possible, how they improved the taxpayer experience as well as the tax administration’s ability to collect and process data. The case studies will help identify the barriers, opportunities and risks linked to similar tax administration reforms and process automation. For each of the three case studies, an analysis of the strategies and approaches taken to accelerate the adoption of digital filing and payment channels for each of the case studies is expected. The case studies should be supported by quantitative data indicating potential and/or actual costs savings, efficiency gains, revenue potential derived from integration and digitization of processes and payments, consistent with the quantitative deliverables in section (a) above. Each case study should also include:
- c)
- a. a human-interest story (demand or supply side) per each of the deep dives on the impact of digitization of taxes, along with photographic images of a person or people featuring in each human-interest story. Each story should include at least one piece of quantitative data about the impacts of digitization of taxes on the individual (or their business) featured. These stories will be developed jointly with the BTCA Head of Communications.
 - b. 2-3 business stories on the impact of digitization of taxes on businesses (ideally across large, medium and SMSE), along with photographic images relevant to each story, preferably featuring people or business processes. Each story should include at least two pieces of quantitative data about the impacts of digitization of taxes on the business featured, relating to both cost and efficiency savings.
- d) **Three presentations of the research project to the Editorial and Publications Committee (EPC) of the Better Than Cash Alliance is required.** The first presentation will provide the EPC with a draft and PowerPoint deck covering the preliminary insights and analysis of the report and will cover both global and local work. The second presentation of the project to the EPC will take place at the end of the project, socializing with the Committee the final version of the report for approval. A third presentation will be done at an in-country workshop (TBC) as part of the socialization plan.

2. *Indicative Tables of Contents*

Recognizing that the research conducted may lead to changes and improvements in these table of contents, the table below shows proposed structures of the studies. It contains suggested sections and questions that may need to be answered. Overall, it is expected that the technical partner suggests any needed improvements and updates to these table of contents at the time of the proposal based on its experience doing similar studies, and/or during the course of the studies based on the findings of the research.

I. Digital Tax Payments: Global practices

- I. Executive Summary
- II. Introduction
- III. Digital tax administration: Global practices in digital tax filing and payment integration
 1. Digital tax filing and payment: why is it important
 2. Enablers and hindrances of digital tax filing and payment (e.g., infrastructure, regulation, etc.)
 3. Opportunities, barriers and risks (including opportunities and risks for newly banked customers, disadvantaged groups, women, etc.)
 4. Highlights of the three case studies covered in the report
 5. Cost-benefit analysis of digitization and integration of tax filing and payment
 6. Approaches to promoting the adoption and uptake of digital tax filing and payment.
 7. Conclusion and recommendations
 8. Annexes (all considered relevant) for example:
 - List of acronyms and glossary
 - Data analysis
 - Interview notes
 - Others and Bibliography

Digital tax payments: The experience of key BTCA Markets (sample case study outline)

- IV. Mexico: digital tax payments and their policy implications
 1. Executive summary
 2. Analysis of the context of the Mexican *Servicio de Administración Tributaria*: Existing electronic filing and payment tools, tax modernization plans and projects, among other (identification, data analysis)
 3. Enablers and hindrances of digital tax administration reform (e.g., infrastructure, regulation, etc.), winners and losers
 4. Barriers, opportunities and risks linked to the integration of electronic tax filing and payment.
 5. Mexican approach to the fostering the use of digital tax filing and payment.

6. Conclusion and recommendations
7. Annexes (all considered relevant) for example:
 - List of acronyms and glossary
 - Data analysis
 - Interview notes
 - Human interest story
 - Others and Bibliography

2. AGREEMENT PARAMETERS

a) Outputs and deliverables

The outputs and deliverables of the studies are considered a public good. Thus, all the outputs and deliverables will be placed in the public domain with the intent that they can and should be freely and widely used by other parties.

b) Duration

The selected technical partner is expected to sign a **Performance Based Financing (Grant) Agreement with UNCDF** (see Annex 2 for a sample of our legal language in this regard). Applicants not familiar with UNCDF agreements are encouraged to request a sample from rodrigo.mejia.ricart@uncdf.org prior to submission of application). The overall duration should not exceed four months.

c) Agreement size

Up to **US\$ 200,000** for the study on digital tax filing and payment: Global Practices and emerging approaches in BTCA members. Applicants should provide budgets indicating how they would allocate costs to produce high quality expected results with their technical approach.

d) Language

The deliverables, as well as any and all related correspondence exchanged by the organization and UNCDF, shall be written in English.

3. APPLICATION REQUIREMENTS

a) Minimum qualification criteria

- Any type of organization (commercial for-profit firms, educational institutions, and non-profit organizations) is eligible to compete.
- Having successfully conducted similar assignments such as on analysis, stocktaking and the digitization of tax administrations, tax process integration and automation, digital P2G payments and similar topics.
- Provide written confirmation (Annex 1) that the organization has reviewed the UNCDF Grant Agreement template (available upon request), is prepared to sign it **by May 1st, 2019** without

revision to standard language.

- Submit a complete application.
- Excellence in technical writing and fluency in English.
- Experience working in developing and emerging countries, in Africa, Latin America or Southeast Asia.
- Evidence of high quality of documentation, packaging, and disseminating technical knowledge in English to a wide range of audiences.
- Have confirmed human resources to cover all planned/required activities.

b) Other requirements and qualifications

- Experience working with high level government, private sector and international organizations preferred.
- Demonstrated excellence in research, analytical, and field implementation capacity.

c) Structure of the Application

- The application should follow the template provided in Annex 1: *Submission Format*.
- Only applications that follow the **Submission Format** and include all the necessary documentation will be accepted.

d) Submission of the Application

- Applications and any consultation about this RFA should be submitted via email at camillo.tellez@uncdf.org, copying rodrigo.mejia.ricart@uncdf.org and amela.cosovic-medic@uncdf.org

The subject line of the email should be: RFA response – Success factors in digital tax payments

- The **deadline** to submit the applications is **April 24th, 2019**.

ANNEX 1: SUBMISSION FORMAT

[insert: Location]

[insert: Date]

To: Ruth Goodwin-Groen, Managing Director, BTCA

Dear Sir/Madam:

We, the undersigned, hereby apply for RFA response – Success factors in digital tax payments in accordance with your Request for Application dated [insert: Date] and our Application. We are hereby submitting our Application, which includes the Technical Proposal including proposed budget allocation.

We hereby declare that:

- a) All the information and statements made in this Application are true and we accept that any misrepresentation contained in it may lead to our disqualification; and
- b) We have no outstanding bankruptcy or pending litigation or any legal action that could impair our operation as a going concern

We confirm that we have read, understood and hereby accept the duties and responsibilities required of us in this RFA, and the standard language of UNCDF's Performance Based Agreements (PBA), including the requirements regarding the public good nature of the outputs to be produced (see Annex 2 for a sample of our legal language in this regard). Therefore, if our application is accepted, we will be ready to sign and accept the legal language, without modification, of the UNCDF grant agreement (performance based) by **May 1st, 2019**.

We fully understand and recognize that UNCDF is not bound to accept this application, that we shall bear all costs associated with its preparation and submission, and that UNCDF will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the evaluation.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Contact Details: _____

[Please mark this letter with your corporate seal, if available]

SECTION 1: GENERAL APPLICANT'S INFORMATION

1. Applicant's Legal Name:		
2. Type of Organization (e.g. commercial for-profit firm, educational, non-profit, etc.):		
3. In case of Joint Venture (JV), legal name of each party:		
4. Actual or intended Country/ies of Registration/Operation:		
5. Year of Registration:		
6. Countries of Operation	7. No. of staff in each Country	8. Years of Operation in each Country
9. Legal Address/es in Country/ies of Registration/Operation:		
<p>10. Value and Description of Top three (3) Grants or Contracts for the past five (5) years:</p> <p>Name of the project: Client/Funder (if applicable): Grant/Contract value: Types of Results Produced/activities undertaken: References, contact details:</p> <p>Name of the project: Client/Funder (if applicable): Grant/Contract value: Types of Results Produced/activities undertaken: References, contact details:</p> <p>Name of the project: Client/Funder (if applicable): Grant/Contract value: Types of Results Produced/activities undertaken: References, contact details:</p>		

11. Applicant's Authorized Representative Information

Name:
Address:
Telephone/Fax numbers:
Email Address:

12. Are you in the UN Ineligibility List? YES or NO

13. Attached are copies of original documents of:

- Financial statements for the past 2 years
- Letter from the applicant organization's executive director, CEO, or board, expressing its commitment to the execution and participation in this process.
- Complete CVs of all the team members involved in the assignment
- Staff time allocation spreadsheet per result
- Electronic copies and hyperlinks where available of studies, knowledge products produced under similar assignments and list of dissemination channels

SECTION 2: SPECIFIC EXPERIENCE FOR THE ASSIGNMENT

14. Please describe your organization’s experience in producing similar projects/studies. For each one, make sure you describe the following (maximum 2 pages per project):

- Name of the project:
- Client/Funder (if applicable):
- Grant/Contract value:
- Description of the **approach/methodology**:
- Types of **outputs/deliverables** produced/activities undertaken:
- Tools you used to conduct the study (e.g., stakeholder analysis, cost benefit analysis, roadmap to implement proposed recommendations, cost-benefit analysis, metrics/indicators, etc.):
- Tools you used to identify opportunities and constraints at the design and implementation level:
- Time it took you to complete the assignment:
- Number of people and names of the staff that participated in the assignment:
- Knowledge product production and dissemination strategy of the assignment:
- Final product, website (if available):
- References, contact details:

15. Please describe your organization’s experience in analyzing the integration of tax e-filing and tax e-payments (maximum 3 pages)

16. Please describe your organization’s experience in analyzing operational models and potential barriers, opportunities, and risks, including data analysis of the integration and digitization of tax filing and payment, as well as their scaling strategy.

17. Please describe your organization’s experience in proposing recommendations for the tax administration digitization efforts (maximum 1 page)

18. Please describe the research, knowledge product production, packaging and dissemination process of your organization (maximum 1 page)

SECTION 3: APPROACH AND IMPLEMENTATION PLAN (15 pages maximum)

19. Approach to the Results Required

Please provide a **detailed** description of the **approach/methodology** for how the organization/firm **will achieve project outputs and deliverables**, keeping in mind the appropriateness to local conditions and project environment. Please include any proposed changes or additions to the **Table of Contents** included in Section 3 of this RFA.

20. Technical Quality Assurance Review Mechanisms

The methodology shall also include details of the applicant's internal technical and quality assurance review mechanisms.

21. Implementation Timelines

The Applicant shall submit a Gantt Chart or Project Schedule indicating the detailed sequence of activities that will be undertaken and their corresponding timing, specifying timelines and time devoted to each result.

22. Sub-grantees

Explain whether any work would be delegated, to whom, how much percentage of the work, the rationale for such, and the roles of the proposed sub-grantees. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team.

23. Risks / Mitigation Measures

Please describe the potential risks for the implementation of this project that may impact achievement and timely completion of expected results as well as their quality. Describe measures that will be put in place to mitigate these risks.

24. Reporting and Monitoring

Please provide a brief description of the mechanisms proposed for this project for reporting to BTCA, UNCDF and partners, including a reporting schedule (also reflected in Gantt chart).

25. Other

Any other comments or information regarding the project approach and methodology that will be adopted.

SECTION 4: PERSONNEL

26. Management Structure

Describe the overall management approach toward planning and implementing this result. Include an organization chart for the management of the project describing the relationship of key positions and designations.

27. Staff Time Allocation

Provide a spreadsheet to show the activities of each staff member and the time allocated for his/her involvement. *(Note: This spreadsheet is crucial, and no substitution of personnel will be tolerated once the grant has been awarded except in extreme circumstances and with the written approval of UNCDF. If substitution is unavoidable it will be with a person who, in the opinion of the UNCDF's Digital Finance Specialist, is at least as experienced as the person being replaced, and subject to the approval of UNCDF. No increase in grant will be considered as a result of any substitution.)*

28. Qualifications of Key Personnel

Provide the CVs for key personnel (Team Leader, Managerial, Technical and general staff) that will be provided to support the implementation of this project. CVs should demonstrate qualifications in areas relevant to the results to be produced. In addition to the CVs, please submit a summary for each person in the following format:

Name:		
Position for this Contract:		
Nationality:		
Contact information:		
Countries of Work Experience:		
Language Skills:		
Educational and other Qualifications:		
Summary of Experience: <i>Highlight experience in the region and on similar projects.</i>		
Relevant Experience (From most recent):		
Period: From – To	Name of activity/ Project/ funding organisation, if applicable:	Job Title and Activities undertaken/Description of actual role performed:
<i>e.g. June 2014-January 2015</i>		
<i>Etc.</i>		
<i>Etc.</i>		
References no.1 (minimum of 3):	<i>Name Designation Organization Contact Information – Address; Phone; Email; etc.</i>	
Reference no.2	<i>Name Designation Organization Contact Information – Address; Phone; Email; etc.</i>	
Reference no.3	<i>Name Designation Organization Contact Information – Address; Phone; Email; etc.</i>	
Declaration:		
I confirm my intention to serve in the stated position and present availability to serve for the term of the proposed grant agreement. I also understand that any wilful misstatement described above may lead to my disqualification, before or during my engagement.		
_____		_____
Signature of the Nominated Team Leader/Member		Date Signed

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SECTION 5: PROPOSED BUDGET ALLOCATION

The budget should be presented in the following format:

29. Cost Breakdown per deliverables (example)

SN	Deliverables <i>[List them as referred to in the RFA, the following list is an example and not restrictive]</i>	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive)
1	Clear study outline and plan		
2	Digital tax payments overview: Opportunities, barriers and risks		
3	Stocktaking and cost-benefit digital tax filing and payment reforms		
4	Analysis of different approaches to scaling up the use of digital tax payments		
5	Analysis of three tax modernization case studies		
6	Identification of barriers and opportunities for the development of digital tax filing and payment in selected countries		
7	Analysis of success factors in tax digitization in selected countries		
8	Analysis of the approaches to scale the use of digital tax filing and payment in selected countries.		
9	Formulation of conclusions and recommendations		
14	Draft of Research reports		
15	Two presentations of findings to the Editorial and Publications Committee		
16	Final research reports		

	Total		USD
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30. Summary of costs				
Level of effort		# Days	Cost	Total
	Team member #1	.. days		
	Team member #2	.. days		
 days		
			Sub-Total LOE	USD ...
Travel/mission/other budget			Cost	Total
	Travel/mission #1			
	Travel/mission #2			
	Other (describe)			
			Sub-Total Travel	
			Total	USD ...

ANNEX 2: SAMPLE OF UNCDF LANGUAGE REGARDING PROPRIETARY RIGHTS OF KNOWLEDGE PRODUCTS PRODUCED UNDER THIS ASSIGNMENT

6.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

6.1 BTCA, Member Services is a project of the UNCDF, and as such, UNCDF is custodian of copyright, patents and other proprietary rights on behalf of BTCA, Member Services. Except as is otherwise expressly provided in writing in the Agreement, the UNCDF shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Recipient Institution has developed for the UNCDF under the Agreement and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Agreement, and the Recipient Institution acknowledges and agrees that such products, documents and other materials constitute works made for the UNCDF. In line with the public good nature of the grant, UNCDF will place all the deliverables specified in the public domain with the intent that they can and should be freely and widely used by other parties and the RECIPIENT INSTITUTION shall not be excluded from the ability to use such deliverables on the same basis as other external parties.

6.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Recipient Institution: (i) that pre-existed the performance by the Recipient Institution of its obligations under the Agreement, or (ii) that the Recipient Institution may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Agreement, the UNCDF does not and shall not claim any ownership interest thereto, and the Recipient Institution grants to the UNCDF a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Agreement.

6.3 At the request of the UNCDF; the Recipient Institution shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNCDF in compliance with the requirements of the applicable law and of the Agreement.

6.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Recipient Institution under the Agreement shall be the property of the UNCDF, shall be made available for use or inspection by the UNCDF at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNCDF authorized officials on completion of work under the Agreement.