



*Au service
des peuples
et des nations*

Terms of reference

Title: Proposal of Statute for emigrant investor

Department/Unit: Governance

Reports to: Head of Democratic Governance Unit

Duty Station: Cabo Verde

Expected Places of work (Travel if applicable): Cabo Verde Trade and Investment Promotion Agency (CVTI), General Directorate for Economic Affairs (Ministry of Foreign Affairs) and Joint Office UNDP/UNFPA/UNICEF

Duration of Assignment: 20 working days

Closing Date: June 23 2018

1. Context and Justification

Cape Verde is a small archipelagic nation that lacks resources. The economy is service-oriented that accounts for about three-fourths of the Gross Domestic Product. Given its economic structure, Cape Verde regularly runs a budget deficit that is financed by foreign aid, loans and remittances from emigrants. The emigrants' remittances represent 10% of the Gross Domestic Product. The decline in development assistance following the graduation from Less Developed Country status has not been compensated by an increase in domestic resources. Central government revenues declined by 2.4 billion ECV (Escudos Caboverdianos) between the last quarter of 2010 and 2013 mostly due to the decrease of 5.6 billion ECV (Escudos Cabo Verdianos) in grants. The country public debt has rapidly increased in recent years, at an uncomfortable level of 128% of the Gross Domestic Product, and the risks to enter the middle-income trap are real; challenging the country's financial capability development. In fact, Cabo Verde did not adequately prepare itself for when its window of concessional borrowing would close in 2019.

Given its economic situation and limited fiscal space, Cabo Verde must urgently find innovative financing solutions to support its economic transformation, fund upgrades to modernize public infrastructure, reduce poverty and meet other Sustainable Development Goals.

Cabo Verde has a small and organized capital market. Despite the lack of scale efficiencies required for a solvent market, there is potential for capital market and financial products development including Diaspora bonds which, could add more dynamism to the financial

market. A study on Diaspora Bonds showed positive potentialities. The modernization of the capital market has been established as a priority of the current Government to foster a stronger participation of foreign investors including its Diaspora.

Cabo Verde should rapidly recuperate lost opportunities for its development and to solve the worrying level of unemployment particularly, amongst its youth. It is particularly important for the country to harness its demographic dividend and accelerate its socio-economic transformation. The Government has set an average economic growth target for the 2016-2021 legislature of 7%. In fact, Cabo Verde should benefit now from its young population at a time where the fertility and mortality rates are declining rapidly. Investments in human capital, specifically in education and job creation, are a must to guarantee the strong purchasing power and economic inflows to the economy. In this context it is in fact very important that Cabo Verde also attract foreign investments including, the investments from caboverdean emigrants, which are mostly concentrated in five developed countries (United States of America, Portugal, France, Netherlands and Italy). The term diaspora traditionally refers to a group of people with shared culture who have left their homeland, but maintain a strong identity and mutual solidarity with their country. A special statute of emigrant investor should incentive them to invest in Cabo Verde including in Diaspora Bonds

2. Objectives and technical approach

Since 1990, the Government has actively created the legal and fiscal framework to attract foreign investments, resulting in the attraction of important investments. Methods to promote investment from the Caboverdian emigrant community were also discussed. However, it has been questioned if the Caboverdean emigrant investments should be designed with the same framework as per the existing foreign investor statute or be designed with specific incentives.

Caboverdean Diaspora usually use their savings in Cabo Verde for nonproductive investments. Through this innovative initiative, the objective is to test and demonstrate the potential of Diaspora involvement for the development of Cabo Verde, fostering structured investments that can contribute to the creation of productive assets and financing the development priorities of the country

The development outcome of this innovation is expected to increase the mobilization of resources for the implementation of the national strategic plan for sustainable development (PEDS in Portuguese), and other Sustainable Development Goals through dynamization of the economy, as well as, the promotion of productive investments from emigrants.

This consultation for structuring the statutes of emigrant investor will be complementary to the Diaspora Bonds study in order to create a complete package for this community that, is attractive and relevant.

Methodology

- 2.1. Under the guidance of the Cabo Verde Trade Invest Agency (CVTI) in close cooperation with General Directorate for Economic Affairs (Ministry of Foreign Affairs) and UNDP, the consultant will initially collect data on the characteristics of caboverdian emigrants and their specific investment opportunities.
- 2.2. The consultant will meet the main country authorities related to the emigrants as investors to understand their needs and, discuss the real investment opportunities available for the Diaspora with the authorities.
- 2.3. The consultant will analyze the national and existing legislation on foreign and domestic investors and propose a statute of emigrant investor that can be attractive to the Diaspora community. Data concerning the success stories and the impact of statutes implemented, in other countries similar to Cabo Verde will be collected and analyzed.
- 2.4. The produced documents should be discussed in a meeting co-organized by CVTI and General Directorate for Economic Affairs, as the main partners, with the participation of the relevant state institutions/stakeholders.
- 2.5. At the end of the assignment the consultant should submit the proposal for the statute for emigrant investor to the UNDP to be sent officially to the government.
- 2.6. A database of the persons and/or institutions contacted, from the Diaspora community, should be included in the Consultancy report.

3. Institutional arrangements

The consultancy will be working under the supervision of the United Nations Development Programme (UNDP)-Head of Democratic Governance Unit- and in close cooperation with the Senior Economist; and in the field with the Cabo Verde TradeInvest (CVTI), the main partner, and other related institution namely, the General Directorate for Economic Affairs, the Municipalities, among others relevant stakeholders.

4. Consultant Profile

The consultant should have:

- Master's degree or equivalent in Economics, or Law
- At least 10 years of specific professional experience structuring legal framework for investors

- Experience in working with Investment Promotion Agencies;
- Strong national knowledge of Capeverdean investment environment and the international experience in the area is an asset.
- A strong understanding of the drivers of local and foreign investment
- Excellent analytical skills, writing skills and computer skills;
- Ability to work under pressure and meet tight schedules, under minimal supervision.
- Fluency in Portuguese and English

5. Management and Organization

UNDP

- UNDP will be responsible for overall contract management to ensure that the consultancy is delivered as per the terms of reference.
- UNDP will be responsible for the contextual alignment of the assessment to international standards and principles such as national ownership, effectiveness and efficiency, as well as sustainable development priorities.
- UNDP will issue the necessary credentials for collection of information and data for consultancy

Cabo Verde Trade and Investment Promotion Agency

- The CVTI will indicate a focal point for this consultancy that will work directly with the consultant, to assure that the terms of reference be fully accomplished to effectively give to the Government solid proposal of a statute for emigrant investor.
- Will organize the needed meetings and workshops
- Will ensure the access to all relevant information on internal procedures, regulations, for investments in Cabo Verde.
- Will ensure the access to all investment legislations regarding investors
- Will ensure that required questionnaires if needed, will be timely filled in and sent out to the consultant;
- Will facilitate the internal work processes of the Consultancy to ensure timely and qualitative inputs.
- Will provide to the consultant with working space, access to Internet, a printer and a telephone line.
- Will organize and ensure a workshop will be organized at the end of the assignment to present main findings to relevant stakeholders, if needed

The Consultant

- Will ensure that the tasks are performed timely as agreed in the work plan and in the contract.
- Will treat any documentation and information related to the assignment as confidential;

8. Results

From this consultancy, the following products are expected, which will affect the payments to be made:

- Proposal of a statute for emigrant investor
- Consultancy Report

The table below describes the results and deadlines that must be strictly observed:

Outputs	Period	Payment
1. Draft Statute of Emigrant Investor	10 working days from contract signature date	20%
2. Final version of Statute of Emigrant Investor and consultancy report	20 working days from contract signature date	80%

9. Work place and Duration

The consultancy is to be carried out in Praia, Cabo Verde at the Cabo Verde Trade Invest headquarters.

10. Applications' Evaluation Criteria

Applications will be assessed according to the criteria and ensuing scores:

- Analysis of the Curriculum Vitae (**20 points**) - divided by i) academic qualifications (5 points); ii) experience in investors legal framework(15pts); iii) Knowledge of Caboverdean Diaspora Communities behavior regarding investments (10 points) iii) experience in similar works (10pts);
- Quality of the technical proposal (**40 points**) divided by i) alignment with the reference terms (10pts); and ii) methodological proposal, including the work plan (30pts).
- Financial Proposal - 30 points.

11. Application Process

Interested consultants must submit their application to the Joint UNDP, UNFPA and UNICEF Operating Services Office, at email address: procurement.cv@cv.jo.un.org , until 23 of May 2018- 11.59pm local time (Cabo Verde).

Incomplete applications or applications received after the closing date will not be accepted.

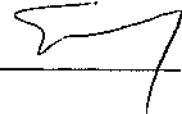
The dossier should include the following elements:

1. Curriculum Vitae, which must include the qualifications, experience and detailed

expertise.

2. P.11 form filed (*annex*).
3. A methodological note presenting with clarity and precision the organization and work management, procedure, tools and tasks to accomplish.
4. A calendar of activities, considering the deadline, which is 20 working days.
5. A financial proposal that includes fees, travel, visa and other consulting expenses (Lumpsum).
6. A cover letter confirming the interest and availability for the consultancy (*annex*).

Prepared by: Elisabete Mendes, Governance portfolio, _____



Date: 07/05/2018