

Government of Tonga-Ministry of Finance

REQUEST FOR EXPRESSIONS OF INTEREST

INDIVIDUAL CONSULTING SERVICES

Assignment Title: Consultant to develop and roll out Remuneration and Benefit Policy and Directives

Project: Tonga Skills and Employment for Tongans Project.

Grant Number: IDA D3660-TO/TF A7984

Date of Issuance: 16th September 2019.

Date and time Expression of Interest (EOI) due: 30th September, 2019. No later than 16:30 local time

Email Submission of EOI: Please email to: *bfaotusia@finance.gov.to* and
copy to *gfukofuka@finance.gov.to* and to *npelesikoti@finance.gov.to*

Attn: Chief Executive Officer, Ministry of Finance

Reference Number: TO-MFNP-128472-CS-INDV

The Government of Tonga has received financing from the World Bank toward the cost of the Skills and Employment for Tongans Project (SET) and intends to apply part of the proceeds for consulting services.

The consulting services (“the Services”) include the establishment of the Central Services Unit as a monitoring unit for all IDA-18 Projects with a Project Management Unit of its own that should consist of a Consultant to develop and roll out Remuneration and Benefit Policy and Directives, among others.

This is a short time consultancy and is expected to start in October 2019.

The detailed Terms of Reference (TOR) for the assignment is shown in Annex 1.

The Ministry of Finance as the Implementing Agency for the Central Services Unit now invites eligible individual consultants to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

The Consultant shall be evaluated based on the following qualifications and experience:

Academic Background and Relevant Experience

- Minimum Education: MA/MS (An advanced degree with a major in a relevant discipline e.g. HR, Finance, Business or Commerce).
- Experience in the Compensation and Benefit HR areas: 8+ years
- Minimum number of similar assignments completed in the past 5 years: three

Essential Specialized Skills/Knowledge/Competencies

Consultant's application/CV must demonstrate the following:

- Have good knowledge of all concepts and principles of and approaches to developing human resource policies and procedures.
- Have in-depth understanding of government human resources management requirements.
- Knowledge of main influencers of remuneration and benefit packages

The attention of interested Consultants is drawn to paragraph 3.14, 3.16 and 3.17 of the World Bank's Procurement Regulations for IPF Borrowers, July 2016 ("the Regulations"), setting forth the World Bank's policy on conflict of interest.

A Consultant will be selected in accordance with Paragraph 7.36 to 7.37 of the Procurement Regulations. Firms expressing interest and proposing the name of an individual for the assignment should take note of paragraph 7.35 of the Procurement Regulations.

Further information can be obtained at the address below during office hours 09:00 to 16:30 hours.

Expressions of interest must be delivered in a written form to the address below (in person, or by mail, or by fax, or by e-mail) no later than 4:30pm of **Monday, 30th September, 2019**

Attn: Chief Executive Officer

Ministry of Finance

Nuku'alofa Tonga Islands

Tel: +676 23-066

E-mail: ***bfaotusia@finance.gov.to*** and copy to

*DCEO of Corporate Services at gfukofuka@finance.gov.to and to CSU Programme
Manager at npelesikoti@finance.gov.to*

ANNEX 1: Terms of Reference-Individual Consultant

Assignment: Develop and roll out Remuneration and Benefit Standardization Policy and Directives

Employer: Ministry of Finance

Location: Nuku'alofa, Tonga

Duration: 2 months (40 work days)

Expected Start Date: October 2019 or earlier

1. Background

Tonga is a small, archipelagic Kingdom located in the South Pacific. Tonga's population is 106,000. The main island is Tongatapu, and other major islands are 'Eua, Ha'apai, Vava'u and Niuatoputapu. Tonga has an International Airport at Nuku'alofa with flight connections from Fiji, Australia and New Zealand. Tongan and English are the official languages.

Tonga's economy and increased engagement of the development partners:

Whilst the Global economic growth is weak, Tonga's economy's average growth per capita GDP is 1.3%, compared to 2.3% globally, and faster than the small Pacific Island Countries (PICs) average of 0.9%. The Domestic economy slowed down to 0.3% in 2017/18 so the outlook is positive, forecast growth of 2.8% in 2018/19, 3% in outer years. The main drivers for growth have been a) ongoing reconstruction activities after TC Gita Cyclone caused serious damage to various sectors of the economy including shelters, agriculture, fishing, retail services, electricity and water and public sectors. The estimated cost of damages and economic loss was at \$328.4 million¹. Government response was heavily dependent on available financing leaving a huge gap estimated at \$190.2 million b) planned implementation of major infrastructure development projects c) Government initiatives towards enhancing the informal sector (agriculture, fisheries, tourism) and accommodative monetary policy.

The engagement of the development partners in development of Tonga have increased significantly their national allocations with their current investment cycle especially World Bank and Asian Development Bank. With these large investments are major projects which had increased the need of establishing Project Management Units to implement the projects, because Government is short of capacity. The recruitment of consultants in specialized areas such as safeguards, procurement, monitoring and evaluation and other specialized areas, have become challenging when contract management negotiations are not fully guided by a framework, hence it has caused distortion to contract salary bands across the PMUs, which is becoming a serious matter to be dealt with as soon as possible.

The need for consultants for implementing projects:

There has not been a Recruitment framework of the Government to guide Procurement of Consultants (individuals) hired to Project Management Units (PMUs) therefore had relied on the development partners procurement processes. Following Aid policy 2010, PMUs were encouraged to be established because the Ministry of Finance capacity was not able to accommodate for the growing infrastructural projects that were in the pipeline. With the IDA18 and ADF12 recruitments of their PMUs, there has seem to be various inconsistencies in recruitment salaries and benefits to attract best consultants which has led to distortions in reward structure and there was urgency need for a technical assistance to review and provide a framework that can guide the government minimize these inconsistencies.

2. Objectives of the assignment

The objectives of the assignment are

¹ World Bank assessment

- (i) to develop a policy framework, directives and procedures that would standardize the remuneration and benefits package for individual consultants hired by Government under externally financed projects in government ministries, departments and institutions;
- (ii) have a standard contract template to be used
- (iii) develop principles and procedures for performance management of individual consultants; and
- (iv) develop a strategy to implement the policy framework to align the existing individual consultants' remuneration over a specific time-frame.

The policy framework, directives and procedures should help government in achieving the following goals:

- Ensure remuneration and benefits are attractive for individual consultants and matched with overall competencies (experience, education, achievements, past performance etc.)
- Greater Government control over salary inflation
- Reducing the high frequency of consultants' turnover
- Placing a system of fair and performance-based remuneration and benefit increase
- Increased transparency in remuneration and benefit negotiation and reduction in time taken to negotiate
- Provision of consistent leave and other non-financial benefits across all projects in Tonga
- Gradually align remuneration and benefits of existing consultants over the years
- An equitable balance between civil servants and individual consultants' remuneration and benefits

3. *Scope of Services*

To achieve the above objectives, the consultant is required to undertake any reasonable task including the following indicative tasks:

- Study the existing frameworks for relevant civil service remuneration and benefits, and Aid Effectiveness/Development Partner coordination applicable in Tonga
- Study the project requirements of consultants and determine the broad types of consultancy service groups.
- Determine broad competency requirements for each service group.
- Evaluate the differences of remuneration and benefits packages offered for each service group and by types of services.
- Discuss with all stakeholders of their expectations.
- Suggest possible ways to align the remuneration and benefits across the projects.
- Suggest the possible strategy to roll out the remuneration and benefit policy framework.

4. **Reports**

The consultant is responsible for ensuring the timely completion of the following outputs:

Output	Completion by (work days)
(i) Inception Report The inception report should provide the following as minimum: <ul style="list-style-type: none"> a. A detail methodology for data collection, data sources, sampling (if required), meetings, to carry out the assignment b. A detail work plan including time bound activities/ tasks 	Day 5

c. Specific timeline for output of the products (Policy Framework, Directives and Guidance, Implementation Strategy) d. Indicative content of the products	
(ii) Dissemination workshop with all ministries and development partners	Day 8
(iii) Draft Policy Framework, Directive and Guidance	Day 18
Draft performance management principles and procedures of individual consultants	Day 23
Draft Implementation Strategy	Day 28
Dissemination workshop with all ministries and development partners	Day 35
) Final Policy Framework, Directive and Guidance, and Implementation Strategy	Day 37
(viii) Capacity building workshops with different implementing agencies	Day 40

5. Institutional and Organization Arrangements

The consultant will be hired by the Ministry of Finance (MOF). The consultant shall report to the Chief Executive Officer (CEO) of the MOF through the Deputy CEO of the Project and Aid Division.

6. Selection Criteria

Academic Background and Relevant Experience

- Minimum Education: MA/MS (An advanced degree with a major in a relevant discipline e.g. HR, Finance, Business or Commerce).
- Experience in the Compensation and Benefit HR areas: 8+ years
- Minimum number of similar assignments completed in the past 5 years: three

Essential Specialized Skills/Knowledge/Competencies

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