

Terms of Reference (TOR) for Short-Term Senior Consultant:

Title of the position: Short-Term Senior Consultant for Developing a Study Report on FDI Attraction in Nepal: Perspectives and Constraints

Location : **Kathmandu, Nepal**
Type of contract : **Short-Term Senior Consultant**
Duration of Contract : **25 Workdays**
Languages required : **English**

1. Background:

The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) is the nationally and internationally recognized umbrella organization of business in Nepal. Organized as a representative body of business organizations in the country, it represents the interests of the private sector and is involved in promotion of socio economic development of Nepal through private sector led economic growth. The objectives of the FNCCI are determined by its statute. Its major objective is to promote the economic and social development of Nepal while protecting and defending the rights and interests of businesspersons throughout the entire country. Another key objective is to attract both foreign and domestic investment and technology to the country. Additionally, it aims to lobby the government to create a favorable environment for investment attraction in the country.

Nepal lacks sufficient investment for its development. Both the government and private sectors are emphasizing the attraction of Foreign Direct Investment (FDI), but the investment has not materialized as expected. The government's policies and programs appear to be FDI-friendly, yet they are not yielding the desired outcomes. Nepal consistently hosts FDI-related conferences, extending invitations to foreign investors, donor agencies, and government representatives. However, despite these concerted efforts, the results have been less than encouraging. Investment has not materialized in accordance with the commitments made by the countries participating in the conferences and the donor organizations. With only a limited amount of FDI entering Nepal, it cannot significantly contribute to the country's development efforts.

Considering all these facts, FNCCI is planning to publish a study report with technical and financial support from the International Labour Organization (ILO) through the RBSA Skill Project. The study's title will be "FDI Attraction in Nepal: Perspectives and Constraints." Senior consultants and associate consultants will be hired for this task, and they will complete it in close coordination with FNCCI member organizations, businesspeople, investors, policymakers, as well as high-ranking government officials.

2. Objectives:

- Assess the effectiveness of government policies in promoting FDI attraction in Nepal.
- Identify and analyze specific constraints and challenges deterring FDI inflow.

- Develop evidence-based policy recommendations for FDI enhancement, including trade, labor, environment, taxation, technology, infrastructure, and investor protection reforms
- Facilitate FDI by investing in education and vocational programs with a focus on green and just transition principles, aligning the workforce with FDI project needs
- Contribute to the development of strategies that can increase Nepal's competitiveness in attracting foreign direct investment.

3. Scope of Work:

The Senior Consultants will undertake the following tasks:

Senior Consultants:

- Lead the overall research and analysis process.
- Develop a detailed research methodology and data collection plan.
- Conduct in-depth interviews, surveys, and data analysis.
- Engage with FNCCI member organizations, businesspeople, investors, policymakers, and high-ranking government officials.
- Prepare a comprehensive report highlighting key findings, conclusions, and recommendations.

4. Methodology

A study report on FDI Attraction in Nepal: Perspectives and Constraints will be developed. The senior consultant is expected to adopt a mixed-method modality that will include key informants' interviews (KIIs), Focus Group Discussions (FGDs) and consultation with relevant stakeholders. A validation workshop will be organized in Kathmandu to achieve a confidence level of 95 percent. The proposed FDI Study report is expected to provide valuable insights into the factors hindering FDI and contribute to the formulation of evidence-based recommendations for policy enhancement.

The questionnaire for the KIIs, FGDs, consultation with relevant stakeholders and the workshop will be developed by the consultant in coordination with FNCCI and the technical team at ILO Country office for Nepal. The senior consultant will be supported by an associate.

5. Deliverables:

The consultancy team is expected to produce the following deliverables:

- Inception Report: A detailed plan outlining the research approach, methodology, and data collection tools.
- Draft final report: A comprehensive document presenting the research findings, analysis, and preliminary recommendations.
- Final Report: A finalized report incorporating feedback, recommendations, and a clear roadmap for FDI promotion in Nepal.
- Media Report/Synopsis

6. Qualifications and Requirements:

- Minimum master's degree in economics, business administration, or a related field.
- Demonstrated experience in FDI research and analysis.
- Strong analytical and report-writing skills.
- Proven ability to engage with high-level stakeholders.
- Strong communication and report writing skills
- Fluency in both Nepali and English languages

7. Time Frame

The assignment should be completed within 25 workdays, tentatively spanning from October 5 October to 5 November 2023. The lead consultant will be supported by an associate.

SN	Deliverables	Workstation	No of Days
1	Preliminary planning, understanding, conducting consultation meetings,	Home/ FNCCI/ Field	10
2	Production of FDI Report	Home/FNCCI	15

Reporting Line:

The consultancy team will report directly to the FNCCI project manager and work closely with FNCCI staff and relevant stakeholders.

Budget and Payment Schedule:

There will be consultation fee, consultative and validation workshop has been provisioned. The **applicant should mention expected remuneration par day** in the application. The payment will be made as following;

First Installment: 30 % of the total contract amount will be paid upon submission of the inception report to the satisfaction of FNCCI

Final Installment: 70 % of the total contract amount will be paid upon submission of the final report covering all activities and deliverables to the satisfaction of FNCCI.