



TRADE MISPRICING PROJECT

Consultancy opportunity at the ATAF Secretariat

Directorate: ATAF Research and Strategy and Planning

Job function: Consultants

African Tax Administration Forum (ATAF) will be embarking on a 2 to 3-year project on trade mispricing in order to guide countries on how to address trade mispricing issues in a targeted and effective way. The project will enable ATAF to technically assist its member countries in analysing and better understanding their country-specific challenges, identifying weaknesses and effectively addressing them. This will enhance the ability of the African countries to reduce illicit financial flows in line with the Sustainability Development Goals, and to better mobilise domestic resources for development.

Scope of Work

The expected outcome of the project is a **practical guideline** to be placed at the disposal of ATAF's member countries, and that can also be used for technical assistance missions in ATAF member countries. The project will be undertaken by a team of consultants in close cooperation with the Trade Mispricing Project Team (ATAF and GIZ).

The assignments aim at the development of a research design and the execution of pilot country studies:

1. Lead consultant

- a) The lead consultant will be tasked with a review of *existing literature*, focussing on assessments, approaches, tools and data including their gaps and weaknesses. Based on this review, he/ she should provide an overview of the existing literature on trade mispricing and the practical tools, summarizing and comparing their approaches, data used, methodologies and results, determining what is missing and recommending ways to close the identified gaps.
- b) Based on this analysis, a *draft research design* for pilot country studies is to be developed that allows applying countries to detect, assess and understand trade mispricing as well as find suitable approaches to counter and prevent such practices.

Among others, but not limited to the points mentioned hereafter, the *outline of the research design* should include, among others:

- Relevant country profile: identify macro data related to the country (e.g. revenue from taxes, most important commodities in terms of exports/import value, trading partners...) that are relevant to this project





- Data: What kinds of data from what source are needed, and the way in which they have to be analysed.
 - Selection criteria for countries and sectors/ commodities to focus on (e.g. import and export statistics).¹
 - Stakeholder mapping/ stakeholders to be included
 - A draft list of substantiated research questions to be investigated and discussed during the field visits will include:
 - o mode/ status of cooperation between relevant institutions (tax administration, Ministry of Mines, other relevant Ministries, Customs, Law enforcement agencies, etc.);
 - o tax incentives in the legislation and discretionary and/ or capital control legislation in place;
 - o specialised staff/ units available for transfer pricing and specialised audits with focus on under-/ over-reporting of goods to leave or enter the country;
 - o usage of exchange of information mechanisms (Double Taxation Agreements (DTAs); Tax Information Exchange Agreements (TIEAs) which apply to direct taxes and other mechanisms applying to Customs) and availability of a database on market prices to verify the valuation.
 - Concept for country studies: How should the pilot country studies look like in terms of up-front data collection and analysis, stakeholder interviews (for this purpose, interview sheets are to be prepared), workshops etc.?
- c) Furthermore, it is expected that the lead consultant presents the developed draft research design during a *consultative workshop* and that he/ she *finalises the research design after the outcome of the consultative workshop*. It is also envisaged that the lead consultant assists the project team with the preparation of the country studies and the finalisation of the *practical guideline on trade mispricing*. With regard to the country studies, the lead consultant will be in charge of the research in one of the selected countries; draft the research paper (country report) related to that country and supervise the research papers (country reports) related to the three other countries.

2. Consultants for field visits

The project team together with the lead consultant and the infield consultants will decide upon the commodities/ sectors to focus on and that are relevant for the respective pilot countries. In order to do so, preliminary data as well as the country profile information from the pilot countries are to be collected, captured and analysed more in-depth by the infield consultants assigned to the respective

¹ Due to their complex transaction structures for example, extractives may not be most suitable in this regard. Instead, the study might focus on other commodities. The researchers will assess this issue on the field.





country, following the research design. Apart from that, the decision will be based on the selection criteria developed by the lead consultant during the desk study. In addition, the relevant stakeholders and contact persons within the countries are to be identified by the consultants, in order to establish a web of working relationships prior to the actual field visits.

The pilot country studies will be focussing on **transaction data rather than aggregated trade data** as used in most of the existing studies. They will concentrate on specific commodities/ sectors which are relevant for the respective countries, whereas the mix of countries and commodities should have a potential to be relevant for as many ATAF members as possible for the roll-out phase of the guideline.

Candidates must meet the following criteria:

1. Lead Consultant:

- ✚ Master degree in Economics, preferably a PhD degree in economics or related fields
- ✚ Possess a strong and proven understanding of customs and trade transactional data
- ✚ Work experience in taxation and/or Customs
- ✚ Solid understanding of tax policy and tax administration issues
- ✚ Extensive experience in empirical economics research with proven analytical and quantitative skills
- ✚ Excellent writing and communication skills
- ✚ Excellent management skills and ability to work in a team
- ✚ Proven experience as team leader of empirical research
- ✚ Fluent in English, working knowledge of French (spoken and written)

2. Consultants (for pilot country studies/ field visits):

- ✚ Master degree in Economics, econometrics, statistics or related fields
- ✚ Possess a strong and proven understanding of customs and trade transactional data
- ✚ Work experience in taxation and/or Customs
- ✚ Experience in empirical research
- ✚ Solid understanding of tax policy and tax administration issues
- ✚ Excellent writing and communication skills
- ✚ Excellent management skills and ability to work in a team
- ✚ Fluent in English or French

Envisaged timeframe:

- Desk study (November- 15 December 2016): 20 working days
- Consultative Workshop (January 2017): 2 working days
- Field research per country (February - April 2017): 30 working days (incl. preparation work, field research, and write up)





- Practical guideline on trade mispricing including supervision of country reports (May - June 2017)

Applications:

Interested candidates may submit their application to Frankie Mbuyamba (fmbuyamba@ataftax.org) including a cover letter, CV with list of at least 3 references, brief motivation and summary of experience in conducting similar assignments **by 22 October 2016**.

Interviews will be conducted approximately the week of the 24th of October 2016 at the ATAF Secretariat, Pretoria or via skype or teleconference. **Kindly note that only successful candidates will be contacted.**



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