**REQUEST FOR EXPRESSIONS OF INTEREST**

**(CONSULTANT SERVICES – SELECTION OF FIRMS)**

COUNTRY: SAUDI ARABIA

PROJECT NAME: OIC SMART COUNTERTRADE SYSTEM

SECTOR(S): ISLAMIC ECONOMICS AND FINANCE / INTERNATIONAL TRADE

CONSULTING SERVICES *to undertake a strategic feasibility study that prepares a practical roadmap for establishing a digital OIC smart countertrade system operating under the guidelines of UNCITRALs legal guide on international countertrade transactions.*

MODE OF FINANCING: ISDBI GRANT

FINANCING NO. ZZZ2737

The Islamic Development Bank Institute (IsDBI) has initiated a project to develop an Organization of Islamic Cooperation (OIC) Smart Countertrade System.

The project is aligned with Article 2 (Paragraph VII) of the IsDB Articles of Agreement which stipulates that one of the functions of the IsDB is to assist in the promotion of foreign trade among member countries.

The project is also aligned with the IsDB Institute’s mandate focusing on designing and structuring innovative, knowledge-based solutions for the development challenges of MCs and Muslim minorities in non-MCs.

The objective of the assignment is to undertake a strategic feasibility study that prepares a practical roadmap for establishing a digital OIC Smart Countertrade system operating under the guidelines of UNCITRAL’s Legal Guide on International Countertrade Transactions.

The project is particularly timely and relevant given significant proportion of IsDB MCs are experiencing unprecedented economic and financial challenges particularly in the areas of food, energy, and raw materials security as well as depleting foreign exchange reserves and high inflation.

The detailed scope of the project includes hiring a consulting firm specialised in Shari'ah compliant trade and economic services to undertake a strategic feasibility study and advise the IsDB Group on practical steps needed to establish the Smart OIC Countertrade System. The feasibility study will cover four critical aspects for the Smart Countertrade System:

1. Market Feasibility,
2. Legal and Regulatory Considerations,
3. Technological Prototype Proposal, and
4. Shari’ah Compliance and Islamic economics and finance perspectives.

The feasibility study will include identification and initial discussions with prospective partners such as affiliate organ institutions under the OIC as well as selected IsDB member countries and other ancillary service providers who will be invited to join the IsDB Group in establishing this smart system. Detailed expectations from the consulting firm are included in the terms of reference (TOR).

The consultant assignment is expected to take not more than 18 months starting from **November 2023**.

The draft TOR for the assignment are attached in **Annex-1**.

The IsDB Institute now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the listed services. Interested Consultants must provide specific information which demonstrates that they are fully qualified to perform the services (availability of appropriate experience and skillful staff confirmed by brochures, description of similar assignments in analogous conditions, etc.) including expertise in developing similar solutions as well as implementing innovative economics and trade-based solutions.

**The shortlisting criteria / sub-criteria are:**

(a) The Consultant should demonstrate having experience in providing consultancy services in areas of international trade, economics, finance, Islamic finance and trade-based solutions for at least ten (10) years. Having experience with countertrade is a strong advantage.

(b) Proven record of successful similar consultancy services (at least 2 studies in the past 5 years), as follows:

1. Conducted market assessments and feasibility studies for international trade, bilateral trade, multilateral trade, countertrade, etc,
2. Reviewed, proposed, and/or developed legal and regulatory strategies with an implementation plan related to trade policies, plans, agreements, etc,
3. Proposed smart solutions for trade related issues, including technological prototypes.
4. Developed overall feasibility studies / actual masterplans of trade-based policies with bilateral and multilateral policy experience being a strong advantage.

(c) The firm should demonstrate having technical and managerial capabilities to successfully execute the assignment through a brief presentation of the firm’s management structure and number of permanent staff.

(d) The firm should demonstrate capabilities and experience in delivering the expectations outlined in the draft TOR in **Annex 1**.

Key Experts will not be evaluated at the shortlisting stage but expected proficiency is available in the draft TOR.

The attention of interested Consultants is drawn to Paragraphs, 1.23, and 1.24 of the Guidelines for Procurement of Consultant Services under Islamic Development Bank Project Financing (the “Procurement Guidelines”), setting forth IsDB’s policy on conflict of interest: <https://www.isdb.org/project-procurement/sites/pproc/files/documents/PPR%20Guidelines-Consultants-ENG.pdf>

Consultants may associate with other firms to enhance their qualifications but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

A consultant will be selected in accordance with the Quality and Cost Based Selection (QCBS) method as set out in the Procurement Guidelines.

Interested consultants may obtain further information at the address below during office hours; **8:30 to 16:30 hours** Jeddah Local Time.

Expressions of interest must be delivered in written form and English to the address below (in person, by mail, or by e-mail) by date **3September 2023**.

THE ISLAMIC DEVELOPMENT BANK INSTITUTE

Attention: The Islamic Development Bank Institute

Address: 8111 King Khalid Street, Al Nuzlah Al Yamania District, Unit no. 1

Jeddah 22332-2444, Kingdom of Saudi Arabia

Email: [**isdbinstitute@isdb.org**](mailto:isdbinstitute@isdb.org)

**Annex-1- Tentative Terms of Reference**

The scope of the assignment will consist of the following interrelated components:

**Component 1 - Market Feasibility, Legal and Regulatory Considerations and Technological Prototype:**

1. Undertake a comprehensive assessment of the market including the potential demand, volumes, and requirements of countertrade services
2. Conduct study of available/similar platforms and services in the market such as by the International Reciprocal Trade Association (IRTA), Asia Pacific Countertrade Association (APCA), the Global Offset and Countertrade Association (G.O.C.A.), etc.
3. Define the opportunity and value proposition for the proposed Smart Countertrade platform for OIC/IsDB member countries.
4. Identify OIC regional and country trade strategies and propose suitable champion products to facilitate countertrade transactions – taking insights from the IsDB Group Integration Report recently issued in November 2022 as well as other research sources.
5. Review, recommend and propose suitable legal and regulatory considerations benchmarking to the UNCITRAL’s Legal Guide for Countertrade transactions.
6. Provide a realistic assessment on the role of the IsDB Group in this platform and identify suitable partners such as OIC organ institutions, including responsibilities, obligations, etc. for each of the proposed parties. Also to include elaboration of proposed partners’ detailed institutional analysis, including but not limited to Stakeholder Map, SWOT for each stakeholder, and recommendations for the institutional setup.
7. Provide detailed risk analysis, including political, socio-economic, logistical and environmental risks as well as mitigating actions that lie within the scope of the project.
8. Advise on suitable technological prototype that will be best suited for the development of the platform
9. Recommendations for Capacity building measures necessary for platform’s staff and other implementing partners.
10. All proposals and recommendations need to ensure they’re Shari’ah-compliant i.e. aligned with principles of Islamic economics and finance
11. Develop a practical and strategic feasibility study, outlining the pros and cons / SWOT analysis with indicative costs and revenue model for the Smart Countertrade platform, including a timeline covering phases and processes of implementation, research techniques, samples, and methods used in each phase

**Component 2 - Workshops/Seminars:**

1. Under this component, a series of workshops/seminars will be organised that includes key stakeholders to clearly identify challenges, opportunities and interest in participation in establishing the countertrade system.
2. The consultant should carry out the following:
3. Identify potential stakeholders to be invited to these workshops/seminars
4. Develop the program, agenda and proposed flow of discussions
5. Prepare powerpoint/other format presentations and deliver these during the workshops and seminars organised.
6. Enable a feedback mechanism to gather inputs to improve the content of the feasibility study
7. Take part in all meetings, workshops and seminars to present the draft versions of reports to facilitate collation of comments.

**Duration of the Assignment:**

The consultant assignment is expected to take not more than 18 months starting from **November 2023**.

**Key Experts required for the Assignment:**

The proposed project team must be composed of the key experts and specialists as indicated in the table below; however, the Consultant has the option to add more personnel depending on their work strategy:

1. Team Leader: 10+ Years in International Trade, Economics, Finance, Policymaking and specifically Countertrade experience
2. Senior Expert: 5+ Years in trade agreements, economic policies, countertrade.
3. Senior Expert: 5+ Years in economics and finance feasibility studies, business plans, value propositioning, etc.
4. Senior Expert: 5+ Years in legal and regulatory considerations for facilitating international trade, multilateral partnerships, bilateral agreements, etc.
5. Senior Expert: 5+ Years in trade-based intelligent Systems Design and Development

All the above-mentioned Key Experts should have experience in at least three (3) similar assignments. At least one of the above experts needs to be proficient in Islamic economics and finance.

The Request for Proposal (RfP) including the detailed Terms of Reference (ToR) will be submitted to the shortlisted consultants.