



**OXFAM**

# SCOPING STUDY ON EXTERNAL SUPPORT FOR DOMESTIC REVENUE MOBILISATION IN UGANDA

## TERMS OF REFERENCE FOR A CONSULTANT

### Background:

It is exactly five years since the Addis Ababa Action Agenda (AAAA) set out a global framework for financing development in the era of the Sustainable Development Goals (SDGs). The AAAA outcome document of 2015 outlined a broad spectrum of financing options: domestic and international, public and private. This was a shift from the focus of the Millennium Development Goals, which, at least initially, focused on official development assistance (ODA) in financing development.

Of all the financial resource types identified, domestic public resources were identified as central. Domestic revenue mobilization (DRM) strengthens country ownership of development. By raising revenue and choosing how to spend it, governments (national or subnational) can directly shape development in their own contexts. In addition, the AAAA emphasis that, whether through economic growth or by strengthening DRM, there is potential to increase domestic public resources significantly to finance the SDGs. International assistance could support this, as could strengthened policy coherence for development (PCD).

Currently, belief remains in the potential of domestic public resources to provide increased funding and to shape sustainable development with a focus on reducing poverty. International development partners have generally understood the importance of using ODA to support DRM, especially given the potential catalytic role of DRM and its alignment with principles of development effectiveness. This was exemplified by the creation of the Addis Tax Initiative and other initiatives such as the Platform for Collaboration on Tax. International policy and assistance has been focused mostly on the quantity of aid for enhancing domestic revenue – but recently, there is increasing interest to assess and improve the quality of donor support, with an objective of shaping sustainable development, including the role of tax regimes (both international and domestic) on poverty, inequality, health, gender and the environment.

However, there is little clarity on the details of support channeled towards enhancing domestic revenue mobilization in Uganda.

Without knowing which type of support, how much, how it is channeled, who receive it and what it does, it will not be possible to even ascertain how aid is enhancing domestic revenue mobilization and the shaping the wider development agenda.

### Rationale:

The Government of Uganda has developed a draft National Domestic Revenue Mobilisation Strategy and is positioning itself to use the strategy as a guiding framework to scaling up efforts on mobilisation of domestic revenues – but also for mobilisation of external support for purposes of enhancing DRM. Amidst this reform, the DRM Strategy's financing mechanism needs to be ascertained and assessed.

But, despite the importance that has been linked to external support and its role in enhancing domestic revenue mobilisation, there is need to ascertain and update comprehensive information about the cooperation, approaches from different development partners and types of partnerships that exist and the results or impacts of the different models of support to Uganda.

The Addis Tax Initiative (an initiative of governments and international actors), has projected to strengthen growth in aid for domestic revenue mobilisation with Addis Tax Initiative donors committing to (i) collectively double their technical cooperation in the area of domestic mobilisation/ taxation by 2020; and (ii) enhance policy coherence for development. But with 2020 knocking on the door, it is also vital that more information is known about Uganda's aid portfolio and the different aid modalities (in addition to technical cooperation for comparison with ATI commitments, targets and alignment with principles of effective development cooperation.

With Uganda's tax/GDP ratio remaining between 11-13% for the best part of a decade. It is also important to determine the quantity, quality and impact/

results of different modalities of external support channelled for DRM in Uganda.

### Scope of the study:

The study will focus on Uganda. Since the ATI is a global reform, the study shall do comparisons with other countries (majority with similar levels of development) on the proposed study objectives.

### Specific Objectives:

1. Take stock of Uganda's current portfolio on external support for domestic revenue mobilisation. There is need to determine the current modalities delivering support for DRM in Uganda, the quantities of and the source of this aid (2015 to date). Analysis will also include international and national policy frameworks that guide external support for DRM.
2. To assess the quality of external support that Uganda is receiving for enhancing domestic revenue mobilisation. This shall be based on a set of agreed parameters.
3. To assess how the external support received by Uganda aligns with the principles of effective development cooperation and policy coherence for development.
4. To assess the results or impacts of Uganda's external support (specific to modalities) on enhancing DRM, on shaping Uganda's development agenda and to generate policy recommendations targeting NDP III and development partners, particularly those who are interested to support Uganda's National Domestic Revenue Mobilisation Strategy.

### Duration:

The study schedule is shown below;

Activity	Responsibility	Timelines
Expression of Interest	Consultant	28th October 2019
Selection of Consultant	Oxfam Uganda	30th October 2019
Signing of Contract	Oxfam Uganda/ Consultant	4th November 2019
Submission of Inception Report	Consultant	11th November 2019
Submission of first draft	Consultant	3rd December 2019
Review of the first draft	OXFAM / SEATINI	12th December 2019
Submission of Final report	Consultant	17th December 2019

### Management of the process:

- The Consultant/s will be working closely with Finance for Development-Coordinator at Oxfam in Uganda.

### Qualifications of the Consultant:

The suitable consultant shall have the following qualifications:

- At least a master's degree in a relevant field in the area of Public Policy, Public Finance Management, Development Studies, Political Science, Economics, Law and Tax or a relevant field. Doctorate in a similar field is an advantage.
- Knowledge of International aid architecture and other external support (including preference for knowledge on modalities and aid data portals) is a must.
- Knowledge of International and domestic tax policy systems and Debt sustainability is an added advantage.
- Proven experience in undertaking similar studies in different countries.
- Excellent skills in written and spoken English.

### Method of application:

The consultant will submit a technical and financial proposal with an indicative budget including taxes. It should be followed by a CV and an Expression of Interest that highlights previous similar experiences. Submission deadline is by COB 28<sup>th</sup> October 2019 to

[ugandalogistics@oxfam.org](mailto:ugandalogistics@oxfam.org)

The TOR can also be downloaded from the link: <https://oxfam/33u5Xc>