



Call for Proposal

Consultancy Assignment – Asia Pacific Regulatory Study

OVERVIEW

The Fairtrade Network of Asia and Pacific Producers (NAPP), is a mission based social enterprise which facilitates Fairtrade certified producers in Asia and Pacific region to be effective in various functions and activities across the region through a wide range of products and services. To that end, NAPP engages in advocacy, consultancy, support services – marketing and financial, information dissemination and training.

NAPP is a multi-stakeholder body comprising representatives of Producer Organizations, Fairtrade Premium Committees, Small Farmer Organizations and Promoting Bodies who are certified by or registered with the Fairtrade International System. As the official political representative and voice of Asian and Pacific Producers within Fairtrade International, NAPP also works to ensure that Asian and Pacific realities and conditions are taken into account, while setting Fairtrade Standards and building Fairtrade strategies, without compromising on the basic principles of Fairtrade.

For more information please visit: www.fairtrade.net and www.fairtradenapp.org

NAPP is interested in registering as a 'not for profit' organization in a suitable jurisdiction in Asia Pacific to serve its members effectively. NAPP member organizations are Fairtrade certified producer organizations in Asia Pacific region located specifically in developing countries.

The governance of NAPP is responsibility of an elected Board of representatives from its members. The Board representatives from different nationalities are engaged in various agricultural value chains and reflect the diversity of NAPP membership.

The NAPP staffs are located in over 20 countries, where Fairtrade certified producer organizations are based. The staff provides relevant services of nonprofit nature to the producer organizations.

To serve its members effectively NAPP is looking to register itself as a not for profit entity in a developing country with the nature of association. This entity should be able to have producer organizations and board directors of diverse nationalities, must be able to raise grants and development funds from institutional donors and have operations and staffs across Asia Pacific region.

OBJECTIVE/PURPOSE: Please also see the TOR - scope of assignment

The project assignment includes conducting a detailed study of regulatory guidelines; tax structures, staffing, FairTrade principles and other operational efficiencies in view of setting up a new not for profit entity in one of the developing countries in Asia under the scope of NAPP. This study should keep in mind conducive, smooth and fair operations of NAPP with full operational and regulatory governance and assurance.

CORE TASKS:

- Study the framework in developing countries of Asia with NAPP presence and prepare report with a matrix for informed decision taking.
- To provide recommendations to take an informed decision, as per the above study, for the formation of the new 'not for profit' entity.
- Develop, in close coordination with the NAPP COO and FI-NAPP Task Force, a detailed work plan for establishing the 'not for profit' entity.
- Once the jurisdiction of NAPP registration is approved by NAPP Board and validated by the FI-NAPP Task Force, be prepared to execute the formation in approved jurisdiction (**separate assignment**)
- Designate a person to act as the key point of contact, undertaking day-to-day project management activities for the project and responsibility for overall project administration.

KEY DELIVERABLES: [Please also see the TOR - scope of assignment](#)

- Research methodology outline including matrix of parameters to be defined against which the study will be conducted
- Technical report with detailed matrix description of the parameters and progress reports to be presented to NAPP COO and Task Force.
- Present findings to NAPP Board members and the Task Force post submission of the the draft report.
- Final executive report (with conclusions and recommendations) post consultations during the Board meeting.
- **Post approval of jurisdiction, present a plan for execution of formation of the new entity; [although this is connected to the current assignment, but will be treated as a separate one.](#)**

REQUIRED COMPETENCIES & EXPERIENCE:

Knowledge & skills:

- Firms should have multinational presence in Asia providing corporate and incorporation services
- Experience of operating in multi-cultural and in a multi-stakeholder environment
- Proven experience in providing services of similar nature
- Excellent communication skills in English, including the ability to engage with representatives from client and partner organizations at all levels.
- Working language is English (must have).
- Familiarity with non-profit structures and on ground work done in setting up such entities in Asia (**must have**).
- Academic reporting skills



TERMS & CONDITIONS:

Timelines:

- Start date: **As soon as the assignment contract is awarded.**
- Deadline for submission of final recommendation on jurisdiction: **30th September 2021**

HOW TO APPLY

Qualified firms are invited to present their proposals addressed to the NAPP Chief Operations Officer at; sanjeet.khurana@fairtradenapp.org while marking marikepena@gmail.com in cc, indicating “Consultancy assignment – NAPP Registration” in the subject line, on or before **30th July, 2021 COB.**

The proposal should include the following information:

- Company profile and description of the relevant expertise of the firm, demonstrating compliance with the requirements presented in this document.
- A brief outline of the methodology and approach proposes for this project.
- Consultancy fee and estimated additional costs, including travel/logistics for fieldwork required.



TERMS OF REFERENCE

Scope of Assignment

Background

Fairtrade Network of Asia and Pacific Producers (NAPP), is a mission based social enterprise which facilitates Fairtrade producers in Asia and Pacific region to be effective in various functions and activities across the region through a wide range of products and services. To that end, NAPP engages in advocacy, consultancy, support services - marketing and financial, information dissemination and training. NAPP is a multi-stakeholder body comprising representatives of producer organizations, Fairtrade Premium Committees, small farmer organizations and promoting bodies who are certified by or registered with the Fairtrade International. As the official representative of Asian and Pacific Producers within Fairtrade International, NAPP also works to ensure that Asian and Pacific realities and conditions are taken into account while setting Fairtrade Standards without compromising on the basic principles of Fairtrade. NAPP is interested in registering in a suitable jurisdiction in Asia Pacific to serve its members effectively. NAPP member organizations are Fairtrade certified producer organizations in Asia Pacific region located specifically in developing countries. The governance of NAPP is elected Board representatives from its members. The Board representatives from around ten nationalities are engaged in agricultural value chains and reflect the diversity of NAPP membership. The NAPP staff are located in these countries, 21 currently, where Fairtrade certified producer organizations are based. The staff provides relevant services of nonprofit nature to the producer organizations.

Establishing an entity in a developing country in Asia

Recognising the legal and regulatory challenges for the Not for profit Organization/ Association/Foundation model and also Company Ltd by guarantee in the region, this consultancy service should cover the range of legal structures that NAPP could work with, for their ventures in the identified countries of Asia. This consultancy service should identify the advantages and disadvantages of each structure and set out the relevant registration procedures, regulatory and governance considerations, tax treatment as well as finance, banking and fundraising options; an understanding of all of this is crucial to ensuring the sustainability, good governance and success of a social venture.

To serve its members effectively, NAPP is keen on registering itself as a not for profit entity or Company Ltd by guarantee (for non profit purposes) in a developing country with the nature of association. This entity should be able to have producer organizations of diverse nationalities as members and represented as its Board of Directors, and have operations and staff across the Asia Pacific region and must be able to raise grants and development funds from institutional donors.



Objectives of the consultancy service

The project assignment includes conducting a detailed study of regulatory guidelines; tax structures, staffing, banking and other operational efficiencies with a view of setting up a new entity, in one of the developing countries in Asia under the scope of NAPP. This study should keep in mind conducive, smooth operations of NAPP with full operational and regulatory governance and assurance. **The not for profit entity should be able to operate as ‘Head Quarters’ with operational bank account to facilitate both inward and outward remittances.**

Specific tasks to be done by the Consultancy organisation

The consultant will be expected to undertake the following tasks:

- Develop, in close coordination with the NAPP COO and FI-NAPP Task force, a detailed comparison for establishing the entity (Non-Profit Organization/ Association or Foundation) and also Company Ltd by guarantee in Sri Lanka, Vietnam, Philippines, Malaysia and Indonesia and also to review if there are better options available other than these countries. Study the framework in these countries with and prepare report with a matrix for informed decision taking for setting up in any of the countries. To provide clear understanding of the operational requirements of Non-profit organizations and also Company Ltd by guarantee in the jurisdiction study or other better options available. To provide relevant and timely local advice that meets NAPP's needs on a broad range of matters;
- Foundation, establishment, and compliance;
- Employment (including visas and work permits); Staff contracting- Under the Non-profit organizations and also Company Ltd by guarantee, possibility for staff to work remotely (In other countries) by issuing employment /consultancy contract letter from the registered entity (HQ).
- Terms of employment that informs whether it is mandatory for the employee/ consultant as a member of the project team to work in the premises of the registered entity. Tax issues smooth Banking transaction; inward and outward remittances. To provide an unambiguous information related to setting up a Non-profit organisation, Association or Foundation and also Company Ltd by guarantee with the under noted information:
 - (a) Overview
 - (b) Advantages & disadvantages
 - (c) Establishment process, documentation & costs
 - (d) Liabilities
 - (e) Tax treatment
 - (f) Statutory and regulatory obligations
 - (g) Corporate structure
 - (h) Constitution
 - (i) Finance, Banking & fundraising
 - (j) Processing time (in days) for setting up the entity.



To provide recommendations for making an informed decision, as per the above study, for the formation of the new entity.

Deliverables

The Consultant is expected to deliver the following:

1. Research methodology outline including matrix of parameters to be defined against which the study will be conducted.
2. Technical report with detailed matrix description of the parameters and progress reports to be presented to NAPP COO and Task Force.
3. Present findings that should include a legal summary based on the proposals and specifying the pros and cons of each jurisdiction for consideration as a stable and easily accessible NPO, Association or Foundation to Board members with final recommendations in September 2021
4. Final executive report (with conclusions and recommendations)

Timelines:

- Start date: **As soon as the assignment contract is awarded.**
- Deadline for submission of final recommendation on jurisdiction: **30th September 2021**