



INTERNATIONAL LABOUR OFFICE
TECHNICAL COOPERATION

CALL FOR TECHNICAL AND FINANCIAL PROPOSALS FOR A CONSULTANT(S) TO CONDUCT A BASELINE SURVEY FOR THE LAW GROWTH NEXUS II PROJECT

TERMS OF REFERENCE

1.0 INTRODUCTION

Legal institutions and laws have a direct bearing on the formation and growth of enterprises. The legal structure and the body of laws on which the legal structure is based forms a bridge or nexus between unregulated, poor quality and ultimately unsustainable development and regulated, higher quality, rights-based and sustainable development. Labour law is an important component of the broader enabling environment for sustainable enterprise development but it typically presents a conundrum: striking a balance in terms of minimizing the cost of the regulatory burden on MSMEs and thus enhancing the prospects for competitiveness and growth, without compromising the laws and regulations designed to protect those who work in MSMEs. This is an issue of growing international debate and the ILO has a mandate and comparative advantage in this field. The law-growth nexus is a vitally important topic both because the unregulated or informal economy is so large in all countries in Africa (and by extension most employment is in MSMEs) and because the quality of growth is so important for sustainable development. The Law-Growth Nexus II (LGN II) Project attempts to explore the effect of labour and labour related laws on micro and small enterprises in Africa.

LGN II Project, which is funded by NORAD, seeks to continue making a contribution to a more enabling policy environment for MSME development in Kenya and Zambia. The overall outcome is more and better jobs in the MSME sectors of these two countries.

The immediate project objectives of LGN II are:

- (1) To nurture respect for the rule of (labour) law among MSME in priority sectors;
- (2) To strengthen the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development,
- (3) To facilitate sector-specific regulatory reform, and
- (4) To strengthen the capacity of MSME to comply with the revised labour law.

The corresponding immediate project outcomes are improved perceptions among MSME about the rationale underpinning the labour law of the country, sector-specific regulatory reforms of the Labour Law that are driven by social dialogue among ILO constituents and informed by knowledge about international best practice, sector-specific institutional

structures that better balance the traditional focus on sanctions and monitoring compliance with information, education and incentives and MSME in priority sectors that grow their businesses as a result of increased compliance levels.

2.0 BACKGROUND OF THE ASSIGNMENT

The ultimate beneficiaries of the project are the owner-managers of growth-oriented small- and medium-scale enterprises and their workers. In the context of the promotion of an enabling environment conducive to decent job creation, the project will concentrate on growth-oriented MSME since they are thought to be most likely to move towards full compliance, provided the business case is strong enough. Also, these growth-oriented MSME are found to hold significantly greater job creation potential per enterprise than survivalist MSMEs.

3.0 IMPLEMENTATION STRATEGY

The Project will be implemented by ILO together with its tripartite partners: the Government of the Republic of Zambia through the Ministry of Labour, Youth and Sport, the Zambia Federation of Employers, the Zambia Congress of Trade Unions and the Federation of Free Trade Unions. Other partners will include the Ministry of Commerce, Trade and Industry, the National Council for Construction, the Association of Small Scale Contractors, Zambia Development Agency, Zambia Federation of Women in Business, Zambia Chamber of Small and Medium Business Associations, Ministry of Justice, Citizen's Economic Empowerment Commission and other stakeholders.

4.0 THE ASSIGNMENT (AND SCOPE)

The LGN II now seeks a consultant to conduct a baseline survey that will focus on the construction sector, as a priority, but also gather information from other sectors, to determine the following:

- i. The social make-up of the players (both the owners and the workers) in the priority sector i.e. age, gender, education level, contractual terms, level of skill, years of service/business and other relevant information.
- ii. Level of awareness and knowledge of the Labour Laws by MSMEs in the priority sector
- iii. MSMEs perception/understanding of the business case underpinning compliance
- iv. Level of compliance with specific Labour Laws e.g. minimum wage, issuance of employment contracts, social security, collective bargaining, parental/family leave etc among MSMEs in priority sector.
- v. Constraints or challenges to compliance with labour laws
- vi. Baseline data on MSME owner-manager organizations and MSME worker organizations
- vii. Level of knowledge among ILO constituents in priority sector on how the regulatory environment affects the development of MSMEs and creation of decent work.

5.0 DURATION OF THE ASSIGNMENT

The consultancy will be carried out over a period of not more than six weeks.

6.0 TECHNICAL AND FINANCIAL PROPOSALS

Interested consultants willing to be considered for this assignment should submit technical and financial proposals in separate envelopes addressed to;

Ms Namucana C. Musiwa
The National Project Co-ordinator
International Labour Organization
Lubwa Road, Rhodes Park
P O Box 32181, LUSAKA

The technical proposals should include capability statements, intended technical approach and methodology to be adopted for most informative results. Proposals should be dropped in the Tender Box at ILO or sent via email (in PDF format) to musiwa@ilo.org on or before 12h00 on Friday, 10th February, 2012. Late submissions shall not be accepted. Bids will be opened at 12.15hours in the presence of bidders who wish to attend the bid opening.