

## **TERMS OF REFERENCE (TOR)**

### **SELECTION OF AN INTERNATIONAL CONSULTANT TO LEAD THE MULTI-NATIONAL CORPORATION OUTREACH PROGRAMME FOR ELECTRICAL & ELECTRONICS INDUSTRY**

#### **A. Background**

Sri Lanka's Electrical and Electronics industry is progressively stepping in to the Global Electronics Value Added Supply Chain with products and services finding acceptance amongst the most important Global Market Leaders. The Electrical and Electronics industry in Sri Lanka grew significantly over the past 45 years to experience gradual elevation to the position as a key manufacturing industry contributing towards export oriented economic growth.

The industry commenced operations as a basic assembler of Consumer Electronics in early 1970s, which shifted towards manufacturing of Electronic Components and Assemblies in post 1977s.

In 2017, the industry's contribution to the total export revenue was USD 371.48 million. The 75+ company's in the industry employs over 40,000 skilled workers producing an array of products including printed circuit boards, magnetic heads, ferrite cores, coil and harness assemblies, energy saving lamps, transformers etc. Among the electrical products, Low voltage cables, cable management systems have experienced a high reputation in the global market. Accordingly, the industry mainly caters to Automobile, Telecommunication, Consumer Electronics, Industrial Automation, Internet of Things and several other verticals.

Some of the finished products Sri Lanka currently exporting are Wires and Cables, Electrical Switches and sockets, Electrical Boards and Panels, Mechanical and Industrial Engineering Machineries, Auto Guided Vehicles (AGV), Transformers, Medical Devices, Fixed Capacitors, IoT Devices, Electronic payment devices, Fiber optic related products, Toroidal coils, and Energy saving lamps.

The major companies in the sector perform their manufacturing operations within the export processing zones under the purview of the Board of Investment of Sri Lanka (BOI). Sri Lanka Electronic Manufacturers and Exporters Association (SLEMEA), the representative body of Sri Lankan Electrical and Electronics Industry, supports and strengthen sector growth. The Sri Lankan

Electronics/Electrical industry exporters are ISO certified, committed towards protecting the environment, observe ROHS and WEEE regulations and provide decent employment in conformity with the ILO requirements. The top 10 exporting destinations of the industry include Switzerland, Maldives, United States, United Kingdom, Hong Kong, Japan, China, Bangladesh, India, and Germany.

At present, the industry is establishing a reputation as a center of excellence for electronics design and development. The industry transition towards emerging technologies such as Internet of Things, Robotics, Bio-medical, Analytics etc., reflects upon fast growing potential of Sri Lanka to exploit global opportunities within Smart Cities, Wearable Tech, and Firmware etc.

### **Objective**

Attract three (3) to five (5) global MNCs through G2G or G2B programmes so that Sri Lankan EEC companies can plug into global MNC supply chains, develop JVs and act as contract manufacturing companies doing more design driven work in Sri Lanka. Criteria of the MNC will be determined by the Leading implementing partners and Supporting implementing partners.

### **B. Scope of Work**

- a) Set a strategy to attract and establish 3-5 global EEM Multinational Companies (MNCs) in Sri Lanka within 5 years.
- b) Identify strategic and specific opportunities where Sri Lankan EEM companies can plug into global supply chains.
- c) Maintain a rapport with targeted MNCs to promote Sri Lanka as an Electronics and Electrical design, development & manufacturing base in the world.
- d) Attract EEM Multinational Companies (MNCs) through G2G, G2B or B2B Programmes.
- e) Monthly progress reporting.

**It is essential the consultant works closely with members of SLEMEA**

**C. Expected Outputs & Outcomes**

<b>Phase 1 Research &amp; Information Gathering of the Industry (not limited to manufacturing) &amp; Potential Global MNCs in the Sector</b>					
	<b>Expected Action</b>	<b>Time Frame</b>	<b>Expected Output/s</b>	<b>Expected Outcome</b>	<b>Notes</b>
1.1	Interview a representative industry sample to understand current practices and future potential	3 weeks	20 interviews  Concept Paper		Interview ToR/ Questionnaire to be circulated among all partners for feedback
1.2	Conduct a Resource Analysis; inter and intra industry physical and intellectual assets available to attract investments	2 weeks	Summary Paper	Draft Strategy Paper for completion of consultancy	
1.3	Conduct a Technical Analysis of potential investor and export markets	4 weeks	Summary Technical Report (should include list of potential investor & export markets with projections)	Final Strategy Paper for completion of consultancy	
<b>Phase 2 Targeting the MNCs</b>					
2.1	Maintain a rapport & set up meetings with interested and	6 months	Meeting Minutes		First meeting should be dated

	targeted parties in order to identify a core group of potential investors.		Letters of Intent		within 4 months of consultancy commencement
2.2	Assist BOI to successfully sign the agreements with interested MNCs.	3 months	Technical Summary papers	Sign the agreements with selected MNCs	

**D. Reports and Schedule of Deliveries**

- One MNC to be established in the first year.
- Three MNCs to be established in three years.
- Five MNCs to be established in five years.

**E. Institutional Arrangements**

- Leading implementing partner - BOI
- Supporting implementing partners – MODSIT, EDB, SLEMEA, Advisory Committee on E&E sector

**F. Methodology**

The consultant will follow the work plan and the time schedule agreed with GoSL in undertaking the contract assignment.

- a) An appropriate methodology will have to be determined by the consultant in consultations with partners;
- b) The consultant will work in close collaboration with all partners;
- c) The consultant will undertake collection of all the required data/information from various sources, including Government departments, Ministries and other relevant sources;
- d) All partners shall facilitate in collection of the data/information with required official letters and contact with focal person(s) wherever required;
- e) The consultant will undertake review, assessment and judgment of the data/information in close consultation with the partners;
- f) The consultant will facilitate in meetings and presentations of the stakeholder consultations organized as per the agreed work schedule;

**G. Duration of the Work**

- a) The duration of contract shall be for a maximum of twelve working months.
- b) The contract is subjected for an extension upon satisfactory service.
- c) The consultant will work closely with the project team and partners and report monthly progress and activities carried out as agreed.

**H. Duty Station**

The consultant will undertake a mix of in-country (Colombo, Sri Lanka) and distance mode of working (outstation & overseas) based on the agreed work-plan and methodology.

**I. Required Expertise and Qualifications**

- ✓ At least 10years of prior experience in dealing with trade contracts especially in the regional and international context.
- ✓ Demonstrated knowledge and experience in undertaking research especially in the area of Foreign Direct Investment projects.
- ✓ Demonstrated experiences and skills in facilitating stakeholder/working group consultations.
- ✓ Relevant regional and international experience is essential.

The project seeks to identify experts that fulfill the above criteria and have demonstrated ability of involving key stakeholders, to provide relevant expertise and bring a wider perspective into attracting MNCs.

**J. Scope of financial Proposal and Schedule of Payments**

The agreement will be signed as per the Government Guide Lines.

**K. Criteria for Selection of the Best Offer**

The evaluation of the consultant will be based on Combined Scoring method– where the qualifications and methodology is given 80% weightage and financial offer will be given 20% weightage. Only consultant meeting a minimum of 70 points under technical evaluation would be considered for the financial evaluation.

**L. Payment Schedule**

**10% on signing the contract and submission of a roadmap including methodology for successful completion of consultancy**

**10% on completion of Phase 1**

**30% on the competition of the short listing of the core group of MNCs.**

**50% upon signing the first agreement with a MNC and BOI.**