



Request for Consultancy Proposal

Training Civil Society Organizations on Sovereign Wealth Fund Principles for Good Governance

1- About LOGI

LOGI is an independent non-governmental organization based in Beirut that promotes the transparent and sound management of Lebanon's oil and gas resources. It aims to develop a network of Lebanese experts in the global energy industry and provide them with a platform to educate Lebanese policy makers as well as Lebanese citizens on the key decisions facing the oil and gas industry. It focuses on public awareness, policy development, advocacy and capacity building to help Lebanon maximize the economic and social benefits of its oil and gas wealth – and avoid the resource curse. LOGI is the first and only Lebanese NGO member of Publish What You Pay (PWYP).

2- Introduction about the Gas and Oil sector in Lebanon

Petroleum exploration has a long history in Lebanon; however, the topic was kept aside until Noble Energy, a leading U.S. energy company, started searching the reserves in the Eastern Mediterranean Basin where it succeeded in December 2009 in discovering new oil and gas reserves. The Levant Basin is an 83,000 km² region which engulfs Syrian, Lebanese, and Cypriot, as well as Israeli/occupied Palestine waters. It has been declared by Noble Energy that the Levant Basin's hydrocarbon reserves are the largest resources screened by them up to this date.

The above new facts gave the Lebanese authorities the motivation to start implementing serious measures since the year 2010 to tap any potential oil and gas reserves. On February 15, 2013 the Lebanese Minister of Energy and Water (MoEW) held a press conference launching the pre-qualification process for oil companies to bid on offshore oil and gas exploration. In January 2017, and after a three-year delay, Lebanon re-launched its first oil and gas licensing round. Lebanon has opened five offshore blocks (1, 4, 8, 9 and 10) for bidding in a first licensing round of offshore oil and gas exploration in Lebanon's Exclusive Economic Zone. In February 2017, Lebanon has also decided to join the Extractive Industries Transparency Initiative (EITI) to guarantee the transparency of the process.

The petroleum sector in Lebanon is at an early stage, and there are currently no exploration or production activities. The existence and size of recoverable reserves remain unclear, nevertheless, the seismic surveys proved that the reserves are feasible to be excavated.

Great expectations have come with the prospect of becoming a petroleum producing country, with ideas of wiping Lebanon's monumental public debt clean, embarking on grand infrastructure projects and ushering in a new era of stability and prosperity. Unfortunately, Lebanon's lack of experience in the area of energy reserves presents several challenges for effective and equitable management of its resources. It is worth noting that far from the politics and the debates, qualified people are working on this topic. If these actors were given the space and freedom to work and got the needed support the economy will start to witness prosperity.



3- Problem addressed

Sovereign Wealth Funds (SWF) are formed with a specific economic policy role and share the goal of efficiently and effectively managing the country's official financial wealth.

While SWFs can help generate long-term economic benefits, several important conditions must be fulfilled in order to produce the intended results. It is very important to equip civil society organizations (CSOs) with the needed information about these required conditions in order to be able monitor and account any gaps. While governance structures differ across SWFs, there are certain principles of good governance that have been found to be desirable across countries. Currently, majority of CSOs in Lebanon lack the knowledge on the Generally Accepted Principles and Practices related to good governance of the SWFs.

The Petroleum Law requires that the proceeds from Lebanon's petroleum activities must be placed in a sovereign wealth fund. Specifically, Article 3 of the law states that "The statute regulating the Fund, the rules for its specific management, the principles of investment and use of proceeds shall be regulated by a specific law, based on clear and transparent principles for investment and use of proceeds that shall keep the capital and part of the proceeds in an investment fund for future generations, leaving the other part to be spent according to standards that will guarantee the rights of the State and avoid serious, short or long-term negative economic consequences."

The goal of the SWF is to accumulate financial assets in order to ensure that all future generations benefit equally from the extraction of non-renewal resources that have taken millions of years to form, not just the generation that happens to live in the country at the time these finite hydrocarbon resources were extracted. From here, it is very important to have a well-developed sovereign wealth fund to guarantee the success, sustainability and transparency in the revenue management.

4- Project and Services to be Provided

The Lebanese Oil and Gas Initiative (LOGI) is commissioning a training within the framework of its project on "Partnership for Oil for the Common Good in Lebanon". The project is in partnership with Norwegian People Aid (NPA) Lebanon and funded by the Norwegian Development Agency (Norad). The goal of this Project component is to assist the civil society through equipping them with the knowledge about the sovereign wealth fund draft law while giving an overview about the best practices which can be accomplished through:

- Conducting a one day workshop to brief CSOs on the current two draft laws for SWF while highlighting any red flags and addressing cross-country lessons from SWFs that should critically inform the design of a Lebanese SWF. It is very important to address couple of examples of success and failures to benefit and learn from while highlighting clear practices.
- Develop a report summarizing the workshop while highlighting the basic material that the CSO were trained upon starting from the law passing by the red flags or gaps in the law ending by the lessons learnt and best practices. The report should also include high level recommendations on how to proceed on the SWF proposed drafts.

A- Approach:

The consultant must further optimise the overall consultancy proposal mission highlighted in the ToR. The consultant should propose the approach that s/he will use to deliver the consultancy service. Also it is very important for the consultant to submit details about the training techniques that will be used.

The consultant will also develop a work plan with clear milestone deliverables and timelines in consistency with the set timeframe of this assignment.

The proposed approach and work plan should be included in the consultant proposal to be approved by LOGI.

B- Deliverables:

The consultant is expected to conduct one day of training for the civil society organizations on the SWF laws and best practices. At the end of the training a report is requested which summarises the training offered as well as the general feedback of the training. The report should be submitted in English. It should be submitted electronically in a MS-Word document. The report should include:

- Summary of the SWF laws while highlighting gaps in the laws;
- Best practices from different success stories as well as lessons learnt
- Summary of the conducted training
- Key recommendations

This report is the ownership of LOGI and NPA and they shall decide which sections to be published and which are only accessible by both parties.

C- Desired qualifications and competencies:

- Proven experience in research and the mentioned topics. As part of the proposal, we require a brief summary of the consultant/team of consultants that will conduct this research project. This summary will highlight any relevant experience or expertise in these fields including publication list, CV, division of tasks among the team members and the percentage of work contribution for each member (if applicable)
- PHD or master degree in a relevant field of study (law, Petroleum Studies, etc.) with proven track of reports/consultancies and/or publishing.
- Knowledge on good governance techniques and the civil society organizations in Lebanon and preferably from other petroleum producing countries.
- Knowledge on politics of Lebanon and other resource rich countries in the region.
- Knowledge on sustainable resource management of the petroleum sector.
- Knowledge about laws
- Experience/Knowledge about best practices for creating and managing Severing Wealth Fund in different countries
- Proven experience in organizing and conducting training workshops
- Excellent written and spoken English and Arabic languages.



5- Contract Period

Dates	Action
19 October 2017 – 25 October 2017	Submission of proposals
25 October 2017 – 27 October 2017	Scanning of proposals and meeting applicants
30 October 2017	Agreement signature
1 November 2017 – 15 November 2017	Implementation of the research
20 November – 24 November	Conduct 1 day of workshop
24 November – 30 November	Submission of training Report

Periodical meetings will take place between LOGI focal point and the consultant during the period of the project. Adjustment of dates might be negotiated between LOGI and the consultants.

6- Budget

Max US 3,000. Please note that this amount must cover any taxes that may apply. Please also note that price is a selection criteria.

7- Application procedure

This tender is published publicly and open to all interested candidates, including research institutions and independent consultant s.

A proposal, a corresponding budget, and the data requested should be sent to the following emails:

rfplebanon@npaid.org

haninf@npaid.org

Diana.kaissy@logi-lebanon.org

Christelle.hayeck@gmail.com no later than 25th October 2017.

The tender will be evaluated and selected based on the following criteria:

The Qualifications of the Consultancy Team/Consultant	20 %
The Quality of the Proposal	60 %
- Understanding of the Requirements (10 %)	
- Analytical Approach (20 %)	
- Training Techniques (20 %)	
- Implementation Plan (10 %)	
The Price	20 %
Total	100 %