

**GOVERNMENT OF SYRIAN ARAB REPUBLIC
UNITED NATIONS DEVELOPMENT PROGRAMME**

Project Title:

“Enhance the Investment Environment”

Project number SY/05/014

Brief Description

The project supports the Government of Syria strategy to increase employment and raise incomes by promoting private investment in order to achieve ultimately MDG Goal 1 of Eradicate Extreme Poverty and hunger. Notwithstanding the important economic reforms implemented by the government in the last 14 years, unemployment continues to rise and the rate of investment as a percentage of GDP is dropping.

A close review of the Investment Environment conducted by UNDP, the World Bank and FIAS, with a particular focus on the current Investment Law (Law # 10) and the performance of the Investment Office revealed a number of deficiencies that need to be addressed urgently to unleash the dormant potential of Syrian entrepreneurs and increase Foreign Direct Investment (FDI) necessary to stimulate innovation and improve productivity and competition.

The proposed Project has two components: (A) to enhance the legal and regulatory framework for Investment, and, (B) to strengthen the institutional capacity for Investment Promotion. The guiding objective of these components is to enhance the Syrian Investment Environment so as to make Syria compete favorably with its neighboring countries by offering investors attractive and clearly defined financial incentives that can be accessed through simplified and speedy procedures.

**Schedule of Payment for Government Cost Sharing from the State
Planning Commission / Investment Office**

Total US\$ 1,476,563

1. **On January 10, 2006**, the amount of **US\$ 250,000** – will be paid in **local currency** based on the UNDP exchange rate at the date of transfer – to UNDP Syria local account #40732/306 in Syrian Punds at the Commercial Bank of Syria, Branch 12
2. **On January 10, 2006**, the amount of **US\$ 250,000** – will be paid in **US\$** to UNDP-Syria account #1107/370 at the Commercial Bank of Syria, Branch 12
3. **On July 10, 2006**, the amount of **US\$ 250,000** – will be paid in **local currency** based on the UNDP exchange rate at the date of transfer – to UNDP Syria local account #40732/306 in Syrian Punds at the Commercial Bank of Syria, Branch 12
4. **On July 10, 2006**, the amount of **US\$ 250,000** – will be paid in **US\$** to UNDP-Syria account #1107/370 at the Commercial Bank of Syria, Branch 12
5. **On January 10, 2007**, the amount of **US\$ 240,000** – will be paid in **local currency** based on the UNDP exchange rate at the date of transfer – to UNDP Syria local account #40732/306 in Syrian Punds at the Commercial Bank of Syria, Branch 12
6. **On January 10, 2007**, the amount of **US\$ 236,563** – will be paid in **US\$** to UNDP-Syria account #1107/370 at the Commercial Bank of Syria, Branch 12

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Acronyms and Abbreviations

CCF	Country Cooperation Framework
IT	Information Technology
EIE	Entrance the Investment Environment
ERP	Enterprise Resource Planning
FDI	Foreign Direct Investment
IO	Investment Office
ISS	Implementation Support Service
LAN	Local Area Network
MDG	Millennium Development Goals
MOF	Ministry of Finance
MENA	Middle East and North Africa Region
MYFF	Multi-year Funding Framework
NPD	National Project Director
PMU	Project Management Unit
PSC	Project Steering Committee
RFP	Request for Proposal
SIA	Syrian Investment Authority
SPC	State Planning Council
SRF	Strategic Results Framework
TOR	Terms of Reference

PART 1a SITUATION ANALYSIS

In the course of implementing its transition from centrally-planned to social market economy, the Syrian government is facing the challenge of creating more jobs and raising incomes while opening up its markets to global competition. Realizing that the private sector (already accounting for 60 percent of GDP) is the main engine of economic growth and employment, the first priority is the creation of an **Investment Environment** which would attract the Foreign Direct Investments needed to foster innovation, introduce new technology, modernize the private business sector and improve productivity and competitiveness.

Syria has indeed taken a series of legal and regulatory steps to improve its investment environment and FDI in-flows in particular. These include:

- the Investment Law (Law # 10 in 1991 amended in 2000)
- The creation of the Investment Bureau under the Prime Minister's office
- the banking sector law of 2001 which opened the door to private banking operations and 4 banks started operation in 2005,
- the reduction of standard corporate tax on private companies to 25 percent rate,
- the reduction and simplification of some tariff rates,
- The simplification of the exchange rate regime, setting the main rate close to the prevailing market rate (Decision 3, January 2004), and, more recently, allowing foreign exchange transactions to be performed by licensed dealers (September 2005),
- Substantial investment in electric power generation.

Other important reforms are underway to simplify customs procedures and tax administration.

However these steps have not yielded sufficient increases in private sector investment needed to have a significant impact on economic growth and employment. Indeed, the Investment Ratio (Investment/GDP) is too low, at 8.2 percent in 2002, down from 10.3 percent in 2000 and unemployment is increasing (11.7 percent in 2003, up from 6.8 percent in 2000).¹ Today Syrian industrial productivity is one of the lowest in the region, the process of starting new businesses poses serious barriers to new companies (only 40% of the 1300 industrial investment projects approved since 1991 were actually implemented), and the FDI inflows to Syria are the lowest in the MENA countries².

The challenge faced by the government is twofold: an inadequate Investment law and regulatory framework, and, a weak institutional set-up in charge of investment promotion (see Figure 1,p.6)

On the one hand, the Investment Law #10 (with the amendments proposed by the Investment office) contains too many controls on investors and does not encourage them enough to choose Syria rather than another country in the MENA region. On the other hand, the Investment Office in charge of promoting investments is unable to perform its functions of promoting investments as well as facilitating, accelerating and simplifying the process of their implementation.

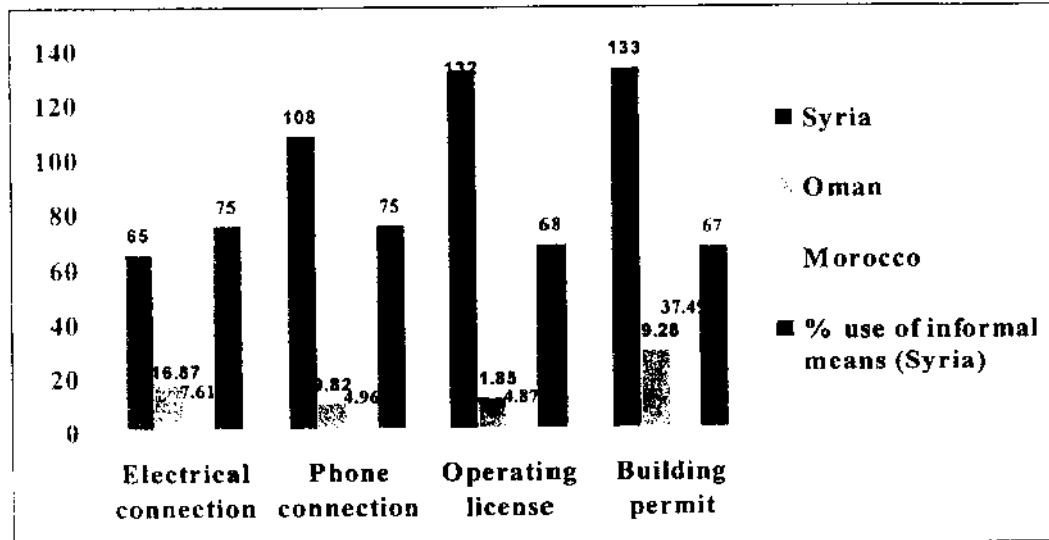
The proposed project provides a considerable contribution to facing the above challenges by addressing the main obstacles summarized below with a view to enhancing the Investment Environment in the country.

¹ See UNDP, Common Country Assessment report Syrian Arab Republic, 2005 (draft).

² See World Bank, *Syrian Investment Climate Assessment: unlocking the potential of the private sector* (Washington: World Bank, June 8, 2005) confidential.

Source World Bank. *Syrian Investment Climate Assessment: unlocking the potential of the private sector* (Washington: World Bank, June 8, 2005) confidential.

Delays in Obtaining Business Services, Syria and comparators and use of informal payments (Syria)



Source: World Bank investment climate surveys

2. Excessive controls during operation and at closure of business;

- Excessive and time consuming clearance procedures for imported equipment qualified under the investment Law #10 at point of entry where at least 7 Ministries (and 11 in some cases) check and test the goods before Customs.
- The investment Law #10 imposes a 5 year investment life is a serious deterrent to the investor who wants to be able to close down his business when its stops being profitable without being penalized by the government. Authorities consider giving their clearance.
- Currently, closing a business could take up to 4 years.

3. Arbitrary and rigid project approval procedures;

- The current practice of deciding whether a project qualifies as an Investment Project by reference to a pre-prepared listing is too restrictive and arbitrary.
- The evaluation of the financial feasibility study by the I.O. staff in deciding whether or not to qualify a project is unjustified and unnecessary.
- The approval required from the Ministry of Industry on the list of equipment required by the investor for his production line is totally unjustified as the investor wants to decide on the technical specifications of the equipment at his own risk and based on his preferences.

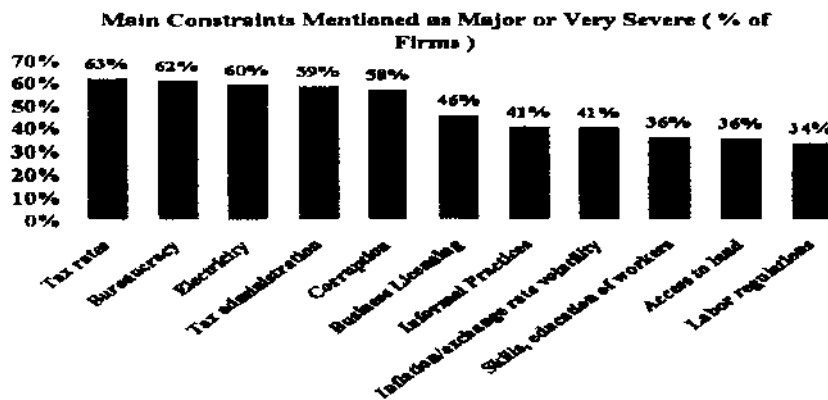
4. No incentives to improve productivity and technology transfer;

- Syrian private industrial productivity is one of the lowest in the region and needs to be addressed in the context of the Investment Promotion Law to give investors a positive signal that the Syrian government supports actions leading to an increased productivity and up to date technology.

<Problems to be addressed>

1. Complex and expensive administrative procedures to start a new business: Following the Investment Office decision to approve an investment project, the investor faces the following constraints:

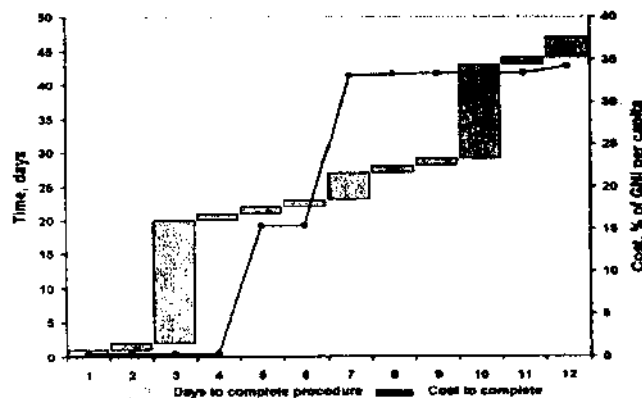
- Excessive time and cost of business registration and licensing :132 days to register (3 days in Tunisia and 2 days in Morocco), and capital requirement 50 times per capita GDP, (6 times the MENA countries average);
- Delays in land use and building approvals;
- Excessive waiting time for electricity, telephone, water services; and
- Delays in obtaining permits for foreign key personnel, extending to several months.



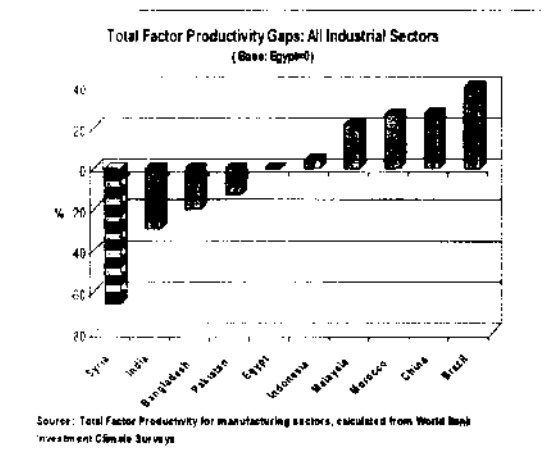
Entry Procedures

	Syrian Arab Republic	Regional Average	OECD Average
Number of procedures	12	10	6
Time (days)	47	39	25
Cost (% of income per capita)	34.2	51.2	8.0
Min.capital (% of income per capita)	5,053.9	856.4	44.1

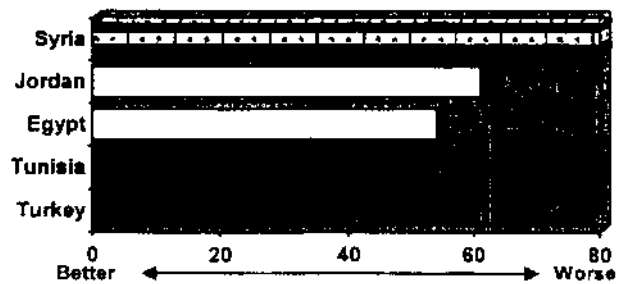
Starting a Business Graph – Syrian Arab Republic



Factor Productivity Gaps (Base: Egypt = 0)



Ranking of Technological Structure



5. Medium size businesses do not benefit from the Law,

- Medium sized businesses (employing between 50 and 150 people) represent the large percentage of private businesses (particularly in industry). The Investment Law imposes a high level of minimum capital funding (USD 400 000 equivalent) which will exclude them from the benefits of the Law. (In Jordan the minimum foreign investment required is 60,000 Euros)
- Foreign investors who normally prefer entering a new market with a small investment and increase it when the business proves to be successful will also be deterred by the high minimum investment required to start a new business under the Law.

6. Financial incentives are not very effective

The exemptions from Income Taxes for varying periods starting with 5 years were abandoned in many countries because:

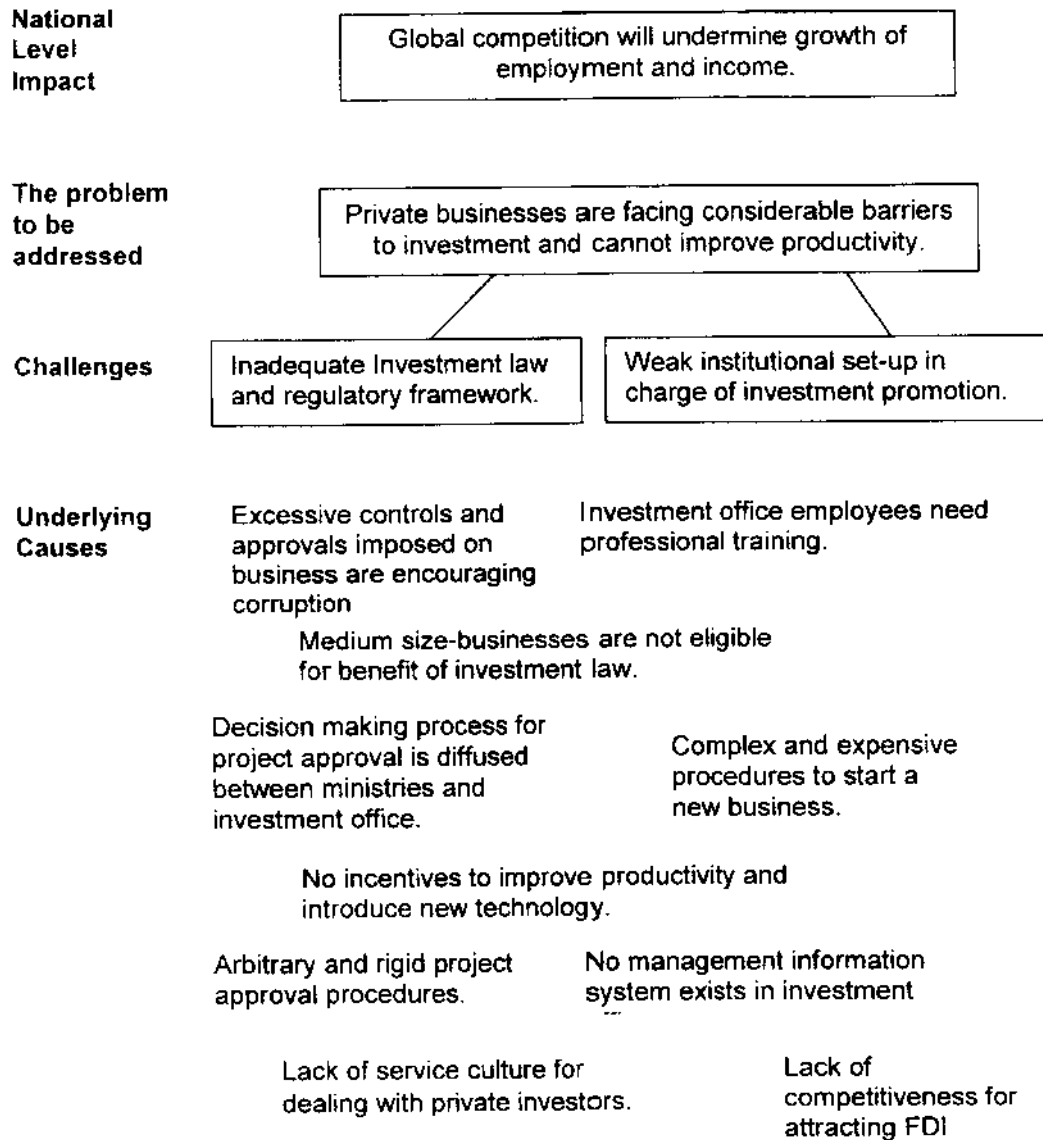
- projects may not start to generate sufficient profits within the exemption period and therefore companies do not benefit from this benefit;
- existing businesses consider these exemptions unfair because they apply only to new businesses, and
- The fixed exemption period encourages some investors to close their businesses once the exemption period expires.

7. The Investment Office (IO) is currently acting only as an intermediary between the investor and the relevant ministry, not as a fully fledged Investment Promotion Agency :

- The staff need training to perform their duties which need clarification;
- The office need to be equipped with adequate IT hardware and software;
- Key departments are seriously understaffed and staff speak Arabic only;
- Management is constrained by lack of financial and administrative autonomy;
- Follow up of project approvals not performed for lack of tracking systems;
- Once a project is approved by the IO, the investor is left to struggle through the difficult and expensive steps of getting the required registrations and approvals from other government departments without assistance from the Investment Office, and
- The Office is unable to provide potential investors with reliable data on investment opportunities.

Figure 1: Challenges facing the Syrian Government in Investment promotion

The challenges faced by government are common to all economies in transition to market economy and summarized in the following Problem Tree.



Target beneficiaries

The primary beneficiaries of the project are the professional and technical staff of the Investment Office - to be transformed to a fully fledged investment authority (SIA) – who will directly benefit from the improved working conditions and upgrading of skills that will be offered by the project. Another group of direct beneficiaries are the investors who will receive better services that enable them to implement their projects at reduced costs and within a shorter time. Citizens to be employed by the newly formed businesses will also benefit from the project and, indirectly, every citizen will benefit from the increased incomes and the new jobs which are generated leading to a general improvement of the standard of living and reduced poverty.

In particular, the Investment Office staff will receive capacity building support in the following areas:

- o Professional training in investor servicing and investment promotion , initially through seminars conducted by specialized experts, and, subsequently, through the one year on-the –the job training to be conveyed by the deployment of international experts to be recruited by UNDP as counterparts to local key staff;
- o Updated knowledge of International best practices through visits to selected countries in organized study tours;
- o Upgraded linguistic capabilities by attending English language courses of basic English and professional business English, and,
- o The use of Information Technology tools in the day-to-day performance of their duties.

PART 1b STRATEGY

Government Strategy

The Syrian government is in the process of adopting the Tenth Five-Year Plan (2006-2010) based on Syria's affirmation of the Millennium Development Goals (MDGs) where Poverty Alleviation is the top priority. This is a particularly challenging objective because it is to be attained while the economic reform measures being applied would negatively affect those already most vulnerable.

To mitigate the anticipated negative social impact of economic reforms, the government created in 2001 the Agency for Combating unemployment to respond to the growing problem of unemployment through the provision of micro-finance to low-skilled workers to start their own business, and training them to manage their business. At the same time, the Syrian government took several steps to encourage private investment (see Part 1a: Situation Analysis) and is aware that legal and regulatory reform measures need to be accompanied by institutional reforms and capacity building measures.

While the main priority of the Government Strategy is to create new jobs and increase the incomes of its citizens, concerted efforts and actions need to be deployed urgently to increase considerably the inflows of foreign funds for investments (FDI). These FDIs have proven to be the vehicle for improving productivity through the introduction of new technologies and modern and efficient management practices.

With its considerable human capital and natural resources Syria is well poised to compete with MENA countries if the right strategies are implemented. Success stories in attracting FDI offer good examples on what actions are required in order in order to improve productivity, competitiveness and increase employment.³ These include Tunisia where 200 new enterprises arrive each year, with a total of 2,600 foreign or mixed companies operating in 2004, employing 232 000 people, Morocco which attracted 2.8 billion USD in 2003, and Turkey where foreign investment reached an average of 1 billion USD per year. They all confirm that the prerequisite for success is to enhance the Investment Environment in both the legal and institutional domains.

Project strategy

The proposed project provides an important support to the Government and to SPC in particular in implementing their strategy of improving the investment environment to be able to face the challenges of global competition when Syria joins WTO in its transition from a state controlled economy to Social Market Economy, which leads the ultimate goal of the project to achieve the MDGs Goal 1 "Eradicate extreme poverty and hunger". The main objectives in this strategy to achieve the goal are:

³ See ANIMA, Invest in the MEDA region, why, how ?May 2004

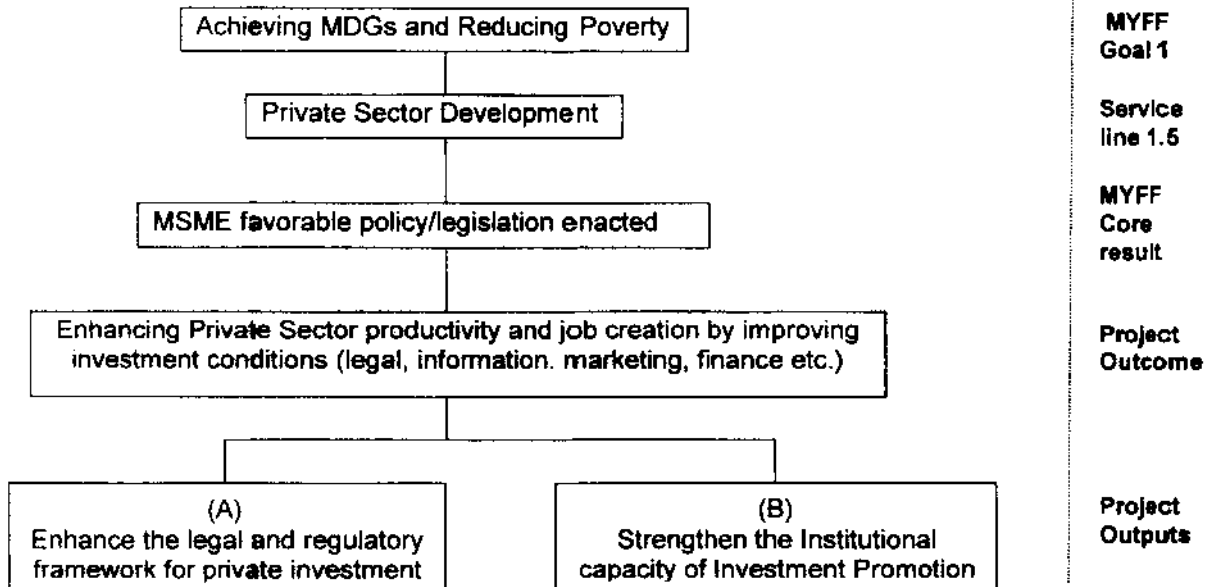
1. **Creating an attractive environment for investors by offering competitive financial incentives, streamlining procedures, easing access to government services and providing one-stop shop for essential business services, thus encouraging foreign and local investment.**
2. **providing accurate and updated information to support the decision making process of both investors and government officials and to help in following up on the different long-term investment initiatives.**
3. **Deploying new philosophies and practices of modern management in promoting investments and attracting FDI in particular in a mode that will make investment services more efficient and investor-friendly.**
4. **Fostering local and regional competitiveness and ensure the smooth integration of the Syrian economy in the global community.**
5. **Providing greater transparency regarding investment incentives and beneficiaries selection and giving investors increased access to information.**

The SRF (Strategic Results Framework) diagram on the next page sets out the relationship between outputs and activities and Part 2: Project Results and Resources Framework describes the expected impact of those activities.

The project will also ensure the gender equality considerations and gender impact by conducting institutional gender analysis and ensuring gender balance in project staff and trainings etc throughout the implementation process.

Figure 2: Strategic Results Framework (SRF)

EIE SRF under UNDP Multi-year Funding Framework (MYFF)



- A1: Produce a revised Law for Investment Promotion that exercises less controls and approvals and more assistance and prepare the Executive Regulations necessary to implement the procedures under the new law.
- A2: Develop incentives and project selection criteria to include medium size businesses and are transparent, attractive, easier to implement and can be changed in response to investors needs and to the priorities in the 5-year plan.
- A3: Produce a new law for setting up the new Syrian Investment Authority (SIA) under the Prime Minister's tutelage with sufficient powers to assist and promote investments and prepare the internal Byelaws of SIA with detailed organizational structure and staffing requirements.
- A4: Technical support to the parliament for passing the new laws on Investment Promotion and creation of (SIA).
- A5: Promotion of the new laws within Syria and abroad to create awareness of investors and government agency.
- A6: Technical support to review and amend existing laws affecting investment such as Companies Law, Accounting Practice and Intellectual Property Rights.

- B1: For the existing Investment office: Prepare and implement professional training seminars for management and staff supported by clear departmental and individual job descriptions including on-the-job training for professional staff on the performance of daily duties.
- B2: Design and implement IT systems, management systems, LAN based information system and Internet, and train staff and management using hardware and software to be supplied.
- B3: Refurbish existing offices and redecorate them to international standards.
- B4: Implement the internal structure of the new SIA as produced under the new Law (output A3) whereby UNDP will employ the international experts to support local staff of the IO and train them to perform the SIA functions including internal management and IT services.

MYFF Goal 1

Service line 1.5

MYFF Core result

Project Outcome

Project Outputs

Indicative Activities

UNDP Strategy

Since 1962, UNDP, the United Nations' global development and knowledge network, has been operating in Syria cooperating with the government and focusing on human development issues. Working closely with the State Planning Commission (SPC) ensures that international cooperation programmes and internationally agreed development goals are brought in line with national development priorities and MDGs simultaneously ensuring that projects meet the twin needs of priority and sustainability.

UNDP is strongly committed to support private sector development which ultimately leads to poverty alleviation and sustainable livelihood. The current Country Cooperation Framework (CCF) during the period of 2002-2006 states that the primary objective of UNDP is to alleviate poverty and reduce vulnerability by promoting poverty focused development initiatives at the national level. UNDP supports the government in devising a policy map and strategies to tackle the issue in the country as called for by the priorities adopted by the people's Assembly in May 2000. Also as stated above, tackling unemployment and creating more jobs is a recurrent theme highlighted in the new administration's development priorities.

UNDP is keen to support Government vision for achieving poverty alleviation goal of MDGs through promoting private sector by providing transitional support to legal and regulatory framework and institutional capacity strengthening for investment promotion. UNDP also can support by introducing information about best practices around the globe in regard to similar activities.

The project has major component of supporting to national service delivery of the programme country which includes facilitating capacity development for procurement, trade facilitation and accountability mechanism as well as promoting capacities and role of the domestic private sector. This factor fulfills the criteria for TRAC2 resource allocation.

PART 2 Project Results & Resources Framework

The intended social impact of the project is to create more jobs and increase incomes leading to poverty alleviation. In particular, the Project will enhance the effectiveness of the present laws, regulations and institutions in attracting FDI and new investments in the productive and services sectors which, in turn, will raise productivity and allow Syria to compete more favorably with its neighboring countries in the global market environment.

The Project would achieve its results by producing two outputs: (A): Enhancement of the legal and regulatory framework for private investment, and (B): Strengthening the institutional capacity for investment promotion.

Output A: Enhance the legal and regulatory framework for private investment

The State Planning Council (SPC) and the Investment Office will be assisted to produce two new Laws: the Investment Promotion Law which will replace the existing Law#10 enacted in 1991 and revised in 2001, and, the new Law for the creation of the Syrian Investment Authority (SIA) which will replace the existing Investment Office (IO). Under the Project Preparation activity, UNDP observed closely the daily functions of investment promotion performed by the IO under the current Law#10, examined the Draft Laws prepared by the multi disciplinary committee chaired by the IO director (see Annex D) ⁴, and reviewed recent

⁴ A committee chaired by the Director of the Investment Office and comprising representatives of the ministries of finance, agriculture, industry, the central bank, tourism, transport, local government, and of SPC, has been reviewing

reports produced by the World Bank and FIAS on the investment climate and the investment promotion procedures. As a result, deficiencies in the present –and proposed – legislation were identified and will be addressed in this output. In particular, the deliverables under this output will be greatly influenced by a comparative analysis of similar laws in neighboring countries to ensure that Syria's legal and regulatory framework is competitive.

Objectives of output A

- Produce a new version of existing investment legislation to remove most obstacles considered as deterrents to foreign and local businesses;
- Increase transparency in decision making processes by clarifying incentives and project selection criteria and removing arbitrary decisions;
- Increase investors awareness of new legislation;
- Provide necessary and convincing justifications to Law makers to pass the new legislation and support it nationally

Deliverables from output A:

- A revised Law for Investment Promotion that exercises less controls and approvals and more assistance;
- Executive Regulations necessary to guide the implementation of the new Law;
- Incentives and project selection criteria to include medium size businesses and are transparent, attractive, easier to implement and can be changed in response to investors needs and to the priorities in the 5-year plan;
- A new law for setting up the new Syrian Investment Authority (SIA) under the Prime Minister's tutelage;
- Internal Byelaws of SIA with detailed organizational structure and staffing requirements;
- Technical support to the parliament for passing the new laws on Investment Promotion and creation of (SIA).
- Promotion of the new laws within Syria and abroad to create awareness of investors and government agency.
- Technical support to review and amend existing laws affecting investment such as Companies Law, Accounting Practice and Intellectual Property Rights

Results (impact) expected from output A:

- Increased attractiveness of the investment legislation;
- Speedier and less costly procedures for starting a new business;
- Increased incentives to introducing new technology and raising productivity.
- Raised official and public awareness to new laws and procedures.

Output B: Strengthen the Institutional capacity for Investment Promotion

This output has two tracks: the first, to be executed in the first 6 months, aims to transform the existing Investment Office to become the nucleus team for the upcoming SIA. The IO will receive short term capacity building measures to make it more efficient in performing its functions under the present Law. The professional training to be conducted will be also extended to staff in respective unit in other line ministries.

The second track will start functioning when the new Law for creating the Syrian Investment Authority (SIA) is enacted. The existing IO will be restructured to perform the expanded functions of the SIA, and, in order to ensure long lasting effects of this capacity building action, UNDP will deploy key staff to run the departments and units within the departments, and recruit the National project Director (NPD) to manage the new SIA for 15 months. Local government employees will be trained as counterparts to UNDP experts on the daily

the Law # 10 since 2002, and prepared Drafts of two laws: The Investment Promotion Law and the Law for creating the Syrian Investment Agency, shown in Annex D.

performance of the duties to be outlined under the law and more clearly defined under this output. It is envisaged that the government employees will take over the full functions from UNDP experts at the end of the 18 month period.

In order to facilitate the communication in terms of technical matters for the criteria or regulations etc between SIA and each concerned line ministries, the project envisages establishing a Regulatory body composed of representative of the ministries within the One-stop-shop function to support decision.

In this output, pilot surveys for developing Database with information of type and volume of market supply of raw material collected by the concerned ministries, as well as developing Investment Observatory which examines Investment opportunities for Syria with comparative survey of neighboring countries will be conducted. The Investment Map which will indicate the geographical niches identified per sector will be also developed.

Objectives of output B:

- Speed up the decision making process;
- Provide quality and timely services to investors;
- Increase investors confidence in the way the IO provides its project approval services;
- Raise the IO staff morale and improve their capacity to perform;
- Prepare the IO staff to perform new functions under the envisaged SIA;
- Create an investor-friendly culture amongst all staff and change attitudes from controlling investors to facilitating their tasks of starting new businesses and expanding existing activities.
- Train staff to be proactive in investment promotion rather than simply creating statistical records on project approvals.
- Enable the envisaged SIA to be a fully fledged investment Promotion Agency acting as an efficient one-stop-shop for all investors needs.

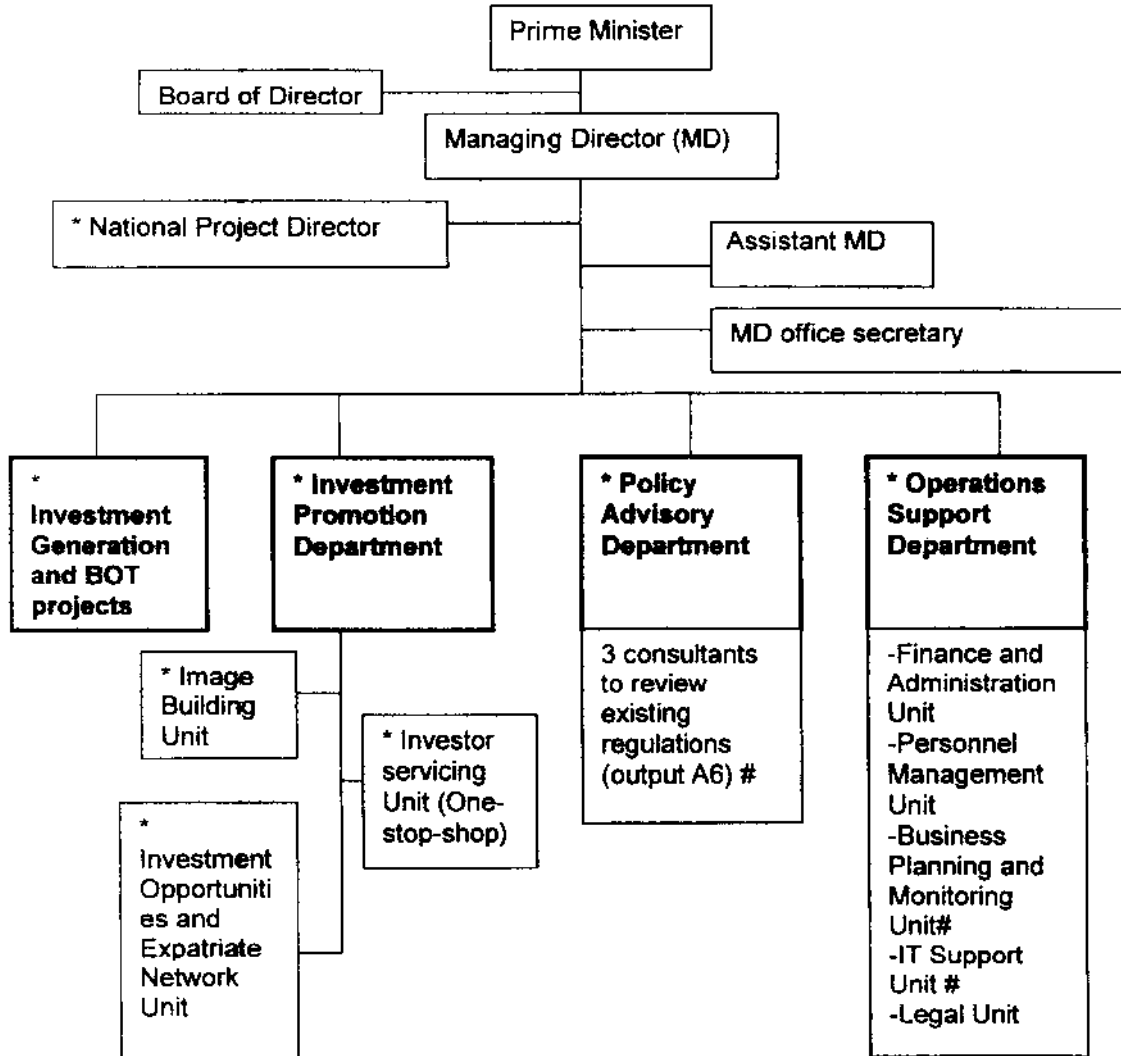
Deliverables from output B:

- Professional training seminars for management and staff of the IO supported by clear departmental and individual job descriptions including on-the-job training;
- New IT, management systems, LAN based information system and Internet, with staff and management trained to use them on hardware and software to be supplied.
- Refurbished existing offices to international standards.
- A new internal structure of the envisaged SIA as per the new Law (output A3) whereby UNDP will employ the international experts to support local staff of the IO and train them to perform the SIA functions including internal management and IT services.

A tentative Organizational chart for the envisaged SIA is shown in Figure 3 below. This chart reflects the functions proposed by UNDP under the new Law to be passed by the Parliament to create the SIA. The final and more detailed chart will be prepared under Output A of the Project, and will show the allocation of Government staff as well as the UNDP counterpart experts for the first 15 months of project implementation.

Figure 3: Tentative Organizational Structure for the envisaged Syrian Investment Authority (SIA)

(NOTE: Only experts to be provided by UNDP are shown in this diagram. Government staff will be identified and shown under Output (A) of the project.)



* Full time experts recruited by UNDP as counterpart to local department director or Unit Manager (7 experts for 12m/m)

Short-term consultants to support ongoing legal and regulatory reforms (6m/m), management, administration and IT services (4m/m).

The total staff including government employees is expected to be around 35, increasing gradually to reach 50 people within 2 years.

Results (impact) expected from output B:

- Speedier approvals of investment projects by SIA;
- Increased number of new investment projects by both local and foreign companies;
- Improved and wider services to new investors covering the pre-investment, during-investment after-investment stages;
- International and local awareness of the investment environment in Syria and investment opportunities.

(Detailed Results and Resources Framework tables are included in Annex B)

PART 3 Management Arrangements

The project will be nationally executed (NEX funding modality) by the Government of Syria, represented by the State Planning Commission (SPC) and the Investment Office under Prime Ministry. Overall responsibility for project implementation and reporting will lie with the SPC for output A: Enhancing the legal and Regulatory framework for Private Investment. The Investment Office, to be transformed into the Syrian Investment Agency (SIA) when the new Laws are adopted, will be responsible for the implementation of Output B: Strengthening the Institutional capacity for Investment Promotion. The National Project Director (NPD), when appointed, will play a key role in Project implementation.

The SPC will have specific responsibility for financing the project. It will also serve as the main focal point responsible for the coordination between the Investment Office, the ministries concerned (such as Finance, Industry, Tourism, local Government) and other project partners (such as EU and other potential donors).

The Investment Office/ SIA, as a core implementing organization and will have the responsibility to supervise and monitor all implementation activities. And report to SPC and UNDP on the progress of implementation.

A Project Steering Committee (PSC) will be established to oversee the overall project implementation. Membership of SPC will include representatives of UNDP, SPC and the Investment Office to approve the annual and quarter workplan.

An NPD will be responsible for the day-to-day coordination and oversight of the project. S/he will be placed within the SIA office premise where the Government will provide the space. S/he will be responsible to prepare Annual and quarter workplan. The NPD will head up a Project Implementing Team (it should be determined whether they are existing staff of the bureau or newly recruited). The team will be composed of NPD, technical and administrative staff and responsible for managing inputs, carrying activities, delivering activities and reporting to all stakeholders.

The screening, selection and recruitment of NPD and other project staff will be carried out through a joint process involving the SPC, the Investment Office, and the UNDP. The NPD will act as the sole authorizing officer for all projects' financial transactions (i.e. approve all financial expenditures and sign all direct payments.)

UNDP Syria Country Office will provide substantive and logistical support throughout the life of the project during the implementation process and involve in approving the annual and quarterly workplan. The UNDP provide support services for the implementation of selected activities against cost recovery mechanism. Specially, UNDP will provide support for the identification and recruitment of the project personnel. It will support the identification of experts who are to carry out the Training tasks, the technical support to the various departments of the SIA, acting as a coordinator for all stakeholders at the beginning stage of the project.

PART 4 Monitoring and Evaluation

The project will be subject to monitoring and reporting in accordance with project document. UNDP Syria will have overall responsibility for reviewing quarter project progress reports to be prepared by NPD.

Regular reporting and financial audit should be shared with all counterparts in order to be monitored, discussed and evaluated.

An independent (external) evaluation will be conducted at the end of the project.

A number of indicators could be used for monitoring and evaluation purposes such as:

- Number of companies targeted by the SIPA and which decided to invest or reinvest in the country as a result of SIPA outreach activities;
- Percentage of companies which actually started working within a reasonable time frame from being approved (say 6 months to 1 year depending on the nature of the project);
- Number of companies which decided to expand their business as a result of joint ventures with partners introduced by the SIPA, and
- Qualitative assessments through surveys of foreign companies in Syria may also help finding out to which extent their investment decisions are influenced by the SIPA initiatives and services offered.

It is actually difficult to quantify the contribution of investment promotion per se to FDI inflows for the former is linked up with numerous other determinants of foreign investment. That is to say, promotion is meaningless if the investment climate is not appropriate.

In order to achieve the expected immediate, as well as broader benefits of the project, such as the increase of FDI inflows to the Syrian economy and the improvement of domestic investment in general, Stakeholders of the project, and SPC in particular will need to ensure that all efforts are being carried to implement complementary measures that improve the overall investment climate in Syria (such as tax administration, utilities supply, eradication of corruption)

PART 5 Legal Context

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the S.A.R. and the United Nations Development Programme, signed by the parties on 12 March 1981. The host-country implementing unit shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that document.

The following types of revisions may be made to this project document based on the progress requirement of the project with the signature of the UNDP Resident Representative only, provided he is assured that the other signatories of the project document have no objections to the proposed changes:

- a) Revisions in, or additions of, any of the annexes of the project document.
- b) Revisions which do not involve significant changes in immediate objectives, outputs or activities of the project, but are necessitated by rearrangement of inputs already agreed to, or by cost increases due to inflation; and
- c) Mandatory annual revisions, which re-phase the delivery of agreed project inputs or expert or other costs due to inflation or take into account expenditure flexibility.

Annex A: Results and Resources Framework

Intended Outcome: Enhanced Investment Environment through strengthening of Legal framework and institutional capacity.			
Outcome indicators:			
Applicable MYFF Service Line: 1.5 Private Sector Development			
Partnership Strategy: Syrian State Planning Commission, Prime Ministry, Investment Office and other relevant stakeholders			
Project title and ID (ATLAS Award ID): Enhance the Investment Environment in Syria (SYR/05/014)			
Intended Outputs	Indicative Activities	Responsible Parties	Inputs
A. <u>Strengthen legal & regulatory Framework for private investment.</u>			
A0: Project team in place	A.0.1. Recruit National Project Director to manage implementation of project A.0.2. Recruit Project support staff	Investment Office, SPC, UNDP	A.0.1.1: 1 NPD for 15 months: 30,000 USD A.0.2.1: 1 Assistant NPD 800*15 12,000USD 1 Secretary 500*15 7,500 USD 1 Admin 600*15 9,000 USD 1 Finance 600*12 9,000 USD 1 IT Senior Expert 1,800*15 27,000 USD
A1: Revised Law for Investment Promotion.			
A.1.1: Final Draft Law	A.1.1.1. Final Draft for Discussion with SPC and I.O.	Investment Office, SPC	A.1.1.1.1: 1 International Expert in investment promotion to finalize the draft laws prepared under PA for 11 w.d.: 5,700 USD
A.1.2: Executive Regulations	A.1.2.1. Prepare draft for Discussion with SPC and I.O.	Investment Office SPC	A.1.2.1.1: 1 local expert in legal and administrative matters to work with the international expert in A.1.1.1.1: 2 m/m: 5,000 USD

<p>A.1.3: Round table discussion</p>	<p>A.1.3.1. Conduct Round table discussion on the draft with representative of relevant line Ministries</p>	<p>Investment Office SPC</p>	<p>A.1.3.1.1: Round table conference cost: 15,000 USD</p>
<p>A.2: Incentives and project selection criteria:</p>	<p>A.2.1: Final Draft lists for Discussion with SPC, IO and Ministry of Finance</p>	<p>SPC, Investment Office in conjunction with Ministry of Finance</p>	<p>A.2.1.1: 1 international expert in tax reforms for 22 w.d.: 8 750 USD</p>
<p>A.3: Final Draft law for the Syrian Investment Authority (SIA)</p>	<p>A.3.1.1: Discuss Final Draft with SPC and Investment Office and produce final draft</p>	<p>Investment Office UNDP Expert, SPC</p>	<p>A.3.1.1.1: 1 international expert in institutional building (investment promotion), to finalize work done under PA 11 w.d.: 5 700 USD</p>
<p>A.3.2.: Internal byelaws of SIA with detailed organizational structure and staffing Requirements.</p>	<p>A.3.2.1: Prepare draft byelaws and discuss them with SPC and Investment Office.</p>	<p>Investment Office SPC</p>	<p>A.3.2.1.1: 1 International expert in legal and administration matters 22 w.d.: 8,750 USD</p> <p>A.3.2.1.2: 1 local expert to work with above 1m/m: 2,500 USD</p>
<p>A.4: Technical support to the parliament for passing The new laws.</p>	<p>A.4.1: Prepare the arguments to be presented to Parliament in support of the new Laws</p>	<p>Investment Office SPC</p>	<p>A.4.1.1: 1 Local legal expert to work with international expert under A.3.1.1.1 and A 3.2.1.1: 11w.d.: 2,000 USD</p>
<p>A.5: Promotion of the new laws within Syria and abroad</p>	<p>A.5.1: Prepare a public awareness campaign to explain the advantages of the new laws, their beneficiaries, and the implementation procedures internationally and locally</p>	<p>Investment Office SPC</p>	<p>A.5.1.1: International communication company in association with local advisors, Budget: 200 000USD</p>
<p>A.6: Technical support to review and amend existing Laws affecting investment</p>	<p>A.6.1: Review and amend existing legislation on Tax administration, Companies Law, Accounting standards, and Intellectual Property Rights</p>	<p>Investment Office SPC</p>	<p>A.6.1.1: 1 International expert for 2 months: 12,000 USD</p> <p>1 National expert for 2 months: 6,000 USD</p>

<p>B.2.2: Equip the Investment office with IT Hardware and Software</p>	<p>B.2.1.3.: Conduct on the job training for all professional staff</p>	<p>B.2.1.1.: Purchase equipment and software to be installed and working Estimate: 130,000 USD</p>	<p>Investment office UNDP, SPC,</p>
<p>B.3: Refurbish existing offices And redecorate them to International standards.</p>	<p>B.2.2.1: Prepare bidding documents, supply and install equipment and software programmes based on output of task B.2.1.1 Development of Website</p>	<p>B.3.2.1.: Execute works Estimate: 150,000 USD (including local engineering consultant)</p>	<p>Investment office, UNDP, SPC</p>
<p>B.4: Implement the internal structure of SIA</p>	<p>B.4.1.1.: Prepare profiles of international experts based on output of A.3.2.</p>	<p>B.3.2.2: Purchase office furniture: 50,000 USD</p>	<p>B.3.2.3: Purchase vehicle: 25,000 USD</p>
<p>B.4.1: Implement the organizational structure of SIA consistent with the new Investment Promotion Law, the law for SIA and the byelaws of SIA Prepared under output A.</p>	<p>B.4.1.2.: Recruit international experts to work within the SIA as counter parts to local staff Total: 7 professionals for 12 month (Duration will be defined upon need)</p>	<p>B.4.1.1.1.: 1 international expert in human resources for 15 w.d.: 6 300 USD</p>	<p>B.4.1.2.1: 7 professionals recruited as international experts. 4 Department (Directors x 12 months = 48 mm @ 7700 \$ = 369 600 USD; + 3 Unit Managers x 12 months = 36 mm @ 5 900 \$ = 212 400 USD) 84 mm : 582 000 USD</p>
<p>B.4.2.: Conduct 2 Workshops for SIA and ministries affected by the new laws and procedures to ensure</p>	<p>B.4.1.3: Recruit gender expert to conduct Institutional gender analysis</p>	<p>B.4.1.5.1: 1 local gender expert 1 month: 2,000 USD</p>	<p>B.4.1.5.1: 1 local gender expert 1 month: 2,000 USD</p>
<p>B.4.2.1.: Plan and hold a series of workshops with line ministries of industry, tourism, transport, agriculture, local administration, finance and private sector</p>	<p>B.4.2.1.: Plan and hold a series of workshops with line ministries of industry, tourism, transport, agriculture, local administration, finance and private sector</p>	<p>B.4.2.1.1.: 1 international expert to support the National Project Director in running the workshop and resolving issues.</p>	<p>SIA and UNDP</p>

<p>A.7: Policy review in support of MDGs</p>	<p>A.7.1: Ensure the compliance to MDGs with all policies/regulatory framework, including study the impact of FDI to employment and poverty in Syria</p>	<p>Investment Office SPC</p>	<p>A.7.1.1: 1 National experts for MDGs report: 2 month 5,000 USD</p>
<p>B: Institutional strengthening of Investment Promotion</p>			
<p>B.1: Prepare and implement professional training seminars for the existing Investment Office:</p>			
<p>B.1.1: Implement language skill training</p>	<p>B.1.1.1.: Conduct training Courses</p>	<p>Investment office and Language Institution</p>	<p>B.1.1.1.1.: In-house training if possible (Quote to be obtained from British Council) 6,000 USD</p>
<p>B.1.2: Professional Training Seminars for investment Promotion activities.</p>	<p>B.1.2.1.: Conduct professional trainings for Promotion, One-stop shop, Statistics etc based on the needs identified B.1.2.2.: Conduct 2 - 3 day workshop I for Management and 1 for Staff Members.</p>	<p>Investment Office SPC Investment Office SPC</p>	<p>B1.2.1.1.: 1 international expert in investment promotion and management, 22 w.d.: 8,750 USD B1.2.2.1.: 1 international expert in capacity building and management 22 w.d.: 8,750 USD</p>
<p>B.2: Design and implement IT Systems and train staff and Management of IO:</p>			
<p>B.2.1: Training in IT, including information systems, LAN, Internet.</p>	<p>B.2.1.1.: Design an internal management information system, other systems required for each department and specifies hardware and software requirements. B.2.1.2.: Define training needs for management, professional staff and support (Secretaries, Diwan)</p>	<p>Investment Office UNDP, SPC</p>	<p>B.2.1.3.1.: 1 local expert in training on IT systems and</p>

<p>coordination with SIA</p>	<p>chamber of commerce and industry.</p>	<p>22 w.d.: 8,750 USD</p>
<p>B.4.3.: Arrange for study tours of key staff to successful IPAs</p>	<p>B.4.3.1.: Organize 4 study tours of 1 week each for director, deputy director and 4 department managers</p>	<p>SIA and UNDP</p> <p>B.4.3.1.1.: provide logistical support and expenses: 84,000 USD</p>
<p>B.4.4.: Equip the SIA office with IT Hardware and software, To complement the equipment installed under output B.2.2</p>	<p>B.4.4.1.: Streamline whole process through automation with necessary software</p>	<p>SIA and UNDP</p> <p>B.4.4.2.: Purchase equipment/software to complete Estimate: 20,000 USD</p>
<p>B.4.5: Feasibility study for establishing SIA branches</p>	<p>B.4.5.1: Conduct study for establishing SIA branches in other governorates per regional level, assess the needs in IT, premises, HR, identify the role, mechanism and linkage with the main office</p> <p>B.4.5.2: Undertake comparative assessment with similar experience in overseas.</p> <p>B.4.5.3: Costing the plan of 2 pilot center in North (Aleppo) and East (DeirEzZor) and total costing based on the pilots.</p>	<p>SIA and UNDP</p> <p>B.4.5.1.1: 1 International expert and 1 National expert to conduct the study: 20,000 USD</p>
<p>B. 4.6: Enhancement of process between SIA and line ministries</p>	<p>B.4.6.1: Conduct study of process function between One stop shop and line ministry, investigate alternatives.</p>	<p>SIA, UNDP, Concerned Ministries</p> <p>B.4.6.1.1: 1 International expert to conduct study: 20,000 USD</p>
<p>B. 4.7: Pilot studies</p>	<p>B.4.6.1: Conduct pilot study for Database of raw material market supply</p> <p>B.4.6.2: Conduct pilot study for Investment Observatory</p> <p>B.4.6.3: Conduct pilot study for Investment</p>	<p>SIA and UNDP</p> <p>B.4.6.1.1: 1 International expert to conduct study: 15,000 USD B.4.6.1.2: Software for Database: 10,000 USD</p> <p>B.4.6.2.1: 1 International expert to conduct study: 15,000 USD</p> <p>B.4.6.3.1: 1 International expert to</p>

<p>Map</p>	<p>conduct study: 15,000 USD B.4.6.3.2: Software for Database: 10,000 USD</p>			
	<p>Total Programme Budget: 1,622,500 USD</p>			
	<p>GMS 70,313 USD</p>			
	<p>Total Budget: 1,622,013 USD</p>			

ANNEX B: Work Plan for 2006 & 2007 (Option3)

Output A: Strengthen Legal and Regulatory Framework for Private Investment									
Sub-activities	Indicator	Targets 2006				Targets 2007		Responsible person/unit	Cost USD
		Q1	Q2	Q3	Q4	Q1	Q2		
120 200									
A1-0	Project team in place	X						IO, SPC	94 500
A1-1	Finalize Draft prepared under Project Preparation	X						Consultant	5 700
A1-2	Prepare Executive Regulations to implement the Law	X						Consultant	5 000
A1-3	Round table discussion with stakeholders	X						IO	15 000
8 750									
A2-1	Finalize lists prepared under PA	X						Consultant	8 750
16 950									
A3-1	Finalize Draft prepared under PA	X						Consultant	5 700
A3-2	Prepare Internal Bylaws of SIA and detailed organizational structure with staffing requirements	X						Consultant	11 250
2 000									
	Prepare arguments for SPC	X						Consultant	200 000
	Plan for media campaign		X					Project team, Specialized firm	200 000
	Draft for discussion with SPC	X						Project team, Consultant	18 000

B3-2-2	Purchase Furniture	X							IO	50 000
B3-2-3	Purchase Vehicle	X								25 000

808 050											
B4-1	Implement the organizational structure of SIA as per the new law and the bylaws prepared under Output A									UNDP, SIA	
B4-1-1	Prepare a detailed chart showing positions to be filled by either international experts or local employees based on an assessment of local staff capacity and output A3.2	X								Consultant	6 300
B4-1-2	Recruit international experts to work with SIA as counterparts to local staff over 12 months	X	X	X	X					UNDP	582 000
B4-1-3	Recruit gender expert		X							UNDP	2 000
B4-2	Conduct 2 workshops for SIA and ministries affected by new laws to explain implementation procedures	X	X							Consultant	8 750
B4-3	Arrange for Study tours of senior staff to successful IPAs			X						UNDP, SIA	84 000
B4-4	Equip the SIA office with IT hardware and software, to complement equipment supplied under output B2-2-2	X								Consultant, SIA Contractor	20 000
B4-5	Conduct feasibility study for establishing branches					X	X			Consultant	20 000
B4-6	Enhance the process between SIA and line ministries	X	X								20 000
B4-7	Pilot studies		X	X						UNDP, SIA Consultant	65 000
										Total Cost B	1 191 550
										Total Project Cost	1 562 500
										GMS	70,313
										Total	1,632,813

ANNEX C: Terms of Reference for the National Project Director and 4 Department Directors of the Syrian Investment Authority

TOR for National Project Director

I. Background: The candidate shall work as National Project Director to provide support to the SPC/UNDP projects which aims to enhance the investment environment in Syria by strengthening the legal and institutional frameworks of private investment with a view to attract Foreign Direct Investment, increase employment and raise incomes

II. Objective: The candidate shall work as National Project Director to provide support to the SPC/UNDP projects which aims to enhance the investment environment in Syria by strengthening the legal and institutional frameworks of private investment with a view to attract Foreign Direct Investment, increase employment and raise incomes.

III. Responsibilities:

1) Management:

- a) Assume operational management of the project in consistency with the project document and UNDP rules and regulations including policies and procedures for nationally executed projects;
- b) Manage project staff;
- c) Ensure that UNDP rules and regulations are implemented in all projects' activities, procurement and recruitment cases and others;
- d) Participate in all project meetings and annual reviews;
- e) Liaise with UNDP programme officer on daily/weekly basis to ensure proper monitoring and realizing results;
- f) Support resource mobilization efforts to increase resources in cases where additional outputs are required;
- g) Support to media/communications work of the project;
- h) Ensure that UNDP is invited to all stake holder meetings.

2) Technical

- a) Assume overall responsibility for the successful execution and implementation of the project towards achieving the outputs.
- b) Prepare annual and detailed quarterly work plans;
- c) Obtain approval on quarterly work plan during its preparation from UNDP and present the final work plan to the Project Steering Committee for approval.
- d) Plan and arrange, in consultation with UNDP, the procurement of project services in line with laid out process;
- e) Share with UNDP draft document and outputs for comments, as well as final products.
- f) Direct Management of output A, (the legal and regulatory framework), in coordination with the Director and Assistant Director of the Investment Office;
- g) Technical supervision and guidance to the department directors of the current IO and, subsequently, to the envisaged Syrian Investment Authority (SIA)
- h) Allocation of resources within the IO and eventually SIA;;
- i) Monitoring the progress of each department and evaluating the performance of the department directors and unit managers, and
- j) Reporting to SPC and UNDP on progress and problems to be resolved;

3) Financial

- a) Act on behalf of the executing agency in preparing and adjusting commitments and expenditures.
- b) Act as the sole authorizing officer for all project financial transactions (i.e. approve all financial expenditures and sign all direct payments.)
- c) Authorize commitments of resources and expenditures for inputs including staff, consultants, goods and services and training
- d) Hold Responsibility for delivery of project's services and achieving annual financial delivery targets;

- e) Manage the project resources e.g. vehicles, office equipment, furniture and stationery procured under the project and maintain asset register;
- f) Ensure that appropriate accounting records are kept and organized;
- g) Facilitate and cooperate with audit requirements at all times, as required.

4) Reporting

- a) Prepare draft technical and other documents as required including the reporting on the following requirements:
 - Monthly and quarterly technical reports of progress on project activities and financial statements of expenditure for the project.
 - Annual project reports (APRs) and a Terminal Report at the end of the project in line with UNDP's formats.
 - Final financial report at the end of the project.
 - Technical, policy and briefing papers as requested by UNDP and the executing agency.
 - Any documents needed for the TPR meeting.

5) Facilitation

- a) Ensure that UNDP's name is mentioned in all publications, workshops, and project's activities;
- b) Serve as the focal point of the project for coordination of the project activities with UNDP, the Government and other partners on behalf of the project;
- c) Ensure that the Government inputs for the project are available;
- d) Lead efforts to build partnerships for the support of outputs indicated in the project document;
- e) Any other business as required.

IV. Reporting Line: - Contractually to the UNDP Resident Representative.

- Technically to the executing agency and UNDP (Steering Committee).

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V. Evaluation: Renewal of contract will be based on satisfactory midterm and final performance evaluation by UNDP and the executing agency.

VI. Duration of Contract: One year renewable

IX. Qualifications:

The candidate must have a degree in Business, Finance, public relations, or communications with minimum 10 years of experience in a relevant field, and:

- Specific experience with UNDP and knowledge of its procedures is a plus.
- Ability to exercise judgment and discretion in dealing with sensitive matters.
- Strong Team leadership qualities, management, communication and interpersonal skills.
- Experience with training courses

a) **Education:** Higher degree in Economic, Finance, Business, Law and equivalent

b) **Experience:** 15 years of relevant experience at the national or international level in providing management advisory services, hands-on experience in design, monitoring and evaluation of development projects. Experience in the usage of computers and office software packages (MS Word, Excel, etc.)

c) **Language Requirements:** Fluency in spoken and written English and the national language of the duty station.

d) **Other Qualifications:** Good communication and presentation skills.

DRAFT TERMS OF REFERENCE

**Director, Investment Promotion Department
Syrian Investment Authority (SIA)**

Project Output B4: Implement the internal structure of the new Syrian Investment Authority

Duration: 12 months

Duty station: Syria

Duties and responsibilities

Under the full supervision and monitoring of the National Project Director, the Director is responsible for managing the Investment Promotion Department as outlined in the Law of the SIA and the related internal Bylaws (output A3 in the Project Document) including three main functions to be performed by separate Units: the one-stop shop, servicing investors throughout the investment cycle; the image building function consisting of diffusing an attractive but realistic image of Syria's investment environment, and, establishing a direct communication channel with expatriate businessmen to inform them of the various investment opportunities which may interest them. Responsibilities to include

1. Develop a work plan for each Unit, including a business plan which specifies targets to be achieved within one year;
2. Monitor the performance of each Unit within the Department and provide guidance to unit managers as necessary;
3. Prepare an Awareness campaign with the assistance of a specialized public relations company to promote the investment incentives and opportunities included in the new Investment Law and the functions of the SIA, as outlined in the Project Document (output A5);
4. Establish offices for SIA outside Syria, and appoint representative agents as and when necessary.
5. Plan for and implement investor's conferences within Syria and abroad to generate investor's interests and promote partnerships between local and foreign investors.

Qualifications:

1. A minimum of 8 years proven practical experience in marketing, and public relations.
2. A University degree in marketing, public relations or communication;
3. Proven ability to communicate with local and foreign business people
4. Good command of written and spoken Arabic and English, and
5. Capacity to develop investors' relationship.
6. Proven leadership and communications skill.

TERMS OF REFERENCE

Director, Policy Advisory Department Syrian Investment Authority

Project Output B4: Implement the internal structure of the new Syrian Investment Authority

Duration: 12 months

Duty station: Syria

Duties and responsibilities

Under the full supervision and monitoring of the National Project Director, the Director is responsible for managing the Policy Advisory Department in accordance with the functions outlined in the Law for SIA and the related internal Bylaws (Output A3 in the Project Document). The main function of the department is to prepare strategic studies on the comparative advantages of specific sectors in Syria, provide government policymakers with ongoing feedback regarding investor requirements and concerns and recommend, from time to time, amendments to laws, regulations and administrative procedures, including incentives, to assure investors that Syria is competitive compared to other countries in the region. Responsibilities include:

1. Monitor investors performance in Syria and detect potential obstacles to businesses;
2. Maintain an up to date data base on incentives offered to investors in surrounding countries and techniques used in investment promotion;
3. Review investment promotion and guarantee agreements between Syria and other countries and provide comments to government;
4. Ensure that incentives offered to investors in specific sectors are in line with the Five Year Plan prepared by SPC;
5. Manage consultants work on the review of laws affecting the investment environment in Syria, as outlined in the Project Document (output A6);,and
6. Make recommendations to government on the need to amend existing laws, regulations and procedures to ensure that Syria remains attractive for FDI and local investors.

Qualifications:

1. A minimum of 8 years proven practical experience in management of similar assignment,
2. A professional qualification in Law, Public Administration, or related fields;
3. Thorough and proven understanding of common business practices,
4. Good command of written and spoken Arabic and English.

PART 1 TERMS OF REFERENCE

Director, Operations Support Department Syrian Investment Authority

Project Output B4: Implement the internal structure of the new Syrian Investment Authority

Duration: 12 months

Duty station: Syria

Duties and responsibilities

Under the full supervision and monitoring of the National Project Director, the Director is responsible for managing the Department in accordance with the functions outlined in the Law for SIA and the related internal Bylaws (Output A3 in the Project Document). The main functions of this department are: the preparation of an annual business plan for SIA setting targets for the Authority as a whole, for each department/unit, and for individual staff; monitor and report progress on a regular basis to SIA's Board; develop and implement a personnel management system that would encourage professional quality and operation efficiency, and, organize necessary training to expand and update the skill base of existing staff, and conduct recruiting where major gaps exist. Responsibilities include:

1. Review and update the authority's core investment promotion strategy, and translate that strategy into annual business plans for implementation.
2. Setting performance targets for each department to be agreed upon within the authority, evaluated and approved by the Board, and submitted to the Government in summary form for information;
3. Develop and implement a monitoring system to help increase the efficiency of SIA's overall operation in compliance with the Monitoring requirements outlined in Part 4 of the Project Document, and,
4. Identify key human resource requirements and working with international and local consultants and local training organizations, organize necessary training to expand and update the skill base of existing staff, and conduct recruiting as necessary.
5. Work closely with the other operations department of SIA to perform the above duties.

Qualifications:

1. A minimum of 8 years proven practical experience in corporate and personnel management and public administration;
2. A professional qualification in Business Administration, Public Administration, or related fields;
3. Thorough and proven understanding of common business practices and human resource management;
4. Good command of written and spoken Arabic and English, and
5. Experience with training courses.

TERMS OF REFERENCE

Director, Investment Generation and BOT projects Department Syrian Investment Authority

Project Output B4: Implement the internal structure of the new Syrian Investment Authority

Duration: 12 months

Duty station: Syria

Duties and responsibilities

Under the full supervision and monitoring of the National Project Director, the Director is responsible for managing the Department in accordance with the functions outlined in the Law for SIA and the related internal Bylaws (Output A3 in the Project Document). The main functions of this department are: to select a few sectors in which FDI will be easiest to attract and offer the best potential for FDI in the country and attract offers from investors to implement specific projects identified by the government. Working closely with relevant line Ministries, develop terms and conditions for implementing specific infrastructure concessions (BOT or similar forms of contracts) where attractive commercial terms offered to investors are accompanied by regulatory controls to protect users and government interests, and finally, the department promotes these projects and conducts negotiations with investors to implement them as outlined in the bidding documents. Responsibilities include:

1. Identify sectors that would be attractive to foreign investors;
2. Getting approval from SIA's Board on the sectors selected with reference to the priorities of the Five-year Plan, and outlining the clear benefits that would accrue to government and citizens;
3. Prepare a list of criteria for infrastructure projects to be selected for implementation under BOT or similar concession contracts;
4. In close coordination with line ministries prepare tender documents including concession agreement, and request for proposals (RFP) for implementing specific projects;
5. Take the lead in evaluating offers received, and conduct final negotiations of the concession contract.

Qualifications:

6. A minimum of 8 years proven practical experience in infrastructure project management and negotiation for concession contracts,
7. A professional qualification in Engineering, Business Administration, Public Administration, or related fields;
8. Thorough and proven understanding of common business practices with emphasis on privatization
9. Good command of written and spoken Arabic and English, and
10. Proven ability to lead a multidisciplinary team of engineers, financial analysts, lawyers, environmental experts.