

# National Policy Dialogues for Reforms: Socio-Economic Policy Dialogue in Lebanon.

## Terms of Reference

LFPCP is recruiting a senior economist specialized in public policy with an emphasis on Tax policy reforms to draft a policy paper on the subject matter. The ideal candidate will have a strong background in finance, economics, policy analysis, and experience in researching and drafting impactful policy papers.

### **I. Reference Organization:**

Lebanese Foundation for Permanent Civil Peace (LFPCP)

### **II. BACKGROUND:**

Lebanon is currently undergoing one of the most complicated and severe economic crises of the century. Data from the World Bank (<https://www.worldbank.org/en/country/lebanon/overview>) reveals that more than half the country's population is likely already below the poverty line. Further, the unemployment rate has skyrocketed, and the currency depreciation has dramatically undermined the average household purchasing power, rendering the country in desperate need of economic reform. On the socio-economic level, chaos and numerous security incidents are sparking all over, this has led to rising crime rates especially in economically underprivileged areas of the country. According to EMBRACE's most recent report on mental health, there has been a surge in suicidal attempts, due to the crisis. However, despite the urgency of the situation, the internal political decision making in Lebanon remains crippled with serious political deadlocks. In fact, the pluralistic nature of the country, in addition to its system of governance, that rests fundamentally on the foundations of consociational democracy, require across-the-board consensus for any policy change to occur. However, the wide plethora of players involved renders the task of securing this consensus quite a challenging one, especially given the country's susceptibility to external geopolitical forces. Against this backdrop, high level socio-economic policy dialogue becomes of the utmost necessity, not only due to the urgency of the economic situation, but also due to the necessity of consensus building to the process of policy making in the country.

Nonetheless, amid Lebanon's long history of corruption, nepotism, and lack of trust among political rivals no dialogue can be successful without the presence of a trusted and unbiased third-party to guide this process and navigate the country's political peculiarities in such a way as strike a balance between wise diplomacy and strict commitment to soundness of economic principles, and methodologies.

Corruption and political instability remain the main causes of Lebanon's endless problems: Lebanese people have been calling for some serious political and economic reforms to stop this endless history of corruption, but their efforts were so far in vain. Reform oriented efforts in Lebanon require swift and decisive action.

In the immediate term, Lebanon needs to adopt and implement a credible, comprehensive and coordinated strategy. Over the medium-term, Lebanon has to prioritize building better institutions, as well as good governance and a better business environment, alongside a trusted mechanism built on transparency that works towards enhancing public decision making, improving the country's fiscal regime, and enforcing accountability of the entrusted decision makers.

Despite the most recent parliamentary elections (that have taken place on 15 May 2022) not much has changed. In these times of crisis, and within the spirit of LFPCP's overall commitment to tangible and actionable breakthroughs in the realm of policy making and economic reforms in Lebanon, this project lends itself as an instrumental stepping stone towards effective and constructive policy focused dialogue in the country.

In light of the political and economic situation detailed above, LFPCP embarked on this project Promoting dialogue around pressing policy issues among high level political figures in Lebanon.

The goal of this project is to

***“Enhance and strengthen political and economic policy dialogue, across high level, political stakeholders in Lebanon”.***

This comes in the attempt to provide inclusive, innovative and efficient means to work around the bottle necks blocking all hopes for reform in the country particularly in the realm of economics where reforms are most pressing.

The project targets high level political figures from different parties, affiliations and sects in Lebanon, as well as businessmen, union leaders, CSOs and academics.

Its primary goal is to enhance and strengthen political and economic policy dialogue across high level political stakeholders.

### **III. OBJECTIVE AND SCOPE OF WORK**

The primary objective of this consultancy is to support the LFPCP team in drafting an economic policy paper on Tax reforms in Lebanon. This policy paper is one of a four-part larger publication aiming to propose tangible policy solutions for economic recovery. The four themes for this publication have been selected after a thorough process of desk-based research, and dialogue with key stakeholders who ranked the proposed policy themes in order of importance, on the basis of several criteria, such as urgency of intervention, potential for breakthrough, and feasibility.

The Senior Expert will be responsible for conducting in-depth analysis, research, and drafting a comprehensive policy paper on reforming Tax policy in Lebanon. This project will play a crucial role in guiding policy recommendations and reforms in the country's economic and governance sectors.

The senior economist will work hand-in-hand with the LFPCP program management team and under the supervision of the project director throughout the project. After submitting the first draft of the policy paper, the senior economist is expected to present it to key stakeholders through a number of dialogue sessions among them. Subsequently, the senior economist is expected to revisit the policy paper in light of the findings, recommendations, and discussions extracted from the dialogue sessions, and resubmit a final draft ready for publishing.

### **IV. METHODOLOGY**

The expert will apply the following methodology:

The methodology used in a public policy research project aimed at reforming Tax policy in Lebanon should be comprehensive and rigorous to ensure the validity and reliability of the research findings. Here's an elaboration on the methodology:

#### **1. Desk Research:**

- literature Review: Conduct an extensive review of academic papers, policy documents, reports from international organizations, and relevant publications. This will help establish a solid theoretical foundation and gather insights into best practices in Tax policy reforms.

- Legal and Regulatory Review: Analyze existing laws, regulations, and policies governing Tax policy reforms in Lebanon. Identify gaps and areas for improvement within the legal framework.

## 2. Data Collection:

- Quantitative Data: Collect quantitative data on economic indicators, government expenditures, private sector investments, and other relevant financial information. This data may include historical and current economic and financial statistics.

- Qualitative Data: Conduct interviews, surveys, and focus groups with key stakeholders, including government officials, private sector representatives, civil society organizations, and experts in the field. Qualitative data is essential for understanding the practical challenges and opportunities of tax policy reform implementation.

## 3. Comparative Analysis:

- Compare Lebanon's existing tax policy reform initiatives with successful international case studies. Identify similarities and differences and draw lessons from international best practices that can be applied in the Lebanese context.

## 4. Expert Consultations:

- Collaborate with subject matter experts and consultants, if necessary, to gain additional insights and expertise in specific areas, such as legal reforms, financial structuring, or governance practices.

## 5. Stakeholder Engagement:

- Engage with a wide range of stakeholders through in person interviews, phone calls, and focus groups. Seek feedback and input from government officials, private sector representatives, and civil society organizations to ensure the research reflects the diverse perspectives and needs of key stakeholders.

## 6. Policy Development:

- Based on the research findings, develop evidence-based policy recommendations that address legal, financial, and governance aspects of Tax policy in Lebanon. Ensure that the recommendations are practical and actionable.

## 7. Policy Paper Writing:

- Compile the research findings, analysis, and policy recommendations into a comprehensive policy paper. Write in a clear and accessible manner, making complex economic concepts understandable to a non-technical audience.

This comprehensive methodology will ensure that the research project provides a sound foundation for policy development and helps guide the strengthening of Tax policy reforms in Lebanon based on evidence-based, actionable recommendations. It combines quantitative and qualitative research methods, draws from international best practices, and actively engages with stakeholders to provide a well-rounded understanding of the Tax policy reforms landscape in Lebanon.

## **V. TASKS TO BE PERFORMED**

### 1. Research and Analysis:

- Start by defining the scope of your research, specifying the aspects of tax reform you intend to investigate.
- Begin by collecting data from various sources, including reports, academic studies, and industry publications, related to tax reform in Lebanon.
- Analyze this data to identify trends, challenges, and opportunities. This may involve statistical analysis, data visualization, and case studies.
- Assess the current economic development status and the role of tax reform in driving economic growth.
- Examine relevant policies and regulations, understanding their impact on tax reform and economic development.

### 2. Stakeholder Engagement:

- Identify key stakeholders in Lebanon's tax reform efforts, including government officials, industry leaders, non-governmental organizations, and experts in the field.
- Organize key informant meetings (KIIs), interviews, or focus groups to gather their perspectives and insights on the challenges and opportunities in tax reform.
- Use online surveys and consultations to reach a broader audience and ensure inclusivity if needed.
- Compile and analyze the feedback and input received from stakeholders to inform your policy paper.

### 3. Data Collection, Modeling and Analysis:

- Select appropriate data sources and methodologies for data collection. This may include interviews, official government statistics, and data from relevant international organizations.

- Collect both quantitative data (e.g., GDP growth, tax revenue, investment in tax infrastructure) and qualitative data (e.g., success stories, barriers to tax reform adoption).
- Employ statistical analysis and modeling techniques if applicable to understand the relationships between different variables and assess the potential impact of proposed tax policies.
- Rely on visualizations, such as charts, graphs, and maps, to present your findings in a clear and understandable manner.

#### 4. Policy Development and Writing:

- Use the insights gained from your research, stakeholder engagement, and data analysis to formulate evidence-based recommendations for tax reform in Lebanon.
- Propose specific tax measures, legislative changes, and regulatory frameworks that can support economic development through tax reform.
- Ensure that your policy paper is well-structured with clear sections, including an executive summary, introduction, methodology, findings, recommendations, and conclusion.
- Write compelling arguments, supported by data and case studies, that can be easily comprehended by a non-technical audience.
- Highlight best practices from other countries or regions that could be adapted for Lebanon's context.

#### 5. Final Presentation:

- Prepare a presentation that summarizes the key findings and recommendations from your policy paper on tax reform.
- Create engaging and visually appealing slides or materials that can effectively communicate the main points to a diverse audience.
- Deliver the presentation to stakeholders, policymakers, and the public, emphasizing the importance and potential benefits of the proposed tax policies.
- Participate in a minimum of three dialogue sessions and one national round table meeting and be prepared to answer questions and provide additional information during the presentation to ensure a comprehensive understanding of your recommendations.

## VI. DELIVERABLES

1. The initial policy paper draft that incorporates the below listed sections. This paper should include an executive summary, an introduction, a review of the current state of Tax policy in Lebanon, policy recommendations, a discussion of their potential impact, and a conclusion. Below is a listing of the main sections required in the policy paper:
  - Literature Review Section: A comprehensive literature review report summarizing the existing academic and policy literature on Tax policy, economic development, and relevant governance models, with a specific focus on Lebanon.
  - Data Collection and Analysis Section: A report summarizing the data collection process, the sources of data, and the methods used for data analysis. This should include a summary of the key economic indicators, financial data, and legal documents examined.
  - Economic Assessment Section: An assessment of the current state of Tax policy reforms in Lebanon, including findings on sectors or industries with the most potential for growth and collaboration. This report may include recommendations for priority areas of focus.
  - Regulatory Analysis Section: A report analyzing the existing legal and regulatory frameworks governing Tax policy in Lebanon, identifying areas where improvements or revisions are needed. Recommendations for legal reforms should be included.
  - Policy Recommendations Section: A comprehensive policy paper that outlines evidence-based policy recommendations for strengthening Tax policy in Lebanon. This document should include specific legislative, financial, and governance recommendations, with explanations for each.
  - Qualitative Data Collected and Visualizations: Any economic models and data visualizations created to support the research findings and recommendations, along with a brief explanation of their significance.
2. Presentation for dialogue sessions: Any materials or presentations used to communicate the research findings and policy recommendations to stakeholders, including PowerPoint presentations, charts, and graphics.

3. Stakeholder Engagement Report: A summary of stakeholder engagement activity, in this case dialogue sessions, including feedback received from key stakeholders. This report should reflect the diversity of perspectives gathered and the consensus achieved throughout the dialogue session.
4. Comprehensive Policy Paper: A comprehensive final project report summarizing the entire research process, findings, policy recommendations, stakeholder engagement, and consensus reached during dialogue session. This report may serve as a guide for future research in this area.

## **VII. TIMELINE**

The assignment is expected to happen during the period from January 15, 2024 until December 15, 2024.

Due date for each deliverable will be established with Team Lead/Project Director according to the established schedule and requirements of project.

## **VIII. SKILLS AND COMPETENCES**

The successful candidate will have the following:

### Qualifications

- ⇒ A Ph.D. or Master's degree in Finance, Economics, Public Policy, or a related field.
- ⇒ Strong research and analytical skills, with a proven track record of policy research and development.
- ⇒ In-depth knowledge of Tax policy reforms, economic development, and governance.
- ⇒ Proficiency in statistical analysis and economic modeling software.
- ⇒ Excellent written and oral communication skills, with the ability to translate complex economic concepts into accessible language.
- ⇒ Experience working on public policy projects in Lebanon or the Middle East is a plus.
- ⇒ Demonstrated ability to engage with a wide range of stakeholders, including government officials, private sector leaders, and civil society organizations.

### General Experience



- ⇒ A minimum of 10 years working experience in public policy and economic reforms in Lebanon, or related field, ideally at senior level.

### Specific experience

- ⇒ Demonstrated experience in public policy and economic research, with demonstrated expertise in public private partnership policy issues
- ⇒ Deep understanding of the Lebanese legal, political and economic contexts,
- ⇒ Minimum 8 years of working experience in research agencies, a track record in the public sector or academia is a plus, with a special focus on public sector issues.

### **IX. HOW TO APPLY:**

Applicants should have a proven, long-standing experience in the area of the policy research, and a proficient level of Arabic and English.

Candidates who do not meet the stated criteria will not be considered in the application process.

*LFPCP is committed to equal opportunities and diversity of perspective at the work, regardless of gender, social background or personal situation.*

Interested candidates shall send the below requested documents to this email address: [info@lfpcp.org](mailto:info@lfpcp.org):

- 1) updated CV, including list of previous working experience,
- 2) Motivation Letter,
- 3) Sample of at least one work done in similar context (in English).

The deadline of submission of the application is November 25, 2023 at 5:00 pm.

Applications are accepted on a rolling basis. Only shortlisted candidates will be contacted.