

JOB DESCRIPTION

Position Title	Researcher on Case Study on Tax System (A lump-sum from USD 4,000 to USD 4,300)
Programme/Unit	Business Integrity Programme
Reporting to	Director of Programmes
Type of Contract	Consultancy
Duty Station	Phnom Penh Office, Cambodia
Starting Date	September 2016

1. Background

Transparency International Cambodia (TI Cambodia) is working together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia. Engaging the private sector on corruption issues is one of TI Cambodia's core strategic activities. Our Business Integrity Programme (BIP) is working directly with businesses to help them take action against corrupt practices and limit their exposure to the costs and risks associated with bribery and corruption. We also work with business associations and chambers to promote dialogue and best practices, facilitate exchange of information and support collective advocacy, in order to foster a clean business environment in Cambodia. TI Cambodia is currently developing a case study on the difficulties of being tax compliant from an anti-corruption perspective in Cambodia.

The Royal Government of Cambodia (RGC) has undertaken a series of reform aiming to improve the ease of doing business and to integrate informal businesses into the formal sector. Among others, a significant reform process has been carried out in the tax system, for instance, to eliminate the so called “estimated tax regime”. This reform has increased the pressure on companies to become more compliant and at the same time created some confusion due to lack of information combined with complicated procedures.

In the European Chamber of Commerce in Cambodia (Euro Cham)'s Business Survey (2015), 44% of the respondents identified challenges in navigating bureaucratic procedures and facing unfair competition (whereby tax-compliant businesses struggle to be competitive against non-compliant businesses). In addition, 54% identified transparency as the area that has least improved. The BIP has also received anecdotal evidence of corruption in relation to taxation from private companies. This anecdotal evidence is twofold: companies are pressured into corruption, and tax officials are offered significant bribes by companies who are not tax compliant. Given this background the BIP sees the need to gather more in-depth knowledge and to specify where corruption happens within the tax system. In the White Book (2016) the

European Chamber of Commerce in Cambodia has conducted an excellent analysis on tax system from a technical perspective outlining procedures that are “punishing” compliant companies. In addition to this technical analysis, the BIP seeks to highlight the corruption issues within tax system in order to improve the ease of doing business and to create a level playing field.

2. Rationale and Objective

In order to support businesses who are or seek to become tax compliant, corruption issues within the tax system need to be identified and highlighted. The case study will (i) describe the tax environment from an anti-corruption perspective, (ii) identify and analyse the different ways in which companies experience corruption and the impacts of corruption on the tax system, and (iii) together with respondents from private sector identify key recommendations to improve the tax system.

This research will be qualitative, based on in-depth interviews with senior staff members from private companies. The research will provide the necessary foundation to develop recommendations to the government, businesses and civil society to reduce corrupt practices in the tax system that are affecting the private sector in Cambodia.

3. Key Activities

The following activities are identified to achieve the objective of the research.

1. Desk research on the Cambodian Tax System, including recent reforms.
2. 7-10 In-depth interviews with companies on corruption in the Cambodia tax system
3. Identify and analyse corrupt practices in the tax system from both supply and demand side
4. Identify reform/policies that can reduce corrupt practices in the Cambodian tax system

4. Scope of Consultancy

The case study aims to highlight issues in the Cambodian tax system as a part of a bigger discussion on how to work for a level playing field. In addition the case study will serve as a base for further development of TI-Cambodia’s BIP and for concrete policy recommendations to institutions and enterprises in Cambodia. In a long-term perspective the research will serve as base for promoting partnerships and integrity alliances within stakeholders. The findings will also be presented at National Conference on Business Integrity in 2016. TI-Cambodia is seeking the services of a National Researcher to conduct the research to deliver the following activities:

1. In consultation with TI-Cambodia, develop action research plan defining objectives, work plan and deliverables.
2. Conduct desk and field research on corruption in the Cambodian tax system.
3. Analyse data and identify concrete policy recommendations.

4. Write report and present findings/recommendations to TI-Cambodia
5. Present research at TI-Cambodia's National Conference on Business Integrity in December 2016

5. Estimated Timeline

September 5, 2016: Develop research framework and methodology
September 16, 2016: Prepare data collection and test questionnaire
September 19 – 17 October, 2016: Data collection and Interviews
31 October, 2016: Present first draft of the case study to TI-Cambodia
7 November, 2016: Feedback on first draft
21 November, 2016: Deadline for final report

6. Deliverables

1. 7-10 In-depth interviews on corrupt practices in the Cambodia tax system, reforms/ recommendations on how to improve the system and to work for a level playing field.
2. Final ready to print report on Corruption in the Cambodian Tax System in Khmer and English, including concrete recommendations
3. Presentation of the report at TI-Cambodia's National Conference on Business Integrity in December

7. Qualifications

- Previous experience of private sector research
- Extensive knowledge and understanding of the business context and the complexity of business operations in Cambodia
- Strong knowledge of the Cambodian Tax System
- Fluency in English and fluency in Khmer is considered as an advantage;
- Be committed to TI Cambodia's core values and policy; and
- Possess an excellent inter-personal skill, be a result-oriented and creative person who requires minimal supervision.