

Terms of Reference for Local Consultant for Knowledge Sharing Program (KSP) between the Republic of Korea and the Dominican Republic

1. BACKGROUND

The Knowledge Sharing Program (KSP) is a demand-driven and policy-oriented consultation program, designed to share Korea's socio-economic development experience with partner countries by integrating research, consultation and capacity building in consideration of the needs, demands and circumstances of its partner countries.

2. PURPOSE

The purposes of this Terms of Reference are: 1) to clarify and stipulate the responsibilities of local consultants so that their expertise can contribute in achieving the expected objectives of KSP; and 2) to confirm that adequate and necessary data and information will be provided so that research and consultation can be carried out efficiently.

3. QUALIFICATIONS

- 3.1. Expertise in relevant policy areas
- 3.2. Practical working experience in relevant policy areas either in government and/or in the private sector
- 3.3. Proficiency in written and spoken English and good communication skills

4. RESPONSIBILITIES

- 4.1. **NAME** (hereinafter referred to as Local Consultant), **Position & Organization**, must take part in the production of a research report and make a presentation on the issues stated in the annex of the research plan.
- 4.2. The Local Consultant is required to participate in working group meetings (Launching video seminar in **November, 2020** and **Policy seminar in January or February, 2021**) with Korean experts to coordinate and discuss research and consultation materials.

- 4.3. The Local Consultant must participate in the Interim Reporting & Policy Practitioners' Workshop (to be held in **Korea in March or April, 2021**) and Senior Policy Dialogue & Final Reporting Workshop (to be held in **Dominican Republic in May or June, 2021**). **He/She** is also required to make presentations on research topics or provide comments at these workshops.
- 4.4. The Local Consultant must submit **his/her** interim report by February **5th, 2021** and his/her final report by April **25th, 2021**. The Local Consultant may revise the final report to fulfill his or her assignment written in the Annex upon the request of the Korean expert.
- 4.5. The date of submission above can be adjusted by mutual consent between TGN (Mr. Jinki Hong) and the Local Consultant.
- 4.6. Any other responsibilities not stated above should be decided through close consultation between Mr. Jin-ki Hong, **Korean Expert** and the Local Consultant.

5. REMUNERATION

- 5.1. Remuneration will be given to the Local Consultant participating in **2020/21** KSP for Dominican Republic, and the amount of remuneration will be determined based upon the degree of **his/her** contributions to the production of research reports within the agreed-upon budget between the MOEF (sponsoring organization of KSP) and Tantan Global Network (implementing organization of KSP).
- 5.2. Tantan Global Network (TGN) will pay the total amount of 3,000 USD to the Local Consultant. The amount of 1,500 USD shall be paid within **30 days following the signing of the contract** and the remaining 1,500 USD will be paid **within 30 days following the receipt of final report and upon certification by the Korean counterpart that the overall service has been completed.**
- 5.3. Should the Local Consultant **not complete his/her agreed activities, he/she will have to immediately pay back the advanced paid 1,500 USD to TGN.**

However, TGN can only **pay a portion of remuneration depending on the contribution of the local consultant** which will be determined by the Korean expert.

6. Reimbursable Expenses

6.1. Should the Local Consultant incur additional costs to participate in official KSP activities ¹, TGN could reimburse his or her travel expenses (transportation, accommodation, and meals) **to different city or different country** upon mutual agreement between TGN (Mr. Jin-ki Hong) and the Local Consultant. Reimbursable travel expenses shall be limited to **reasonable, allowable and necessary costs** to undertake the services defined in this terms of reference and should be **commensurate with the KSP regulation**.

The present TOR will come into effect from the date of its signing and will continue until the final report is completed and confirmed by the Korean counterpart.

I have read and understood the terms of reference of my contract, and I hereby agree to abide by them.

For
(NAME of Local Consultant)

For
Tantan Global Network

(NAME of Local Consultant)
(Position, Organization)

Dr. Hoyeol LIM, President,
Tantan Global Network

Date

Date

¹ Official activities are limited to Launching Seminar and High-level Meeting, KSP Policy Seminar & In-depth Study, Interim Reporting and Policy Practitioner's Workshop, Final Reporting Workshop and Senior Policy Dialogue. Additional activities other than this official program shall not be subject to this article.

ANNEX: Assignment for Local Consultant

I. Research Topic	Establishment of Industrial Policies to Foster High Value-Added Industries	
II. Principal Researcher	Jin-ki Hong	
III. Dominican Republic Researchers	NAME of Local Consultant	
IV. Research Outline and Team		
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2. Status of High Value-Added Industries in Dominican Republic	NAME of Local Consultant	
2.1 Status of Domestic Production	"	
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2.3 Spatial Distribution of High Value-Added Industries in Dominican Republic	"	
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3. Selection of Appropriate High Value-Added Industries for Dominican Republic	Jin-ki Hong	NAME of Local Consultant
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Note 1) LC would provide necessary data and research, if requested

V. Main Contents

1. Definition of High Value-Added Industries

This part explains the definition of high value-added Industries and their industrial classification. According to this definition and classification, the status of the industry will be analyzed and the industrial sectors that the Dominican Republic should focus on will be determined.

2. Status of High Value-Added Industries in Dominican Republic

2.1 Status of Domestic Production

In this part, the status of industrial production of high value-added Industries in the Dominican Republic will be analyzed.

2.2 Status of Overseas Export

In this part, the status of export of high value-added Industries in the Dominican Republic will be analyzed.

2.3 Spatial Distribution of High Value-Added Industries in Dominican Republic

In this part, we want to analyze how high value-added industries are distributed in the Dominican Republic.

2.4 Status of Corporate Support Agencies

This chapter seeks to obtain basic statistics to derive measures to foster high value-added industries through the analysis of the current status of corporate support agencies.

3. Selection of Appropriate High Value-Added Industries for Dominican Republic

3.1 Selection Criteria

In order to select high value-added industries suitable for the Dominican Republic, industry selection criteria such as locational factors will be suggested here. Selection criteria provide basic information to identify the appropriate high value-added industries that should be attracted for free export zones in Dominican Republic.

3.2 Evaluation Method and Selection Result

Using basic information from each selection criterion, screening matrix will be used to select appropriate high value-added industries. Screening matrix is a relatively simple technique for identifying industries that have the greatest potential for location or expansion in the free export zones.

3.3 Target Industries by Phases

Considering the life-cycle of products, the short-term and long-term strategies to foster high value-added industries will be suggested.

4. Case Study of Masan Free Trade Zone in Korea

4.1 Brief History of Free Trade Zone in Korea

Masan Free Trade Zone is the first foreign-only industrial complex set up in Korea under the Export Free Zone Establishment Act, which was promulgated in 1970. The Masan Free Trade Zone contributed greatly to the development of the Korean economy and the revitalization of Masan's economy by introducing advanced technologies and fostering exporters through attracting foreign investment. The Korean government has set up a free trade zone in Masan to promote exports, increase employment and improve technology through foreign investment.

4.2 Current Status of Masan Free Trade Zone

13 free trade zones are designated and operated in Korea, with a total area of 31.3km². Between 1970 and June 2017, FTZ attracted \$23.9 billion in reported amount and \$21.2 billion in foreign investment based on arrival amount, accounting for 0.8 percent of the country's total FDI. As of the end of June 2017, 20,912 workers were employed in the free trade zone.

4.3 Policy Implications

The Masan Free Trade Zone is considered the most successful of the world's export processing zones, with the number of foreign-invested companies accounting for 55.4 percent of the total. Starting with \$0.08 billion in 1971, it achieved high export performance of \$0.63 billion in 1980, \$1.41 billion in 1990, \$4.44 billion in 2000 and \$3.77 billion in 2010. In addition to technology transferred from multinational companies, technology diffusion that spreads to rival companies and related businesses has had a good

impact on the local economy and related industries. Located in the center of the industrial belt on the southeastern coast linking Ulsan, Busan and Gwangyang, Masan FTZ has been driving the early industrial development of South Gyeongsang Province and has contributed greatly to boosting regional income through job creation and transactions with offshore companies.

5. Policy Actions for expansion of Budget Execution through advanced public procurement in Indonesia

5.1 Establishment of Innovation Cluster

It should aim to develop into an innovation cluster centered on high value-added industries.

5.2 Improvement of Business Environment

It is necessary to develop and expand the industrial infrastructure in order to establish the physical infrastructure necessary for the development of the innovation cluster. It is also needed to shift the roles of FTZ Office and business association to enterprise support platforms in order to provide real services for resident companies and to strengthen intermediation and brokerage functions.

5.3 Promotion of Technology Development

To expand the technological capacity of resident companies, support for research and development activities of enterprises needs to be strengthened.