

IC VA template
Consultancy – International Consultant – Resource Planning

Date: 10 February 2017

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| Location: | <u>New York City, NY, USA</u> |
| Application deadline: | <u>15 February 2017</u> |
| Type of contract: | Individual Contract |
| Post level: | International Consultant |
| Languages required: | English |
| Expected start date: | Mid-February, 2017 |
| Expected Duration of Assignment: | 64 Working days |
| Requesting Unit: | UNDP, BMS/Office of Finance and Resource Management |

Objective:

The purpose of this procurement exercise is to contract an individual consultant to provide UNDP with an assessment of possible alternatives to the current use of GNI per capita and total population as the primary criteria supporting resource allocation calculation methodology, including the notional impact of revising current thresholds for determining individual country allocations.

1. Background

The UNDP integrated budget 2014-2017, approved by the Executive Board in its decision 2013/28 of September 2013, is presented in line with the harmonized approach agreed between UNDP, UNFPA, UNICEF and UN Women. It is a single integrated presentation on all regular resources-funded activities – area previously legislated through two distinct funding instruments – the institutional budget and the programmatic arrangements. This acknowledged the synergies and linkages between development and institutional results at country, regional and global levels and the associated resources requirements. The programmatic components play an integral role in helping UNDP achieve development results through the reconfirmation and funding of critical resource facilities through which regular resources are allocated in support of programme country needs and the objectives of the UNDP Strategic Plan.

The programmatic components of the integrated budget are governed by the principles and methodologies distributing regular resources to programme activities previously contained in the programming arrangements legislated by the Executive Board (see section EB documents and decisions below).

Several Executive Board decisions set the framework for the programmatic components of the integrated budget, including: (a) decision 2012/1, on the second review of the programming arrangements, 2008-2013; (b) decision 2012/28, on the programming arrangements, 2014-2017; (c) decision 2013/4, on the informal note on the programming arrangements presented at the first regular session 2013; (d) decision 2013/18, on the UNDP response to decision 2013/4, and (e) decision 2013/28 on UNDP integrated budget 2014-2017.

The programmatic components are underpinned by interrelated principles with respect to predictability, universality, and progressivity, reaffirmed in decision 2013/28. Predictability relates to the availability of sufficient regular resources to sustain the multilateral and universal character of

UNDP. Universality ensures that UNDP development resources and activities are available to support all eligible countries; progressivity focuses the distribution of regular programme resources to low-income and least developed countries.

Predictability and availability of regular resources, and flexibility in their allocation, are prerequisites to responding to the dynamic needs of programme countries.

Per above mentioned decisions, EB approved the current TRAC-1 assignment methodology for calculating country level TRAC-1 assignments based on GNI per capita, World Bank Atlas Method, and Population. This is in effect during the present, 2014-2017 Integrated Budget planning period.

Alternatives to the GNI per capita as the primary criteria in calculating TRAC-1 assignments should be analyzed and assessed to see if other indicators can be used, such as the HDI, or a hybrid of GNI per capita as primary criterion together with other indexes such as HDI.

2. Duties and responsibilities

SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK

With respect to the TRAC-1 calculation methodology, previously, preliminary studies were undertaken to explore different alternative criteria for regular programme resources allocation to programme countries. Various options were considered to include: (a) Gross National Income based on purchasing power parity (GNI PPP); (b) Size of population below the poverty line; (c) Human development index (HDI) and (d) A combination of some of the above criteria, i.e. HDI components used in conjunction with GNI per capita and population.

UNDP has also considered three other approaches: (i) percentage of the population under the international poverty line; (ii) the inequality-adjusted HDI; (iii) Human Poverty Index (HPI-1). Suggestions of additional criteria to be included in the model. This search will focus on, but will not be limited to, the HDI. The new HDI and the MPI will be analyzed, as well as other possible indicators. Any indicator considered for inclusion in the TRAC model will need to satisfy the following criteria:

Relevance: the indicator should be relevant to UNDP's mission. Special attention will be given to MDG or human development related indicators.

Coverage: the indicator should be available for all (or most) UNDP member countries. If the indicator is not available for a small number of countries, there should be a reasonable alternative method for estimating it.

Reliability: the indicators should come from a reliable source, such as a reputable international organization to ensure that they are consistent, comparable, and methodologically sound.

Periodicity: the indicator should be updated regularly, preferably on a yearly basis.

Pragmatism plays an important role into the selection process – more often than not, one will have to settle on a second or third best choice because the first choice doesn't meet all the necessary requirements.

Country classification thresholds and graduation criteria of the existing EB approved model for TRAC-1 eligibility will continue to apply for this analysis. This includes the bi-annual updates coupled with the 4-year average GNI per capita approach, noting the harmonized threshold for inclusion into TRAC-1 model.

Expected outputs and deliverables:

- Within the context of allocating regular programme resources in a more responsive and flexible manner in line with programme countries' development needs and UNDP's Strategic Plan, the consultant will review and analyze the relevance of the existing criteria. In so doing, the consultant will fully consider ongoing debates and established criteria and methodologies for defining and measuring poverty, human development and socio-economic inequalities.
- It is expected that several options containing pertinent, practical and justifiable alternative criteria and methodologies will be proposed. In this regard, the consultant will provide comparative analyses of resources allocations by country, region, income category (MIC and LIC), LDC status, using both - the existing criteria and the proposed options, and clearly highlight the pros and cons of each option. The consultant will also prepare the overviews with 2018-2021 TRAC-1 allocation scenarios across these perspectives.

Main outcome of the consultancy

The consultant will submit a final report containing the specific deliverables elaborated upon above. The report should consist of two components: (a) a technical section that details all technical analysis, scenarios and computations underlying the various options and scenarios, and (b) a key finding section that summarizes the substantive issues addressed, proposed options supported by sound business cases and practical recommendations for UNDP consideration. Prior to finalizing specific options, the consultant will hold a series of discussions within UNDP, to include BMS/OFRM, Regional Bureaux, BPPS and ExO.

Timeline

Phase 1: Final TOR and Contract Issuance (Begin-February).

Phase 2: Consultant on board and initial internal consultations conducted (Mid-February).

Phase 3: Consultant's Inception Report outlining key issues and proposed approach and methodology.

Phase 4: Draft report with preliminary options and business cases which have been informally vetted with OFRM, Regional Bureaux and Executive Board members (First week of March).

Phase 5: Feedback on preliminary options and business cases; preparation of draft report incorporating feedback from UNDP and stakeholders (mid-March).

Phase 6: Submission of final draft report by the consultant for UNDP final review (end-March).

Phase 7: Support during further internal and external consultations and possible follow-up work based on the feedback received (up to time of September 2017 Executive Board meeting).

3. Competencies

- Strong conceptualization and analytical skills, with the proven ability to apply these skills to develop coherent, quantifiable, and not overly complex resource calculation and distribution approaches for addressing high level development issues;
- Excellent communication skills, in particular in the area of practical, quantitative resource calculation and distribution methodologies in the area of development.

4. Required Skills and Experience

Academic qualifications:

- Advanced degree in economics coupled with strong knowledge of human development issues – mandatory requirement;

Years of experience:

- Knowledge of UNDP and other UN organization resources calculation and distribution methodologies – mandatory requirement;
- Proven experience in building and analyzing statistical and computerized models to include a full understanding of how different electronic databases and models inter-relate.
- Minimum 10 years of relevant work experience in practical, quantitative resource calculation and distribution methodologies in areas of development resource allocation with international organizations or governments at the national or international level – mandatory requirement;

Language:

- Fluency in written and spoken English is required.

Application Procedure

The application package containing the following **(to be uploaded as one file)**:

- Online application with brief description of why the Offer considers her/himself the most suitable for the assignment; and
- Personal CV or P11, indicating all past experience from similar projects and specifying the relevant assignment period (from/to), as well as the email and telephone contacts of at least three (3) professional references.
- The Financial Proposal is to be emailed as per the instruction in the separate email that will be sent to shortlisted candidates.

Note: The above documents need to be scanned in one file and uploaded to the online application as one document.

Shortlisted candidates (**ONLY**) will be requested to submit a **Financial Proposal**.

- The financial proposal shall specify a total lump sum amount, and payment terms around the specific and measurable deliverables of the TOR. Payments are based upon output, i.e. upon delivery of the services specified in the TOR, and deliverables accepted and certified by the technical manager.
- The financial proposal must be all-inclusive and take into account various expenses that will be incurred during the contract, including: the daily professional fee; cost of travel from the home base to the duty station and vice versa, where required; living allowances at the duty station; communications, utilities and consumables; life, health and any other insurance; risks and inconveniences related to work under hardship and hazardous conditions (e.g., personal security needs, etc.), when applicable; and any other relevant expenses related to the performance of services under the contract.
- In the case of unforeseeable travel requested by UNDP, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between UNDP and Individual Consultant, prior to travel and will be reimbursed. In general, UNDP should not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.
- If the Offeror is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under a Reimbursable Loan Agreement (RLA), the Offeror must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

Evaluation process

Applicants are reviewed based on Required Skills and Experience stated above and based on the technical evaluation criteria outlined below. Applicants will be evaluated based on cumulative scoring. When using this weighted scoring method, the award of the contract will be made to the individual consultant whose offer has been evaluated and determined as:

- Being responsive/compliant/acceptable; and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation where technical criteria weighs 70% and Financial criteria/ Proposal weighs 30%.

Technical evaluation - Total 70% (700 points):

- **Criteria 1.** Proven strong conceptualization and analytical skills, and excellent communication skills (including report writing – please include samples of reports). **maximum 250 points;**
- **Criteria 2.** Proven experience in building and analyzing statistical and computerized models to include a full understanding of how different electronic databases and models inter-relate; and knowledge of UNDP and other UN organization resources calculation and distribution methodologies.– **maximum 250 points;**
- **Criteria 3.** Education and years of relevant work experience in practical, quantitative resource calculation and distribution methodologies in areas of development resource allocation with international organizations or governments at the national or international level. – **Maximum 200 points.**

Candidates obtaining a minimum of 70% (490 points) of the maximum obtainable points for the technical criteria (700 points) shall be considered for the financial evaluation.

Financial evaluation - Total 30% (300 points)

The following formula will be used to evaluate financial proposal:

$p = y (\mu/z)$, where

p = points for the financial proposal being evaluated

y = maximum number of points for the financial proposal

μ = price of the lowest priced proposal

z = price of the proposal being evaluated

Contract Award

Candidate obtaining the highest combined scores in the combined score of Technical and Financial evaluation will be considered technically qualified and will be offered to enter into contract with UNDP.

Institutional arrangement

The consultant will work under the guidance and direct supervision of the Chief of Planning and Budgeting/OFRM/BMS/UNDP and will be responsible for the fulfilment of the deliverables as specified above.

The Consultant will be responsible for providing her/his own laptop.

Payment modality

- Payments are based upon output, i.e. upon delivery of the services specified above and deliverables accepted and upon certification of satisfactory completion by the manager.
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Annexes *(click on the hyperlink to access the documents):*

Annex 1 - [UNDP P-11 Form for ICs](#)

Annex 2 - [IC Contract Template](#)

Annex 3 – [IC General Terms and Conditions](#)

Annex 4 – [RLA Template](#)

Any request for clarification must be sent by email to cpu.bids@undp.org

The UNDP Central Procurement Unit will respond by publishing responses in the Procurement Notice Site [Procurement Notice 35640](#) including an explanation of the query without identifying the source of inquiry, to all applicants.

Additional questions:

- Can you confirm that you have 10 years of relevant work experience in practical, quantitative resource calculation and distribution methodologies in areas of development resource allocation with international organizations or governments at the national or international level?
- Are you a former staff of the UN/UNDP? If yes, please clarify the reason of separation.
- Are you a UN/UNDP retiree?