

Terms of Reference

GENERAL INFORMATION

Services/Work Description:	Consultancy Service for Technical Capacity Assessment of Ministry of Finance and Economic Cooperation (MoFEC)
Project/Program Title:	Capacity Development for Coordination
Post Title:	One international consultant
Consultant Level:	Senior specialist and above
Duty Station:	Addis Ababa
Expected Places of Travel:	N/A
Duration:	60 days
Expected Start Date:	Immediately after Concluding Contract Agreement

I. Background

Ethiopia has registered impressive socio-economic growth with an average annual real GDP growth of 11 for over a period of one decade. This rapid growth has lifted millions of Ethiopians out of abject poverty. Sustaining the progress achieved so far and realizing the vision of building middle income economy by 2025 requires strong institutions, political commitment and leadership at all levels. It also requires enhancing the coordination, leadership and delivery capacities of the government at all levels including federal, regional, woreda and local levels. The Ministry of Finance and Economic Cooperation (MOFEC) has huge responsibility of initiating policies to ensure sustainable and equitable economic development and macro-economic stability in the country. As per the Proclamation No. 691/2010, which redefines the power and duties of the Executive Organs of the Federal Democratic Republic of Ethiopia, MOFEC has the following major power and duties:

- initiate macro-economic and fiscal policies that particularly serve as a basis for taxes, and duties and follow-up the implementation of same;
- establish systems of budgeting, accounting, disbursement and internal audit for the federal government, and follow-up the implementation of same;
- Ensure the harmonization of systems of budgeting, accounting, disbursement and internal audit established at the levels of both federal and regional governments;
- prepare the federal government budget, make disbursements in accordance with the budget approved, and evaluate the performance of the budget;
- establish a system of procurement and property administration for the federal government and supervise the implementation of same;
- mobilize, negotiate and sign foreign development and loans, and follow-up the implementation of same;
- manage and coordinate the bilateral economic cooperation as well as the relationship with international and regional organizations set-up to create economic cooperation; follow up the impact of the same on the performance of the country's economy;
- be the depository of and safeguard the federal government's shares, negotiable and non-negotiable instruments and other similar financial assets;

To effectively deliver its mandates and play its leading role in socio-economic development planning and coordination, MOFEC should continuously strengthen its institutional, system and human capacities and improve them from time to time. In the past, MOFEC went through the Business Process Reengineering and provided short and long-term in-country and overseas training and educational opportunities for its staff. It also introduced new tools, systems, guidelines and procedures, which boosted its functions.

Going forward, MOFEC envisions becoming a champion public service ministry in Ethiopia in excellence and delivery. MOFEC would like to further strengthen its institutional capacity, put in place a robust human resource development strategy, which ensures availability of competent and adequate middle level managers and senior experts in each directorate. MOFEC also aims to modernize its operations and ensure provision of IT based corporate service provision and create conducive working environment for its staff. It would like to improve the efficiency, transparency and accountability standards of its procurement and property administration as well as the internal control system and become role model to other federal budgetary institutions. It will further improve its communication and partnership with federal institutions such as Revenue Authority, National Bank of Ethiopia, Commercial Banks of Ethiopia, The Central Statistical Authority, the Public Property Administration Agency, etc.

In light of these, MOFEC would like to recruit senior international and local consultant to undertake a technical capacity assessment. This technical capacity assessment complements other assessments such as the Corporate Service Delivery (CSD) Capacity Assessment that are currently ongoing. All these studies will serve as the basis for preparing a detailed capacity development plan specific to each Directorate of MOFEC commensurate to their mandates and functions.

II. Objectives of the Assignment

The overall objective of the assignment is to conduct rigorous assessment of the technical capacity of MOFEC, thus complementing, those areas which are covered by other ongoing assessments, and enable MOFEC deliver better services within its mandates and achieve its mission. The specific objectives of the assignment are clustered into four groups.

- (i) *Conduct technical capacity assessment:*
- (ii) *Identify technical capacity gaps.*
- (iii) *Formulate technical capacity development (CD) plan*

III. Scope of the Assignment and Tasks of the Consultant

- a) ***Developing Capacity Assessment tools:*** The consultant is expected to prepare fit for purpose assessment method and tools based on globally recognized capacity assessment framework. They are expected to submit the framework as part of their inception report and has to be validated before the assessment;
- b) ***Conduct capacity assessment:*** The assessment will be conducted using combination of methods and techniques defined in the framework. Methods such as desk review of mandates and functions, key informants' interview, focus groups discussions should be employed. Review of international best practices from other countries concerning the structure and function of finance and economic cooperation institutions also form an essential part of the

assessment.

- c) **Identify capacity gaps:** The comparison of desired capacities against existing capacities determines the level of effort required to bridge the gap between them and informs the formulation of a capacity development response;
- d) **Formulate capacity development plan:** Based on the capacity assets and needs identified, a capacity development program for each Directorate will be formulated. This is an integrated set of deliberate and sequenced actions (a combination of quick-impact initiatives (less than one year) and short- to medium-term (one year or longer) initiatives) embedded in a program or project to address the three guiding questions: 'capacity for why?', 'capacity for whom?' and 'capacity for what?' Among other things, the CD program is expected to include: the expected outputs, indicators, targets and cost of the program;

IV. Tasks of the Consultant

The focus of this assignment is largely on technical capacity. The consultant will work as part of a team of one international and one national consultant. The international consultant is the team leader and he/she is responsible for the quality and timeliness of the result of the assessment. The international consultant will be supported by the National consultant in the conduct of the study. The consultant is expected to undertake the following tasks:

1. **Lead the preparation of the Assessment framework and detailed work plan:** based on the objectives of the assessment, desired results and existing best practices, the consultants will prepare capacity assessment framework, which recognizes the multiple dimension of capacity assessment, as related to the technical capacity, while at the same time recognizing the ongoing CSD assessment. This framework ensures that capacity building should go beyond individual capacity (relevant skills and abilities) to include the overall organizational capacity, which goes beyond the scope of CSD, as well as the enabling environment which governs the interaction between MOFEC and other organizations, and enable effective utilization of technical capacity in the Ministry.
2. **Lead the conduct of Technical Capacity Assessment and identify gaps and challenges** related to core technical capacities at institutional and individual levels.
3. **Lead the design and development capacity development interventions:** The consultants are expected to design and outline capacity development modules by directorate. This will include a menu of options and measures to be deployed sequentially for building capacity at individual, systems and organisation level for implementing and for enabling the directorate to deliver high quality services.

V. Methodology and Approach

The capacity assessment will follow the UNDP capacity assessment frameworks and complemented by other globally recognized capacity assessment frameworks. Based on the applied framework, the consultants are expected to prepare assessment methods, processes and tools that can fit the context of MOFEC.

Capacity can generally be conceptualized as existing in three interrelated levels:

- The **enabling environment** describes the broader system within which individuals and organizations function and one that facilitates or hampers their existence and performance. This level of capacity is central to the understanding of capacity issues, as it determines the 'rules of the game' for interaction between and among organizations. Capacities at the level

of the enabling environment include policies, legislation, power relations and social norms, all of which govern the mandates, priorities, modes of operation of MOFEC and organizations it interacts with. This involves analysing the extent to which required rules, regulations, policies and procedures which allow an effective functioning MOFEC.

- The **organizational level** of capacity comprises the internal policies, guidelines, arrangements, procedures and frameworks that allow an organization to operate and deliver on its mandate, and that enables the coming together of individual capacities to work together and achieve goals. If these exist, are well-resourced and well-aligned, the capability of an organization to perform will be greater than that of the sum of its parts.
- The **individual level**, at which capacity refers to the skills, experience and knowledge that are vested in people. Some of these are acquired through formal training and education, others through learning by doing and experience.

The team is are expected to present the data collection methodology and approach including the sources to be used and the overall sequencing of the process in the inception report. The methodology should be participatory and consultative. It is expected that the assessment will be built around self-assessment processes as well as broad consultation to help validate, expand and improve the range of information collected. They are expected to deploy the following methods.

Document Review: The consultants will review documents, which define the mandates of the Ministry, each directorate including responsibilities of individuals in a given position. They will also review best practices from other countries and institutions in Africa and around the world in so far as it contributes to identification of an ideal Ministry of Finance. This will for example be important to identify the required organizational structure, evaluate the extent to which the existing structure is ideal or can be improved, and to establish the required typology, category and level of expertise.

Key Informants Interview: While the consultants may not be expected to conduct one-to-one interview meeting with all staff, they are required to conduct interviews with Directors, and selected experts to establish what is required, what is available and to establish the gaps. They will meet with relevant stakeholders and development partners, as deemed relevant by MOFEC and UNDP.

Focus Groups Discussion: The consultants may conduct FGD with the staff in cases where this method is deemed appropriate to obtain information.

VI. Key Deliverables

- a) An **inception report** including a work plan, detailed methodology, report format and timeline, to be submitted within 7 days after signing of the contract;
- b) Presentation of the inception report
- c) A **draft capacity assessment report with detailed capacity development plan** to be submitted within 45 days after the presentation of the inception report;
- d) Presentation of the draft capacity assessment report with detailed capacity development plan at a **validation meeting**, 7 days after submission of draft assessment report and capacity development plan;
- e) **Final consolidated capacity assessment report with detailed capacity development plan** to be submitted within 7 days after validation meeting;

VII. Duration and Time Frame

The duration and timeframe for the assignment will generally align to the key milestones in the table below:

#	Key Task	# of days
1	Desk Review and preparation of the inception report	5
2	Presentation of inception report	1
3	Desk review, data collection and analysis	20
4	Preparation of consolidated capacity assessment report and capacity development plan	25
5	Presentation of the capacity assessment report and capacity development plan	1
6	Finalizing the capacity assessment report and capacity development plan	8
	Total	60

VIII. Required Skills and Experiences

The consultant is expected to have the following skills and expertise:

- Advanced degrees in economics, development studies, social sciences or related discipline;
- Extensive knowledge of capacity building and organizational development in public sector.
- At least 7 years of experience working in organizational development/organizational needs assessment, capacity building in the specified area;
- Demonstrated experience in leading team of consultants.
- Experience/knowledge of Ethiopian public sector.
- Having worked in Ethiopia will be an advantage
- Excellent writing and communication skills in English;
- Strong interpersonal skills and the ability to communicate and work well with diverse people.

IX. Payment milestones and authority

The consultant will be paid the lump sum contract amount upon certification of the completed tasks satisfactorily, as per the following payment schedule:

Installment	Deliverables or Documents to be Delivered	Approval should be obtained from:	% of Payment
1 st Installment	An acceptable draft capacity assessment report and capacity development plan	MoFEC and UNDP	40%
2 nd Installment	An acceptable final capacity assessment report and Capacity Development Plan	MoFEC and UNDP	60%

Note that final payment is dependent on the completion of deliverables as well as hand-over notes and submission of the deliverables and subsequent approval by the core team drawn from NPC and UNCT.

X. Institutional arrangement

This consultancy assignment will be jointly managed by a core technical team drawn from the MoFEC and UNDP. The contract administration, coordination, and technical follow-up will be managed by UNDP. The MoFEC will provide technical advice and support at each stage of the assessment, appraise methodology and technical approaches, review draft results, and appraise and approve the final results of the study. The team shall report to the State Minister of External Cooperation for all technical aspects of this work.

XI. Confidentiality and Proprietary Interests

The Consultants shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy or the Government without prior written consent. Proprietary interests on all materials and documents prepared by the consultants under the assignment shall become and remain properties of the Government of Ethiopia.

All intellectual property rights in the work to be performed under this agreement shall be vested in the (MoFEC and UNDP), including without limitations, the right to use, publish, translate, sell or distribute, privately or publicly, any item or part thereof. Neither the Recipient Organization nor its personnel shall communicate to any other person or entity any confidential information made known to it by MoFEC and UNDP in the course of the performance of its obligations under the terms of this Agreement nor shall it use this information to private or company advantage. This provision shall survive the expiration or termination of this Agreement.

Data collected for the study is the property of the Government of Ethiopia/UN Country Team and (key steering committee members). Master versions of the data, coding protocols and programming code permitting replication of results of core evaluation reports will be kept by the UN Country Team.

XII. Evaluation criteria

Evaluation of prospective consultants will be made based on the following criteria.

11.1 Technical proposal will be rated out-of -----70%

- Educational qualification -----10%
- Methodology and understanding the content /scope of the assignment -----30%
- Individual competence and experience in similar work -----30%

11.2 Financial proposal will be rated out-of -----30%

XIII. General Conditions: Procedures and Logistics

- The consultant will not be provided with lodging and/or meals or DSA during any field visits for the research.
- The consultant will not be provided with office space by client. The consultant should be working from his/her own office facility in Addis Ababa and travel whenever needed for data collection using his/her own arrangement.
- The consultant should provide his/her own materials, i.e. computer, required software packages, get the relevant data for the analysis, office supplies, etc.