

Terms of reference



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GENERAL INFORMATION

Title: Research and Proposal Development Assistant

Project Names *Social and Islamic finance portfolio development*

Reports to: UNDP Program Manager for Climate Change, Environment Unit, UNDP Indonesia

Duty Station: UNDP Indonesia office in Jakarta

Expected Places of Travel (if applicable): N/A

Duration of Assignment: 102 working days within 6 months (April 2017- September 2017)

REQUIRED DOCUMENT FROM HIRING UNIT

<input checked="" type="checkbox"/>	TERMS OF REFERENCE
<input type="checkbox"/>	CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT, please select: (1) Junior Consultant (2) Support Consultant (3) Support Specialist (4) Senior Specialist (5) Expert/ Advisor
6	CATEGORY OF INTERNATIONAL CONSULTANT, please select: (6) Junior Specialist (7) Specialist (8) Senior Specialist
<input checked="" type="checkbox"/>	APPROVED e-requisition

REQUIRED DOCUMENTATION FROM CONSULTANT

<input checked="" type="checkbox"/>	P11 or CV with three referees
<input checked="" type="checkbox"/>	Copy of education certificate
<input checked="" type="checkbox"/>	Completed financial proposal
<input checked="" type="checkbox"/>	Completed technical proposal

Need for presence of IC consultant in office:

☐ partial (explain)

☐ intermittent (explain)

☒ full time/office based (requires a number of meetings in office to discuss design, progress, consultation logistics etc.)

Provision of Support Services:

Office space: ☒ Yes ☐ No

Equipment (laptop etc): ☒ Yes ☐ No

Secretarial Services ☒ Yes ☐ No

If yes has been checked, indicate here who will be responsible for providing the support services: < UNDP Indonesia

Signed by: Tomoyuki Uno, Programme Analyst – Environment Unit, UNDP Indonesia CO

I. BACKGROUND

Indonesia's economic development has resulted in overall GDP growth, but has not necessarily advanced inclusive economic development especially in rural areas. Yet, Indonesia has a growing social finance sector, which promises to bridge big finance and micro-enterprises, addressing inequality by helping private investors help the poor not as a form of charity but as an investment, which is ultimately more sustainable. Furthermore, Indonesia has a burgeoning Islamic finance sector, with Islamic banking assets nearly tripling in value from US\$8 billion in 2010 to US\$22 billion in 2014¹.

Improving the access to social finance and improving the economic development of the rural poor is one of President Joko Widodo's development agendas called 'Nawa Cita', consisting of nine priorities to realise his vision of national sovereignty in political, economic, and cultural arenas. Environmental degradation and national resource over-exploitation, as well as inequality and poverty, are identified as some of the underlying challenges to address in order to achieve the President's development vision for Indonesia. The nine development priorities are captured in the National Medium Term Development Plan for 2015-2019 (RPJMN 2015-2019) and promote financial access to farmers and small businesses. The Indonesian government has further instructed Indonesian financial institutions to support micro businesses development to encourage economic growth.

In July 2015, prior to the announcement of the Sustainable Development Goals (SDGs), world leaders gathered at Addis Ababa for the Third International Conference on Financing for Development. Following the four-day event, the United Nations released the Addis Ababa Action Agenda (AAAA), a document affirming global leaders' commitment to addressing the challenges of financing for development. One of the key messages of the AAAA was that funding from the public sector was not enough to finance the SDGs; UNCTAD estimated that the development shortfall was as large as \$2.5 trillion annually for key sustainable development segments. In order to help the public sector in financing development projects, the AAAA suggests a greater role for private sector funding. One way to do this is by leveraging blended finance, defined by the World Economic Forum as "the strategic use of development finance and philanthropic funds to mobilize private capital flows to emerging and frontier markets," aimed at channelling private investment to sectors of high-development impact while delivering risk-adjusted returns.

Islamic finance instruments can be a transformative force for unlocking resources to finance the Sustainable Development Goals given the immense needs for financing. In May 2016, the United Nations Development Programme (UNDP) and the Islamic Development Bank Group (IDBG) signed a Memorandum of Understanding (MoU), to strengthen the collaboration between the two leading development institutions, to support the effective implementation and achievement of the SDGs. Furthermore, the Global Islamic Finance and Impact Investing Platform was established by the Islamic Development Bank (IDB) and UNDP's Istanbul International Center for Private Sector in Development (IICPSD). The platform serves as a knowledge hub for promoting peer-learning and experience sharing, as a forum for policy dialogue and advocacy, and as a marketplace for deal sourcing and matchmaking.

Purpose

The project aims to explore new partnerships and vehicles for development. It will first analyse the social finance environment, establish connections between sector actors through platforms and a fund to stimulate and catalyse private investment. The project will also investigate the potential of Islamic finance as a tool for social and environmental development financing. All of these will broaden UNDP's portfolio and strengthen its role in facilitating the achievement of the SDGs.

Context and relevance of required services

In light of the development of these on-going projects, the UNDP Program Manager for Climate Change needs immediate support to maintain the current momentum and ensure both the rapid development and finalization of the project proposals as well as some initial work on starting off the projects. The projects are at a critical state where much legwork in terms of meetings, data

gathering and the preparation of documents in order to secure a successful outcome. Hence, temporary support is needed for data gathering and analysis, literature research, engaging with stakeholders, writing documents. The overall project will require three teams which will need to be guided and coordinated in order to achieve the set of objectives.

Key stakeholders on social finance are: BAPPENAS (Indonesian) Ministry of National Development Planning; OJK (Financial Services Authority)

Donor: Canadian Embassy, European Union, USAID, IDBG

Partners: Angel Investment Network in Indonesia (ANGIN), private investors such as impact and angel investors, IDB Indonesia

Upon arrival, Research and Proposal Development Assistant will receive access to several reports compiled by experts in the field of social finance. These reports map the social finance landscape in Indonesia and include all relevant information for operating and navigating in the environment.

II. SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES

Goal and objectives:

UNDP Indonesia is planning to expand its portfolio on social finance, and support the development of Indonesia's social finance sector, with the overall aim of increasing financing for social enterprises and strengthening their social/environmental impacts, thereby contributing to the achievement of the SDGs.

Objectives:

- 1) Elaborate studies and reports on social finance and gender
- 2) Setting up and coordinating a platform/connector database and online resources
- 3) Design and implement a blended finance fund
- 4) Develop a proposal on Islamic finance
- 5) Define and structure an impact investment monitoring framework for the SDGs

Expected Outputs and deliverables

The consultant is expected to work in close cooperation with the UNDP Program Manager for Climate Change over a period of 6-months to produce the following deliverables:

Deliverable 1: Report on the development and implementation of a proposal to work with IDB on priority projects. The report should include:

- Interactions with IDB concerning the drafting and reviewing of the proposal
- Collaboration with partners to set-up and implement the proposal

Deliverable 2: Report on progress made with studies and reports on social finance and gender.

The report should include:

- Tracked progress of the studies and actions taken to insure said progress.
- Coordination and liaison actions between the different experts and consultants in charge of writing the studies and reports
- Communications and updates with key stakeholders

Deliverable 3: Report on the support provided for setting up the platform, connector database and online resources aimed at enabling the Social finance ecosystem. The report should Include:

- Support provided to actors in their network towards the establishment of a well-functioning platform for social finance

- Coordination and liaison between stakeholders

Deliverable 4: report outlining the support provided to the design and set-up of a blended finance fund. The report should include:

- Coordination with stakeholders to develop a sound pipeline of Social Enterprises, social investors and donors
- Support provided for the identification of key partners for the financial design of the fund

Deliverable 5: Report on research and actions taken to develop a proposal on Islamic finance. The report should include:

- Interactions made with IDB and experts on the use of Islamic finance as a development financing tool
- Identified partners and donors
- A motivation for the angle and rationale of the proposal

Deliverable 6: Report summarizing the work accomplished towards the elaboration of an investment monitoring platform for SDGs. The report should include:

- How the platform will measure the social/environmental impacts of investments
- The motivations and rationale behind the proposed structure
- Interactions with experts and investors

Deliverables/ Outputs	Estimated number of working days	Completion deadline	Review and Approvals Required
1 st payment will be made upon submission and approval by UNDP of the report on the development and implementation of a proposal to work with IDB on priority projects.	17 days	30st of April 2017	Programme Manager for Climate Change
2 nd payment will be made upon submission and approval by UNDP of the report on progress made with studies and reports on social finance and gender.	17 days	31st of May 2017	Programme Manager for Climate Change
3 rd payment will be made upon submission and approval by UNDP of the report on the support provided for setting up the platform, connector database and online	17 days	30th of June 2017	Programme Manager for Climate Change

resources aimed at enabling the Social finance ecosystem.			
4 th payment will be made upon submission and approval by UNDP of the report outlining the support provided to the design and set-up of a blended finance fund.	17 days	31 st of July 2017	Programme Manager for Climate Change
5 th payment will be made upon submission and approval by UNDP of the report on research and actions taken to develop a proposal on Islamic finance.	17 days	30 th of August 2017	Programme Manager for Climate Change
6 th payment will be made upon submission and approval by UNDP of the report summarizing the work accomplished towards the elaboration of an investment monitoring platform for SDGs.	17 days	31 st of September 2017	Programme Manager for Climate Change

III. WORKING ARRANGEMENTS

Institutional Arrangement

The incumbent will report to the Program Manager for Climate Change, Environment Unit, UNDP Indonesia. She/he will also obtain guidance from UNDP CO on applicable formats and templates and ensure that his/her work is compliant with UNDP requirements.

The work is based in the UNDP Indonesia office in Jakarta although sporadically working remotely is possible if agreed by the Programme Manager for Climate Change. The work outlined in this TOR is expected to be carried out on a desk review basis with any additional information gained through electronic means. However, in the event that travel is necessary, all necessary costs will be borne by the project.

Travel Plan

There may be unforeseen travel that will come up during the execution of the contract which will be agreed on ad-hoc basis.

No	Destination	Frequency	Duration/days
1.	N/A		

IV. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Academic Qualifications:

Master's degree or higher in economics or development, natural sciences, environmental studies

Experience:

- A minimum 2 (two) years' experience on work related to social enterprises, social finance and social impact
- Demonstrated experience in interaction with various stakeholders
- Demonstrated expertise in economic research data analysis and writing

Competencies and special skills requirement:

- Have good interpersonal and communications skills;
- Ability to work independently and in a team;
- Fluency in English and good written communication skills.
- Good time management skills
- Ability to work on several issues and prioritize
- Previous work experience in Indonesia or other developing country and UNDP will be an advantage.

V. EVALUATION METHOD AND CRITERIA

Individual consultants will be evaluated based on the following methodologies:

Cumulative analysis

When using this weighted scoring method, the award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

a) responsive/compliant/acceptable, and

b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

** Technical Criteria weight; 70%*

** Financial Criteria weight; 30%*

Only candidates obtaining a minimum of 70 point would be considered for the Financial Evaluation

Criteria	Weight	Maximum Point
<u>Technical</u>		
• Criteria A: qualification requirements as per TOR:	40%	40

1. <i>Master's degree or higher in economics or development, natural sciences, environmental studies</i>		20
2. <i>A minimum 2 (two) years' experience on work related to social enterprises, social finance and social impact</i>		10
3. <i>Demonstrated experience in interaction with various stakeholders</i>		5
4. <i>Demonstrated expertise in economic research data analysis and writing</i>		5
• Criteria B: Brief Description of Approach to Assignment	60%	60
1. <i>Understands the task and applies an appropriate methodology for the task</i>		20
2. <i>Addressing Important aspects of the tasks (clear and sufficient details)</i>		20
3. <i>Logical and realistic planning with detail timeline to deliver the expected outputs</i>		20
