**Terms of Reference**

**International Consultant to undertake economic assessment for the implementation of Mongolia National REDD+ Finance and Investment Plan**

**Project title: UN-REDD Mongolia National Programme**

**Type of Position**: International Consultant to undertake financial and economic assessment of selected policies and measures for the implementation of Mongolia National REDD+ Finance and Investment Plan

**Type of contract**: Individual contract

**Duty Location**: Ulaanbaatar, Mongolia

**Reports to:** Chief Technical Advisor (CTA)

**Duration of contract**: 45 days over 2.5 months with one field assignment (20-days, including travel)

**Languages Required:** English

**Expected Start Date:** 15.08.2018

**Application deadline**: 10.08.2018

1. **Background**

The Government of Mongolia has recently committed to a green development path, notably through the creation of the Ministry of Environment and Tourism (MET), and the preparation and approval of the Green Development Policy and Mid-Term Programme. REDD+ has the potential to contribute to green development by protecting global environmental resources (forest carbon stocks and biodiversity), helping to reverse land degradation, promoting the improvement of rural livelihoods and aiding adaptation to climate change.

Mongolia is the first country with significant boreal forest cover to become a partner country of the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme). Mongolia has significant potential to reduce its forest carbon emissions, and enhance and sustainably manage its forest carbon stocks, through the implementation of REDD+ activities. Mongolia became a partner country of the UN-REDD Programme in June 2011 and has immediately taken steps to start implementing REDD+ readiness activities.

A Roadmap sets out how Mongolia will implement its REDD+ Readiness activities and develop a comprehensive National REDD+ Strategy in Phase 1 of REDD+. The Roadmap has four main outcomes, as follows:

* National REDD+ management arrangements established while ensuring improved stakeholder awareness and effective stakeholder engagement;
* National REDD+ strategy prepared;
* Forest reference emissions levels and forest reference levels developed;
* National forest monitoring system and safeguards information system developed.

1. **Objectives**

Under the direct supervision of the Chief Technical Advisor and overall technical guidance of the UNDP Regional Technical Advisor, and in close collaboration with a team of experts, the International Consultant, supported by a National Consultant, will be responsible for undertaking a comprehensive financial and economic assessment of policies and measures (PAMs, see also Annex J) under Component B (Mitigation of Greenhouse Gas Emissions through Reduced Forest Degradation) and Component C (Carbon Stock Enhancement and Sustainable Forest Management) of the proposed Mongolian REDD+ National Program and Action Plan. At a minimum, for each PAM a cost-benefit-ratio (B/C), the Net Present Value (NPV) will be estimated. The selected PAMs are expected to raise the value of the forest sector and increase the amount of resources flowing to and from Mongolia’s forests. Importantly, a healthier forest sector will intensify efforts to reduce emissions from wasteful and damaging operations and illegal activities. The assessment is designed to provide cost and benefits in monetary terms to determine the most cost-effective interventions under the PAMs.

1. **Scope of Work**

The proposed assignment requires close collaboration with core group members developing the National Action Program and Subnational Action Plans; as well as the National Consultant on Budget Planning and Policy.

The key elements of the assessment will include:

* Prepare an inception report (including a work plan), outlining key issues to be covered, the methodology and a consultation plan. The report must include a description of specific methodologies and a guiding note on mapping out the financial and economic assessment at the national and sub-national levels;
* In close collaboration with the stakeholders developing the National Program and Action Plan, identify costs and potential benefits of selected REDD+ PAMs, specifically:
  1. Reduced emissions from deforestation through enhanced forest protection measures (C/B analysis);
  2. Reduced forest degradation through better forest management, and forest protection and fire management (C/B analysis, investment plan);
  3. Enhancement of forest carbon stocks to reach desired growing stock levels in both protected and production forest (investment plan);
  4. Sustainable Forest Management that improves efficiencies and reduces waste during production (C/B analysis, investment plan, forest appraisal);
  5. Conservation of endangered ecosystem values in protected areas (investment plan);
* Construct a conceptual framework to assess the possible economic impact of the Mongolia’s National Program and Action Plan based on a set of proxy indicators to guide the economic appraisal. While the focus will be on the value of reduced emissions and enhanced removals, additional impacts include and might be valued in monetary terms:
  + Societal benefits of forest conservation and protection (theoretical value);
  + Benefit streams from sustainable forest management (from above d));
  + Employment opportunities in the timber business (estimate);
  + Income possibilities for forests user groups (estimate based on practical example);
  + Availability of Non-Timber Forests Products (estimate);
  + Timber supply (medium-term value);
  + Fuelwood supply (medium-term value);
  + Water supply from forests (theoretical value);
  + Permafrost protection (theoretical value);
  + Natural disaster risks (fire) (theoretical value based on practical example of forest appraisal); and
  + Pest outbreaks (theoretical value based on practical example of forest appraisal);
* Identify, describe and quantify:
  + Direct and indirect forest values (focus boreal forest);
  + Specific SFM-scenarios in real and nominal terms based on estimating inflation on costs and benefits (lower, middle and upper scenario);
  + Identify cost and benefits of major management models (to be determined in a workshop) for forests under different management systems (e.g. user groups, concession, etc.);
  + Identify risks and uncertainties associated with these scenarios, including through sensitivity analyses;
  + Facilitate discussions on key findings and carry out a national stakeholder validation workshop;
  + Produce a final report and Excel Sheets, taking on board comments received during consultations and the validation workshop.

1. **Expected output/deliverables**

The International Consultant will, in collaboration with a national consultant, deliver the following outputs:

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| --- | --- | --- | --- |
| **Deliverables/Outputs** | **Installment** | **Deadline** | **Condition for payment release** |
| **Inception Report**   * A detailed workplan; * Proposed methodology; * Structure of the deliverables and the delivery timeline; * Consultation plans; * List of the necessary inputs required from national experts and stakeholders. | 30% | August 24, 2018 | * Upon submission of the report with addressed comments from the UN-REDD and approval by CTA; * Receipt of invoice from the service provider. |
| **Assessment**   * Identifying costs and potential benefits of the selected REDD+ PAMs; * Constructing a conceptual framework to assess the economic impact of Mongolia’s National Program and Action Plan; * Identifying, describing, and quantifying direct and indirect forest values, specific SFM scenarios, cost and benefits of major management models, risks and uncertainties associated with the scenarios.   **Acceptance of Draft Report (for content, see final report)**  **Validation Workshop** | 20% | September 21, 2018 | * Upon submission of the report with addressed comments from the UN-REDD and approval by CTA; * Receipt of invoice from the service provider. |
| **Final Report**   * Conceptual framework and spreadsheets for assessing the possible economic impact of the Mongolia’s REDD+ National Program and Action Plan; * Direct and indirect forest values (focus boreal forest); * Specific SFM-scenarios in real and nominal terms based on estimating inflation on costs and benefits (lower, middle and upper scenario); * Cost and potential benefits of key PAMs (to be determined in a workshop) for forests under different management systems; and * Identified risks and uncertainties associated with these scenarios, including through sensitivity analyses; * Recommendations. | 50% | October 20, 2018 | * Upon submission of the report with addressed comments from the UN-REDD and approval by CTA; * Receipt of invoice from the service provider. |

**Note:** Instalments will be based on invoices on achievement of agreed milestones i.e. upon delivery of the services specified in the TOR and certification by the UNDP. While preparing your submission, please use the “Template for Confirmation of Interest and Submission of Financial Proposals” found on the right side of the procurement webpage for downloading. No costs other than what has been indicated in the financial proposal will be paid or reimbursed to the consultant.

1. **Institutional arrangements**

The International Consultant will carry out the assignment with the support of a national consultant and ensure that the work builds on the data collected at national level through the work on the REDD+ Action Plan, National Program and Sub-National plans.

The study will be carried out in parallel with the drafting of the National REDD+ Action Plan and National Program.

**Duration of the assignment**

The work will be undertaken over a period of up to 2.5 months in August to October 2018 with one field assignment.

**Duty station**

The duty station for this assignment is home-based with 1 travel to Ulaanbantaar, Mongolia.

1. **DEGREE OF EXPERTISE, Qualifications and COMPETENCIES**

**Technical work**

* Good knowledge of financial and economic appraisal of large investment programmes, public financial management, public-private partnerships
* Good knowledge of forestry, development and land use planning in developing country contexts;
* Relevant experience and training in environmental economics and experience of costing government strategies; Capacity to work with multiple stakeholders across a wide range of disciplines
* Demonstrated facilitation and coordination skills; and
* Demonstrated networking, team-building and organizational skills.

**Partnerships**

* Maturity and confidence in dealing with the staff of government and non-government institutions and private sector;
* Ability to seek and apply knowledge, information and best practices from multiple sectors;
* Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
* Excellent written communication skills, with analytic capacity and ability to synthesize relevant collected data and findings for the preparation of case studies and progress reports;
* Excellent leadership, coordination and team working skills; and
* Demonstrates commitment to UNDP’s mission, vision and values.

**Results**

* Promotes the vision, mission, and strategic goals of UNDP;
* Builds strong relationships with clients, focuses on impact and result for the client and responds positively to feedback; and
* Good team player who has ability to maintain good relationships.

**Qualifications**

* Post-graduate degree (preferably PhD) in natural resources economics, development economics, finance, or closely related field.
* A minimum of 10 years’ progressive experience in natural resource economics, especially forestry economics and management or a related field;
* Experience in studying land use dynamics, in areas concerning economics and financing;
* Relevant experience and training in environmental economics and experience of costing government strategies;
* Strong inter-personal skills demonstrated team leadership qualities and excellent oral communication skills.
* Experience in Asia pacific, including Mongolia is an advantage.
* Fluency in written and spoken English.

1. **Recommended Presentation of Offer**

The following documents should be provided:

1. **Letter of Confirmation of Interest** to conduct the assignment;
2. **Personal CV or P11**, indicating all experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references;
3. **Brief description** of why the individual considers him/herself as the most suitable for the assignment, and a proposed work plan and methodology on how they will approach and complete the assignment.
4. **Financial Proposal** that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs in USD.
5. **Criteria for Selection of the Best Offer**

Selection criteria is Combined Scoring method – where the qualifications will be weighted a maximum of 70%, and combined with the price offer which will be weighted a max of 30%. Criteria for technical qualifications is shown in Annex I.

1. **Approval**

This TOR has been verified by: Suhrob Kaharov, Operations Manager

Signature

Date of Signing:

This TOR is approved by: Beate Trankmann, United Nations Resident Coordinator and UNDP Resident Representative, Mongolia

Signature

Date of Signing:

1. **Annex – Scoring sheet**

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| --- | --- | --- | --- |
|  | Criteria | Weight | Max. point |
|  |
| **Technical criteria 1: Expertise of the International Consultant** | |  | ***[70]*** |
| a. | Post-graduate degree (preferably PhD) in natural resources economics, development economics, finance, or closely related field |  | *[10]* |
| b. | A minimum of 10 years’ progressive experience in natural resource economics, especially forestry economics and management or a related field |  | *[20]* |
| c. | Experience in studying land use dynamics, in areas concerning economics and financing |  | *[15]* |
| d. | Relevant experience and training in environmental economics and experience of costing government strategies |  | *[15]* |
| e. | Experience in Asia Pacific, preferably in Mongolia is desirable |  | *[10]* |
| **Technical criteria 2: Methodology** | |  | ***[30]*** |
| f. | Excellent proposed methodology and approach |  | *[30]* |
| **Technical Score** | |  | **100** |

Selection criteria is Combined Scoring method – where the qualifications will be weighted a maximum of 70%, and combined with the price offer which will be weighted a max of 30%. Candidates who successfully pass the screening process (80% of the technical qualification) will be called for an interview (20% of the technical qualifications).

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| ***Weight for technical criteria*** | |
| Weak: below 70% | The individual consultant/contractor has demonstrated a WEAK capacity for the analyzed competence |
| Satisfactory: 70-75% | The individual consultant/contractor has demonstrated a SATISFACTORY capacity for the analyzed competence |
| Good: 76-85% | The individual consultant/contractor has demonstrated a GOOD capacity for the analyzed competence |
| Very good: 86-95% | The individual consultant/contractor has demonstrated a VERY GOOD capacity for the analyzed competence |
| Outstanding: 96-100% | The individual consultant/contractor has demonstrated an OUTSTANDING capacity for the analyzed competence |

1. **Annex – Proposed PAMs of the Mongolia’s redd+ National program**

