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Annex 1
Terms of Reference
Individual Consultant (IC)

A. POST DETAILS

Post Title:	Individual Consultant to Support on the operationalization of the DFA roadmap”
Agency/ Project Name:	UNDP
Period of Assignment/ Services:	105 working days, December 2018 - June 2019
Country of Assignment:	Dili, Timor-Leste
Starting Date	1 December 2018

A. Project Description

Significant changes are taking place in the development finance landscape worldwide. Developing countries like Timor-Leste are going through transition in terms of mobilizing and managing resources - both domestic and external as well as public and private - to finance their development plans and aspirations. Timor-Leste has made a strong commitment to the achievement of the Sustainable Development Goals (SDGs). It is part of the High-Level Champion's Group for SDGs, and has officially endorsed the SDGs in a Resolution on 23 September 2015, making it one of the first countries. The United Nations welcomes the Government's strong commitment to the new development agenda and recognizes the Government's operationalization of the SDGs and its national launch.

Global policy and dialogue processes are also relevant to the country's efforts to achieve its national development goals and the SDGs. The Third International Conference on Financing for Development, held in Addis Ababa in July 2015, opened the discussions on how to mobilise the unprecedented amounts of financial resources that will be required to achieve the SDGs. The Addis Ababa Action Agenda (AAAA) assumes that countries will use their own national development strategies and plans to respond to the SDGs and calls for the adoption of Integrated National Financing Frameworks (INFFs).

The Development Finance Assessment (DFA) methodology was developed in response to demand from countries across the Asia-Pacific region and beyond to support policy and institutional reforms that help governments to more effectively manage financing policy for sustainable development results. DFA provides governments with data and analysis on changing trends in development finance and their

alignment with national priorities and results. It helps formulate recommendations for how institutions and systems can be strengthened to better enable government to manage different sources of development finance within a coherent framework, better supporting the implementation of national development priorities and the SDGs. Its core value is bringing together diverse actors around a collective assessment of the financing challenges and opportunities faced by each respective country.

Timor-Leste is on an important phase in its history. Following stabilisation and the consolidation of peace in the 2000s, the country developed a vision of their development path that it wants to follow in the Strategic Development Plan 2030, which is now in its second stage of implementation. Timor-Leste has used the wealth of its natural resources to build considerable reserves. Yet the financing outlook in the country remains dominated by this resource wealth and the public finance that it supports – other forms of financing, particularly private sector finance, remains small. The way that the reserves which the country has built are invested will have a critical bearing over the country's future development path and the extent to which it is able to transition to a sustainable post-oil financing model, reap the benefits of a rapidly growing population, and achieve the vision of the SDP.

Within this context and after a visit of the former Vice-Minister of Finance Mr. Helder Lopes to a UN regional event on Financing for Development in 2016, the VI Constitutional Government of Timor-Leste commissioned a development finance assessment to analyse the financing context in the country and identify key reforms that can strengthen public and private financing for the SDP and SDGs. At the request of the Ministry of Finance, and in line with overall development cooperation strategy the DFA exercise was aimed at improving governance and developing capacity within the relevant state institutions for long-term and sustainable outcomes. The UNDP in Timor-Leste fully supported this initiative and engaged a development finance expert to work in close collaboration with the DPMU of the MoF, lead a joint DFA technical team and was responsible for the analysis undertaken for the DFA. A formal National Oversight Team 'OT', a key aspect of consolidating the government's leadership and governance role in the DFA process, was created comprising the main policy makers in the DFA related areas. The DFA OT was responsible for guiding and shaping the DFA process and determining the scope, focus and objectives of the DFA.

One of the main objectives of the DFA was building momentum around reforms that can strengthen financing for the SDP and SDGs. The SDP represents a broad and ambitious vision that will require investments from a range of public and private actors if it is to be realised. It will require an integrated approach to financing, in which policy, collaboration and partnerships promote public and private finance flows that contribute toward the SDP outcomes according to their specific characteristics. A core part of the DFA was engaging with a wide constituency of actors who have a stake in financing, and the analysis and the draft recommendations presented in the DFA report have been shaped and refined through consultation with the Government, the private sector, development partners and civil society.

Timor-Leste DFA process and draft report were finalized in June 2018. The DFA draft report presents an analysis of the current trends in public and private financing and forward-looking scenarios, based on a

wide-reaching data collection exercise. It analyses the policies, partnerships and institutional structures that are in place to mobilise and maximise the impact of public and private investments on the SDP and SDGs outcomes. Finally, it also identifies policy changes and reforms that can mobilise new forms of financing and enhance their impact, strengthen collaboration between actors and bolster government policies for managing and influencing financing. A plan of actions for holistic financing is hoped to be a catalyst for positive policy reform as well as continued dialogue on sustainable development financing in Timor-Leste. DFA technical recommendations support a number of ongoing policy reform processes, such as support to strengthening PFM including program-based budgeting, revision of SDP, plans to cost the SDP, developing medium term expenditure and resource frameworks, adopting medium term planning and budgeting, defining fiscal rules and the fiscal reform program to increase domestic revenue. The Timor-Leste DFA assessment is one of the first among g7+ countries and can inform adaptation of the DFA approach among other members in the future.

Highlights of the DFA Phase 1:

- The DFA Oversight Team (OT) included the main policy makers from the government institutions that were identified as key to the implementation of the DFA roadmap. Two extensive OT consultations were held during which the OT members identified priority policy areas for the DFA potential solutions. OT will further play an important role in facilitating and guiding the implementation phase of the DFA and championing and taking forward DFA implementation plan;
- DPMU of the MoF was best placed to provide evidence and analysis on international public finance flows at the assessment stage and served as a focal point for the DFA process under oversight from the Minister of Finance. A UNDP expert was embedded in the DPMU and led the DFA technical team. As a result of the analysis, the expert developed a draft DFA report, including the holistic picture of public and private finance flows, a comprehensive analysis of the existing financing strategies, policies and institutional structures and recommendations for improving the holistic financing;
- Extensive consultations were held through a number of bilateral and joint meetings across government, development partners, the private sector, civil society and other stakeholders to discuss financing challenges, opportunities and potential solutions with an overall objective of designing an agreed set of tangible recommendations;
- Finally, the DFA recommendations emerging from the analysis are related to the development and delivery of an integrated financing strategy, with a particular focus on the strategy toward mobilizing private sector investment, estimation of the costs of priority interventions of the SDP, establishment of an overarching infrastructure investment strategy bringing together a range of different finance sources and policy mechanisms, strengthening capacity and norms for public and private reporting, a sin tax to finance investment in health, establishing mechanisms for private investment monitoring etc.

This second phase will be held to identify any significant changes to the DFA recommendations to make them actionable by the new government, identify responsibilities for taking forward the actions and formally agree the DFA implementation plan. Following its approval at the highest level of government's authority the actions agreed will be taken forward. The UNDP technical support within the process of operationalization of the DFA roadmap is planned to be finalised by the end of June 2019.

B. Scope of Work

As in-country lead on the Development Finance Assessment and under the supervision of the Country Director of UNDP Timor-Leste CO and UNDP Bangkok Regional Hub, the Expert will support the process of operationalization of the DFA implementation plan for Timor-Leste, including the following activities:

- Coordination of focused consultations with the VIII Constitutional Government to refine, approve and assign the recommendations emerging from the DFA on the implementation plan, technical support to facilitation of a formal validation workshop (December 2018 – February 2019): To continue the process, the first next step will include a presentation and approval of the DFA draft report and implementation plan emerging from the Phase 1 at the level of the Prime-Minister and Council of Ministers. To ensure the effective implementation of the DFA outcomes and proposed options, focused discussions will need to be held with the new government to identify any significant changes to the DFA recommendations to make them actionable, identify responsibilities for taking forward the actions and formally agree the DFA plan. In light of the new Government the Oversight Team might be revised; a formal validation workshop will be held with the revised OT. The UNDP expert will support the OT Chair to facilitate and lead the technical aspect of discussions based on findings emerging from the Phase 1. As a result of the above actions, the DFA report and implementation plan will be finalized and agreed. In addition, a mechanism to oversee the implementation of the recommendations stemming from the DFA should be agreed and adopted by the government.
- Technical support to facilitation of the formal launch of the implementation plan and DFA report (February – March 2019): Approval of the action plan should be followed by an event that brings together the key stakeholders (including DPs, private sector, civil society) so that there is a clear public commitment to the next steps. The UNDP expert will provide a technical support to the OT Chair in preparation for the launch event as necessary (developing presentations and other support materials). Presentation of the DFA implementation plan and the event will be led by the OT as owners of the DFA with UNDP facilitation.
- Technical support to facilitation of the regional seminar on Financing for Development (April – June 2019 (TBC)): First regional workshop will be organised by Timor-Leste involving a peer review process facilitating engagement with policymakers who have already implemented similar reforms to those being proposed in the DFA roadmap. Timor-Leste has been a champion in the adoption

of 2030 Agenda and actively engaged in several other initiatives to improve development effectiveness. The event will serve knowledge sharing on the progress and lessons learnt on adoption of practical policy actions and recommendations from the region bringing together senior government officials, in particular from the Planning and Finance Ministries and other stakeholders.

- Technical support to the Oversight Team and the relevant government institutions in driving the process of operationalisation of the DFA implementation plan (March – June 2019): Within the process of operationalization of the DFA action plan the UNDP expert will provide technical coordination support to the OT or other relevant government institutions. This will entail development of specific policy notes around 1 or 2 specific recommendations/financing solutions of the DFA implementation plan as determined by the government following focused consideration of the DFA recommendations. The examples of technical support on the implementation of financing solutions can include (not limited to) the following:
 - Assess and present options on how to structure an integrated financing strategy to meet the objectives of the SDP and the SDGs and provide initial analysis to inform such a strategy;
 - Consult with development partners that have experience in working with private investors in the area of impact investments, relevant agencies and other players to scope impact investment opportunities;
 - Analyse best practices to develop proposals for better targeted criteria for strategic investments planning and resource allocation based on their contribution to national goals and effective identification of infrastructure projects to be financed by concessional finance;
 - Review lessons learnt from the experiences of other countries that have successfully set up private sector reporting mechanisms and present options on how to structure those.

C. Expected Outputs/Deliverables

Deliverables/ Outputs	Estimated Duration to Complete	Target Due Dates	Review and Approvals Required (<i>Indicate designation of person who will review output and confirm acceptance</i>)
Coordination of focused consultations with the VIII Constitutional Government to refine, approve and assign the recommendations emerging from the DFA Phase 1; technical support to facilitation of a formal validation workshop	20 days	19/02/2019	UNDP

Technical support to facilitation of the formal launch of the implementation plan and DFA report	15 days	31/03/2019	UNDP
Technical support to facilitation of the regional seminar on Financing for Development	15 days	30/06/2019	UNDP
Technical support to the Oversight Team and the relevant government institutions in driving the process of operationalisation of the DFA implementation plan	55 days	30/06/2019	UNDP

D. Institutional Arrangement

- The IC will work under the close guidance of the UNDP Timor Leste Country Office (CO) and the UNDP Bangkok Regional Hub throughout the assignment period.

E. Duration of the Work

The expected duration of this assignment is 105 days with a start date of 01 December 2018, and planned to be completed by end of June 2019. The timeframe and expected deliverables are shown in the table under section D above.

G. Duty Station

During the missions the selected consultant will be based in UNDP Timor Leste.

H. Qualifications of the Successful Individual Contractor

Academic Qualification

- A Master degree in the field of Finance, Economics or other relevant fields.

Professional Experience

- At least 8-10 years of experience in the field of public finance, private sector development, strategic planning and budgeting.
- Previous experience with a development partner or central government agency in the area of development finance and public institutional governance improvement and capacity building is essential.
- Rigorous data and information research and analysis and policy notes development experience in the area of public finance, private sector development are required.
- Experience in country level work rooted in public policy reforms in close collaboration with central government agencies.
- Excellent writing skills required, as demonstrated by previous research/analytical reports/policy

notes on relevant topics.

- Ability to lead consultations with senior government officials and facilitate discussions among a wide group of stakeholders is required.
- Sound grasp of substantive policy issues in the development finance field.
- Demonstrated ability to engage in strategic analysis, and sectoral analysis.
- Understanding of and experience in working in Timor-Leste will be a strong advantage.
- Previous experience of working with a DFA methodology will be an advantage.

Language requirement:

- Fluency in English (written and spoken), and an ability to summarise and present information.

I. Scope of Price Proposal and Schedule of Payments

Lump Sum Amount – the financial proposal must be expressed in the form of an "all-inclusive" lump sum, supported by a detailed breakdown of costs including professional fee, living allowance, travel costs, communication, etc. as per the template provided. Under the lump sum approach, the contract price is fixed regardless of changes in the cost components or schedule of the assignment.

Schedule of payment:

Payment will be made to the successful consultant based on key deliverables as follow:

Instalments of Payment/ Period	Deliverables and/ documents to be delivered	Approval should be obtained	Percentage of Payment
1 st instalment	Submission of technical support to facilitation of a formal validation workshop and approval of DFA recommendations (20 days by 19 Feb 2018)	UNDP Country Director	20%
2 nd instalment	Submission of technical support to facilitation of the formal launch of the implementation plan and DFA report (15 days by 31 st March 2019)	"	15%
3 rd installment	Submission of technical support to facilitation of the regional seminar on Financing for Development (15 days by 30 June 2019)	"	15%
4 th installment	Submission of specific policy notes around 1 or 2 specific recommendations/financing solutions of the DFA implementation plan as determined by the OT of	"	50%

Instalments of Payment/ Period	Deliverables and/ documents to be delivered	Approval should be obtained	Percentage of Payment
	relevant government institutions following focused consideration of the DFA recommendations (55 days by 30 June 2019)		

J. Recommended Presentation of Offer

Interested individual consultants must submit the following to demonstrate their suitability for the assignment.

- a) Duly accomplished Letter of Confirmation of Interest and Availability using the template provided by UNDP;
- b) Personal CV or P11, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references;
- c) Financial Proposal that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs, as per template provided. If an 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 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.

K. Criteria for Selection of the Best Offer

Combined Scoring method – where the qualifications and methodology will be weighted a max. of 70%, and combined with the price offer which will be weighted a max. of 30%. **Only candidates obtaining 49 points in the qualification criteria will be shortlisted and included in the financial evaluation.**

Detailed Evaluation Criteria

No.	Summary of Technical Proposal Evaluation Form	Score Weight	Max Obtainable Points
1	A. Technical Criteria Relevant Educational Background: A Master degree in the field of Finance, Economics or other relevant fields.	10%	10


2	At least 8-10 years of experience in the field of public finance, private sector development, strategic planning and budgeting.	10%	10
3	Rigorous data and information research and analysis and policy notes development experience in the area of public finance, private sector development are required.	7.5%	7.5
4	Experience in country level work rooted in public policy reforms in close collaboration with central government agencies.	5%	5
5	Excellent writing skills required, as demonstrated by previous research/analytical reports/policy notes on relevant topics.	7.5%	7.5
6	Ability to lead consultations with senior government officials and facilitate discussions among a wide group of stakeholders is required.	5%	5
7	Sound grasp of substantive policy issues in the development finance field.	5%	5
8	Demonstrated ability to engage in strategic analysis, and sectoral analysis.	7.5%	7.5
9	Understanding of and experience in working in Timor-Leste will be a strong advantage.	7.5%	7.5
10	Previous experience of working with a DFA methodology will be an advantage.	5%	5
11	Fluency in English (written and spoken), and an ability to summarise and present information.	YES/NO	
	Sub-total	70%	70
	B. Financial proposal	30%	30
	Total	100%	100

L. Annexes to the TOR

M. Approval

This TOR is approved by: *[Indicate name of Approving Manager]*

Signature



Name and Designation Claudio Providas, Country Director

Date of Signing

22/11/2006