

## **Terms of Reference**

### **Environmental Finance Expert Strengthening capacity of decision making on REDD+ in PNG**

<b>Project Title:</b>	REDD+ Readiness project – Forest Carbon Partnership Facility
<b>Type of Contract:</b>	Individual Contract
<b>Duration:</b>	50 days over the period of December 2018 – September 2019
<b>Location:</b>	Home-based, with mission to Port Moresby, PNG
<b>Application Deadline:</b>	6 <sup>th</sup> December 2018

***Please note that UNDP is not in the position to accept incomplete applications - please make sure that your application contains all details as specified below in this notice.***

## **1. PROJECT DESCRIPTION**

PNG has a significant area of intact tropical forest covering 77.8% of the country's 46.9m ha of land. Together with the forest of West Papua (Island of New Guinea) they represent one of the largest areas of intact tropical forest in the world. These forests are critical to the livelihoods and economy of the country and a commercial logging industry has for a long period been a central part of the economy.

These forests, however, have been impacted by development activities linked to a rapidly growing population and efforts towards economic development. These impacts while unavoidable in some areas have been identified as being excessive in other areas and as result the Government of Papua New Guinea (GoPNG) has started efforts towards developing an approach to reducing those impacts through engagement in the mechanism for Reducing Emissions from Deforestation and Forest Degradation, the Sustainable Management of Forests and the Conservation and Enhancement of Forest Carbon Stocks (REDD+) as laid out under the United Nations Framework Convention on Climate Change (UNFCCC).

With support from the Forest Carbon Partnership Facility's (FCPF) REDD+ Readiness Funds implemented by UNDP Country Office in PNG, the GoPNG developed key elements of the Warsaw Framework on REDD+ including a Forest Reference Level (submitted to the UNFCCC in 2017) and a National REDD+ Strategy, approved by National Executive Council (NEC) under Decision 126/2017 in 2017.

Based on these documents the Climate Change and Development Authority (CCDA) with continuing support from FCPF and in partnership with other government agencies has worked to develop a REDD+ Finance and Investment Plan (RFIP) that identifies the potential costs and benefits of implementing the National REDD+ Strategy (NRS). The RFIP provides a basis for the GoPNG to make more informed policy decisions relating to the potential costs and impacts of different action areas within the NRS.

With the nature of international markets for REDD+ continuing to evolve and a need for the GoPNG to be able to both access additional international and domestic finance to support the implementation of the RFIP further support is required to increase understanding of the potential financing options available to the GoPNG and the steps and structures needed to access these, as well as to support action to access upfront finance to implement the RFIP.

## 2. OBJECTIVE

Under supervision of the FCPF REDD+ Technical Advisor and overall guidance of the Team Leader (International) and the General Manager for REDD+ and Mitigation of the Climate Change and Development Authority as well as close collaboration with the team of consultations, the Environmental Finance Expert is responsible to support the assignment on strengthening government capacity for effective decision-making on REDD+ and increase opportunities to access climate finance. To achieve this objective the consultant team will be required to provide support in a number of areas including:

- Strengthen understanding of potential financing sources to support REDD+ in PNG;
- Strengthen the development of priority action areas within the REDD+ Finance and Investment Plan (RFIP) to increase potential access to finance for PNG;
- Identify options for REDD+ financial management structures and benefit distribution systems;
- Strengthen understanding of approaches to REDD+ development linked to the RFIP.

## 3. SCOPE OF WORK

The Environmental Finance Expert will work closely with the Team Leader and FCPF CTA in strengthening the RFIP document and the financial and economic analysis within the GCF proposal as well as working to strengthen national understanding of potential financing sources and the financial management structures needed to support these.

The Environmental Finance Expert will:

### **Support improved understanding of potential international financing sources for RFIP implementation:**

- Review existing international financing options for RFIP implementation including existing/ potential development partner funds, international markets for environmental finance and recent developments under the UNFCCC, ICAO and other agreements as well as potential bilateral agreements
- Outline potential requirements for financial management systems for managing REDD+ and other relevant finance sources linked to RFIP implementation
- Develop a proposed benefit sharing mechanisms for finance linked to the RFIP

### **Support development of RFIP and GCF documents**

- Identify key data needs to strengthen financial and economic analysis for RFIP and GCF proposal
- Work with the Team Leader and national consultant as well as other stakeholders to gain access to data and strengthen the analysis of the GCF and RFIP proposals
- Develop and outline the benefit sharing mechanisms for inclusion within the GCF proposal

The assignment on strengthening capacity of decision making on REDD+ in PNG led by the Team Leader will:

- **Review potential financing sources and approaches to accessing finance including consideration of multiple public and private financing sources as well as emerging trending in REDD+ finance based on international negotiations under the UNFCCC**

The PNG NRS and RFIP recognise the importance of multiple financing streams to support its implementation including public finance, private sector finance, development partner finance and climate finance. An initial analysis of these financing sources has been conducted as part of the RFIP development process. The current assignment will take this analysis further by looking in more detail at target financing areas and the potential

requirements for these. Progress will be informed by further development of priority action areas and the potential financing structures for these in particular for the assessment of domestic finance, and identification of potential development partner support as well as work on PNG's environmental offsetting policy and the ongoing international negotiations relating to REDD+ finance.

- **Develop specific programmatic action plans for priority action areas within the RFIP including leading the development of a GCF funding proposal and support to development of a GEF funding proposal**

The RFIP identifies a number of priority action areas that can be developed as part of PNG's early action on REDD+. Further development of these action areas provides a basis for developing funding proposals that will support early action as well as providing recommendations for initial policy changes within government. The assignment will work with government and other key development partners to identify how best these action areas can be further developed to ensure they are clearly implementable and programmable within both domestic budget cycles and to international development partners and climate funds. Key proposals that will be developed as part of this process include, a full proposal to the GCF, support to government in submission of Public Investment Project (PIP) requests and support to the development of a GEF project.

- **Strengthen the financial and policy analysis within the RFIP to provide key policy recommendations relating to how REDD+ results can be most effectively achieved**

The RFIP has conducted an initial financial and economic assessment of the potential benefits and impacts of undertaking key elements of the NRS. To be able to provide strong analysis to government more targeted and in-depth assessments of key action areas is required. This analysis will feed into both updating elements of the RFIP and presenting policy recommendations to government as well as supporting elements of funding proposals to international donors including the GCF.

- **Review potential financial management options for REDD+ in PNG and how the benefits of any REDD+ or other finance could be distributed amongst stake and rights holders**

The NRS and RFIP both recognise the importance of clear and transparent financial management mechanisms as well as the potential benefits and challenges of bringing together multiple financing streams. The assignment will work with the government to help increase understanding of the key requirements of different international financing streams as well as support action to identify how finance can be managed within PNG and to facilitate discussion on equitable benefit and cost sharing systems. The assignment will build on the financial and economic assessment work being conducted to ensure that consultations at all levels are based on a clear understanding of the potential benefits and costs of NRS implementation.

- **Undertake three training events as well as additional consultation and information raising events to increase understanding of REDD+ and financing options**

Through the development of the NRS and RFIP ongoing consultations and expert trainings were critical in building an understanding amongst national stakeholders of the nature of REDD+ and how it can be implemented within PNG. The current assignment will continue this process with a focus on senior decision makers to help strengthen engagement linked to policy and financing decisions to ensure that there is clear understanding of the potential benefits and challenges of REDD+ finance as well as how other financing streams can be mobilised.

#### 4. DELIVERABLES

The Environmental Finance Expert will be responsible for delivering the following outputs:

<b>Deliverables/ Outputs</b>	<b>Estimated Duration to Complete and Payment Percentage</b>	<b>Target Due Dates</b>	<b>Certifying/ Authorizing officer</b>
Payment upon acceptance and certification of an Inception report (15-20 pages) with step-by-step methodology and timelines.	<b>3 days</b> (3 days home-based) - 15%	December 15, 2018	FCPF CTA
Payment upon acceptance and certification of the assessment report on the review of existing international financing options for RFIP implementation including existing/ potential development partner funds, international markets for environmental finance and recent developments under the UNFCCC, ICAO and other agreements as well as potential bilateral agreements	<b>10 days</b> (5 days in Port Moresby and 5 days home-based) – 15%	February 28, 2019	FCPF CTA
Payment upon acceptance and certification of the outline of potential financial management and benefit distribution system for the RFIP	<b>15 days</b> (5 days in Port Moresby and 10 days home-based) -15%	April 15, 2019	FCPF CTA
Payment upon acceptance and certification of the Financial and Economic analysis of priority action areas identified in RFIP and GCF proposal	<b>10 days</b> (5 days in Port Moresby and 5 days home-based) -15%	April 30, 2019	FCPF CTA
Payment upon acceptance and certification of the materials for REDD+ training events and consultation workshop	<b>5 days</b> (5 days home-based) - 15%	September 30, 2019	FCPF CTA
Payment upon acceptance and certification of the Final proposal for REDD+ financial management and benefit distribution systems in PNG	<b>7 days</b> (5 days in Port Moresby and 2 days home-based) -25%	September 30, 2019	FCPF CTA

#### 5. INSTITUTIONAL ARRANGEMENTS

This assignment will be conducted in partnership with relevant government agencies and development partners in PNG.

The FCPF REDD+ Project will provide financial support in organising consultation workshop related to this assignment and Environmental Finance Expert will take care of travel and mission arrangements by her/himself.

## **6. RESOURCES PROVIDED**

UNDP PNG Country Office and Climate Change and Development Authority will provide space for the Environmental Finance Expert during the missions to Port Moresby.

In the case of travel beyond initial deployment and final repatriation, payment of travel costs including tickets, lodging, and terminal expenses should be agreed upon between the respective business unit and Individual Consultant prior to travel and will be reimbursed.

## **7. DURATION OF THE ASSIGNMENT**

The work will be undertaken 100 days over a period of January 2019 towards end of October 2019.

In accordance with expected outputs and deliverables, the Environmental Finance Expert submits reports to FCPF REDD+ Project Chief Technical Advisor for reviewing outputs, comments, and certifying approval/acceptance of works afterwards.

In case of any delays to achieve the expected outputs, the Environmental Finance Expert should notify the FCPF REDD+ Chief Technical Advisor in advance to take necessary steps.

## **8. DUTY STATION**

The duty station for this assignment is Home-based, with mission to Port Moresby, PNG.

## **9. EDUCATION AND EXPERIENCE**

### **Education**

- Minimum university degree in forestry, natural resources economics, development economics, finance, or closely related field. Post-graduate degree (MSc) is an advantage.

### **Work experience**

- A minimum of 10 years progressive experience in forestry, natural resource economics and management or a related field;
- Minimum 5 years of experience with public expenditure reviews related to forestry finance, natural resource management in developing country contexts;
- Minimum 5 years of experience with REDD+ in PNG or the Pacific region an advantage.

### **Competencies**

- Fluency in written and spoken English.
- Strong inter-personal skills, in particular, demonstrated team leadership qualities and excellent oral communication skills.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- High level planning, organizational and time management skills, including flexibility, attention to detail and the ability to work under pressure to meet challenging deadlines;
- Ability to quickly adapt to change, and to remain calm under pressure;

## **10. EVALUATION**

### Cumulative analysis

The proposals will be evaluated using the cumulative analysis method with a split 70% technical and 30% financial scoring. The proposal with the highest cumulative scoring will be awarded the contract. Applications will be evaluated technically, and points are attributed based on how well the proposal meets the requirements of the Terms of Reference using the guidelines detailed in the table below:

When using this weighted scoring method, the award of the contract may 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 weighting; 70%

\* Financial Criteria weighting; 30%

Only candidates obtaining a minimum of 49 points in the Technical Evaluation would be considered for the Financial Evaluation. Interviews may be conducted as part of technical assessment for shortlisted proposals.

Criteria	Points	Percentage
<b>Qualification</b>		<b>10%</b>
<ul style="list-style-type: none"> <li>Minimum university degree in forestry, natural resources economics, development economics, finance, or closely related field. Post-graduate degree (MSc) is an advantage.</li> </ul>	10	
<b>Experience</b>		<b>55%</b>
<ul style="list-style-type: none"> <li>A minimum of 10 years progressive experience in forestry, natural resource economics and management or a related field;</li> </ul>	20	
<ul style="list-style-type: none"> <li>Minimum 5 years of experience with public expenditure reviews related to forestry finance, natural resource management in developing country contexts;</li> </ul>	20	
<ul style="list-style-type: none"> <li>Minimum 5 years of experience with REDD+ in PNG or the Pacific region an advantage.</li> </ul>	15	
<b>Competencies</b>		<b>5%</b>
<ul style="list-style-type: none"> <li>Fluency in written and spoken English.</li> </ul>	1	
<ul style="list-style-type: none"> <li>Strong inter-personal skills, in particular, demonstrated team leadership qualities and excellent oral communication skills.</li> </ul>	1	
<ul style="list-style-type: none"> <li>Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;</li> </ul>	1	
<ul style="list-style-type: none"> <li>High level planning, organizational and time management skills, including flexibility, attention to detail and the ability to work under pressure to meet challenging deadlines;</li> </ul>	1	
<ul style="list-style-type: none"> <li>Ability to quickly adapt to change, and to remain calm under pressure;</li> </ul>	1	
<b>Technical Criteria</b>		<b>70%</b>
**If necessary interviews shall also be conducted as part of the technical evaluation to ascertain best value for money.		
<b>Financial Criteria – Lowest Price</b>		<b>30%</b>
<b>Total</b>		<b>100%</b>

#### Documents to be included when submitting Consultancy Proposals

The following documents may be requested:

- Duly executed **Letter of Confirmation of Interest and Availability** using the template provided by UNDP.

- b) **Signed 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) **Brief description** of why the individual considers him/herself as the most suitable for the assignment, and a methodology, on how they will approach and complete the assignment. Please paste the letter into the "Resume and Motivation" section of the electronic application.
- d) **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 stipulate that arrangement at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

### **Lump-sum contracts**

The financial proposal shall specify a total lump-sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in instalments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump-sum amount (including travel, living expenses, and number of anticipated working days).

### **Travel**

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. 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, they should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging, and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

### **Submission Instructions**

Proposals may be submitted on or before the deadline as indicated below. Proposals must be submitted using this generic email [procurement.png@undp.org](mailto:procurement.png@undp.org) address only.

Incomplete proposals and failure to comply with proposal submission instruction may not be considered or may result in disqualification of proposal.

Completed proposals should be submitted using no later **than 6<sup>th</sup> November 2018**.

For any clarification regarding this assignment please write to Tirnesh Prasad on [procurement.pg@undp.org](mailto:procurement.pg@undp.org)

UNDP looks forward to receiving your Proposal and thank you in advance for your interest in UNDP procurement opportunities.