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ETHIOPIA

TERMS OF REFERENCE (TOR)

GENERAL INFORMATION

Services/Work Description:	Recruitment of National Consultant to Conduct Climate Finance Tracking for the non-state actors
Project/Program Title:	Climate Resilient Green Economy
Duty Station:	Addis Ababa with travel to the regional states
Type of the Contract:	National Individual Consultant
Duration:	147 days
Expected Start Date:	Immediate after concluding the contract

I. BACKGROUND / RATIONALE

The Government of Ethiopia has fully recognized the need to urgently manage climate change challenges and made a policy decision to pursue climate resilient and green growth pathways. This is articulated in the Climate Resilient Green Economy (CRGE) strategy of the country. As reflected in the strategy and the National Determined Contribution (NDC), Ethiopia aims to reduce 64% of the annual emissions by 2030 compared to business as usual (BAU) level of emission. This means that Ethiopia should achieve an annual GHG emission reduction level of 250 Mt of CO₂e by 230 compared to the BAU development pathways. The CRGE Strategy estimates that Ethiopia should invest USD 150 billion to realize the vision of building Carbon Neutral and Climate Resilient Middle Income Economy.

Ethiopia has been implementing the CRGE strategy since 2011 and has further integrated the CRGE strategy into the second Growth and Transformation Plan (GTP-II) (2015/16-2019/20). This ensures that the CRGE is part of a comprehensive national plan and not a standalone initiative. In this regard, substantial public investments are being made to support CRGE interventions. Additionally, legal and institutional reforms necessary to create an enabling environment for private sector and community engagement in CRGE action are ongoing. It is also recognized that a considerable amount of investment in CRGE is being delivered through community mobilization and non-state actors.

It is well recognized that the resources required for implementation of the CRGE levers (actions) significantly exceeds the current financial, technological and capacity building supplies. At the same time, there is a need for a full account of baseline financing from the variety of sources (i.e. public, private, community and non-governmental organization) involved in CRGE financing; based on which the gap between demand and supply for climate finance/investment can be determined. There is also a need to identify and assess financing options and sources for the key CRGE Sectors, which are critical for addressing climate change related vulnerabilities.

The Ministry of Finance (MOF) in collaboration with the Global Green Growth Institute (GGGI) has developed a Climate Finance Tracking and Projection Methodology in order to track climate finance investment in Ethiopia and forecast future climate investment needs. The methodology was enriched with

inputs from various stakeholders and has been applied to track and project climate finance investment in sectors such as Forest, Transport and Urban Development and Housing. The assessment in the Agriculture and Water, Irrigation and Energy sector is expected to commence soon.

In order to fully capture economy-wide climate related investments and needs in Ethiopia, it is important to track financial flows through various channels including through non-state actors. The outcome of such assessment is very important to identify the gap between demand and supply of climate finance and identify resource mobilization and financing strategy.

II. OBJECTIVES OF THE SERVICE / WORK

The overall objective of the task is to undertake a comprehensive assessment of climate change relevant baseline finance/investment (2011/12-2017/18) channeled through the non-state actors (local and international NGOs, CBOs, private sector) by source/origin of finance and beneficiary CRGE Sector. The assessment also attempts to estimate the projected level of financial flow by source and sector in three time horizons (up to 2020, 2020-2025, and 2025-2030).

III. SCOPE OF THE SERVICE / WORK

The consultant is expected to provide high quality international standard service and observe all international and national norms and principles in the discharge of this assignment. It is also expected to demonstrate highest professional competencies, use best industry practice methods; keep update of CRGE Facility in MOF and the UNDP Ethiopia Office and conduct the assignment as per the terms and conditions agreed in the work plan.

The scope of work involves extensive data collection and analysis from variety of sources at federal and regional levels. The work involves identifying climate related investments by source and sector for the non-state actors. The task also involves review of relevant assessments and studies by national and international institutions. To this effect the consultant is expected to apply the agreed methodological and analytical frameworks as well as instruments and protocols for data gathering and analysis and a model for projection and assessment of financing/investment options.

The consultant will review relevant CRGE Strategy documents, GTP-II documents, and relevant national plans and programmes, and costing methods necessary for a robust analysis and outputs. During the course of the assignment, the consultant will identify the relevant non-state actors engaged in climate related investments and undertake series of consultations and discussions including with the relevant federal and regional institutions. The consultant is also expected to travel to capitals of the regional governments and conduct data collection and consultations with relevant stakeholders.

IV. EXPECTED OUTPUTS / DELIVERABLES

The consultant is expected to deliver the following outputs:

- i. Inception report detailing clear methodology, work plan, list of stakeholders, list of national documents to be reviewed, and estimate of budget required to complete the assignment, excluding profession fee.

- ii. Methodological and analytical framework as well as instruments and protocols for data gathering and analysis and a model/s for projection and assessment of financing/investment options;
- iii. Baseline financing/investment report by the non-state actors for the period covering 2011/2012-2017/2018 using nationally approved tool, but informed by best practice in the industry practice area (climate finance);
- iv. Technical report on financing options by the non-state actors by source and sector and provide investment “demand and supply” and proposed strategy for gap filling; and
- v. Terminal report detailing progress of key activities, issues and challenges

V. METHODOLOGY / APPROACH OF THE SERVICE (WORK)

- i. Undertake comprehensive assessment and identification of the relevant non-state actors operating at national and regional levels;
- ii. Conduct extensive data collection and analysis by source and sector for each of the identified non-state actor;
- iii. Review relevant assessments and studies by national and international institutions related to for the transport and urban sectors.
- iv. Determine baseline (2012-2016) financing/investment by the non-state actors by source and sector using nationally approved tools and methods.
- v. Identify and assess non-state actors financing options and provide finance/investment “demand and supply” by source and sector;
- vi. Provide projections for climate change related investment and propose a forward looking non-state actors financing strategy;
- vii. Facilitate consultation of stakeholders and practitioners as relevant;

VI. LOCATION, DURATION AND TIMEFRAME OF THE WORK /DELIVERABLES/OUTPUT

The study will be conducted nationwide in a period of five months starting from the date of contract award. Unless and otherwise agreed by the two parties, extension of contract is not expected. Extension might be allowed if the consultant presents compelling reasons to do so.

Deliverable/Output	Duration	Review and Approval Required
Inception report	Two weeks	MoF, CRGE Facility Team and UNDP
Final conceptual and analytical framework, instruments and protocols for the non-state actors	Three weeks	MoF, CRGE Facility Team and UNDP
Report on baseline financing/investment requirements (2011/12-2017/18)	Twelve weeks	MoF, CRGE Facility Team and UNDP
Final technical report on analysis of financing projections on three-time scales (up to 2020), (2020-2025) and (2025-2030), and scenarios;	Four weeks	MoF, CRGE Facility Team and UNDP
Terminal report and completion	Two weeks	MoF, CRGE Facility Team and UNDP

VII. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS

The contract will be managed by the Climate Resilience and Green Growth Unit of the UNDP Country Office and the consultant will work directly with the Climate Resilient Green Economy (CRGE) facility team members in the Ministry of Finance.

- The consultant will be given access to relevant information necessary for execution of the tasks under this assignment,
- The CRGE Facility in MOF will be responsible for providing working station for the consultant.
- The UNDP will organize transportation and DSA while the consultant travels to the regional states.

VIII. PAYMENT MILESTONES AND AUTHORITY

Payments shall be linked with the deliverables and shall be effected after the CRGE Facility in MOF confirms approval of the successful completion of each deliverable as stipulated hereunder. The consultant shall be paid the lump sum contract amount upon certification of the completed tasks satisfactorily, as per the following payment schedule:

Installment of Payment/ Period	Deliverables or Documents to be Delivered	Approval should be obtained from:	Percentage of Payment
1 st Installment	Inception report	MoF, CRGE Facility Team and UNDP	15%
2 nd Installment	Final conceptual and analytical framework, instruments and protocols for the non-state actors	“	20%
3 rd Installment	Report on baseline financing/investment requirements (2011/12-2017/18)	“	20%
4 th Installment	Final technical report on analysis of financing projections on three-time scales (up to 2020), (2020-2025) and (2025-2030), and scenarios;	“	30%
5 th Installment	Terminal Report	“	15%

IX. MINIMUM REQUIREMENTS

The Individual consultant is expected to meet the following minimum requirements:

- Master's or PhD degree in economics, environmental economics and policy analysis, agricultural economics, development economics, finance, climate science, and related fields;
- Minimum of 10 years of professional experience and proven expertise and experience in the field of development, research, climate change, finance;
- Ability to undertake technical and policy-focused research in the field of climate change and climate finance;
- Ability to work under pressure and to deliver in a timely manner without compromising quality standards

- Strong presentation and facilitation skills
- Should demonstrate his/her capabilities, understanding of the TOR, and methodology of climate finance tracking
- Excellent research and economic modelling skills;
- Strong communication skills;
- Excellent command on both written and spoken English is essential
- Prior experience in similar or related assignment is an asset.

X. CRITERIA FOR SELECTING THE BEST OFFER

Upon the advertisement of the Procurement Notice, qualified Individual consultant is expected to submit both the Technical and Financial Proposals. Accordingly; the consultant will be evaluated based on Cumulative Analysis as per the following conditions:

- Responsive/compliant/acceptable as per the Instruction to Bidders (ITB) of the Standard Bid Document (SBD), and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. In this regard, the respective weight of the proposals are:
 - a. Technical Criteria weight is 70%
 - b. Financial Criteria weight is 30%

Criteria	Weight	Max. Point
Technical Competence (based on CV, Proposal and interview (if required))	70%	100
Understanding the Scope of Work including methodology	30	
Experiences in similar undertakings	30	
Relevant accademic qualification	10	
Financial (Lower Offer/Offer*100)	30%	
Total Score	Technical Score * 70% + Financial Score * 30%	

XI. LOGISTICAL SUPPORT

The UNDP shall provide transportation and pay DSA for the consultant during authorized travels to the regional states for data gathering. The NC will be seated in the Ministry of Finance

XII. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL

For purposes of generating proposals whose contents are uniformly presented and to facilitate their comparative review, a Service Provider advised to use a proposed Table of Contents. Hence, your Technical Proposal document must have at least the preferred content as outlined in the respective RFP Proposal Submission Form.

XIII. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The consultant 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 MOF. This assignment will be administrated by the United Nations Development Programme (UNDP), and all relevant UNDP rules, policies and procedures will apply.