

## **TERMS OF REFERENCE**

### **Individual Contractor**

#### **1. Assignment Information**

<b>Assignment Title:</b>	International Consultant for Investment Proposal and Investment Memorandum (Resident in Cambodia)
<b>Cluster/Project:</b>	Policy and Innovation Hub
<b>Post Level:</b>	Senior Specialist
<b>Contract Type:</b>	Individual Contractor (IC)
<b>Duty Station:</b>	Phnom Penh
<b>Contract Duration:</b>	40 (forty) working days from August to December 2019

#### **2. Project Description**

The Royal Government of Cambodia's vision is to transform and modernize Cambodia's industrial structure from a labor-intensive industry to a skill-driven industry by 2025, through connecting to regional and global value chain; integrating into regional production networks and developing interconnected production clusters along with efforts to strengthen competitiveness and enhance productivity of domestic industries; and moving toward developing a technology-driven and knowledge-based modern industry.

The Industrial Development Policy (IDP) 2015-2025 provides the framework for developing a competitive industrial sector in Cambodia with a focus in strengthening SME competitiveness and ability to reach global markets and integrate value chains. At the core of the Policy, Special Economic Zone (SEZ), industrial park and industrial clusters are recognized as key model for attracting investment, creating job and diversifying source of growth. By grouping businesses in a dedicated co-location, they can offer important efficiency and collaborative opportunities. These zones provide tailored infrastructure and business services, and they have become a successful model for large-scale job creation, transfer of skills and technology, export diversification, and industrial development led by foreign direct investment. However, they have also presented challenges including negative environmental and social impacts including: climate change, pollution, resource depletion, health and labor issues, and attendant community disruption.

The private sector in Cambodia mainly consists of micro, small and medium enterprises that generate a large share of employment and income opportunities. Often, however, their development potential remains untapped, as firms operate in isolation, are locked into uncompetitive production patterns and unable to approach dynamic business partners that could bring in new expertise and know how.

The UNDP and WorldBridge have joined hands to boost the development of a competitive private sector and contribute to poverty reduction by building sustainable linkages between small-size enterprises, their larger scale business partners and support institutions.

Linkages enhance enterprise competitiveness through the realization of economies of scale and scope and are a source of sustainability, as they increase the capacity of the economic actors to collectively react to crisis and turning points. Linkages also pave the way for broad-based and

inclusive development, where poor entrepreneurs and workers participate in economic activities on fair terms.

One of the most significant drivers for transiting towards a sustainable SME industrial park management and services remains grounded in business competitiveness. Industries operating in the park would be in a better position to take advantage of resource efficiency, value-adding and risk-mitigating measures and services available at the park level. The benefits are not just commercial but also strategic, leading to reduced exposure to risk, increased competitiveness, business development, production continuity and a better reputation with key stakeholders.

### **3. Scope of Work**

Industrial development has been perceived as the fundamental enabler for the economic growth and poverty reduction in developing countries. Technological development and boosting job creation are major contributors to achieving an industry oriented economic growth. However, for a sustainable and resilient development, environmental and social sustainability aspects have equal importance.

Industrial Cluster parks are an emerging contributor to an environmentally and socially sustainable, and economically sound industrial development.

A SME Cluster Park refers to putting in place serviced industrial infrastructure conducive to attracting new investments, especially in manufacturing, while at the same time promoting environmental sustainability.

The SME Cluster Park aims at offering the business advantages of traditional industrial parks while also using resources more efficiently, improving productivity, supporting the achievement of firms' social responsibility goals, and lowering exposure to climate change risks.

The role and responsibilities of the consultant is to formulate the Investment Proposal and Investment Memorandum (Teaser) for the innovative SME Cluster Park, with the view to present to potential public and private financing sources.

The investment proposal should include the following content:

- 1. The Vision and statement**

Define the purpose of the innovative SME Cluster Park and set the social, economic and environmental goals/objectives

- 2. The need assessment: The social, environmental and economic problems targeted**

Identify, describe and quantify the problem(s) the SME Cluster Park social is attempting to address and solve.

- 3. The Business and Revenue Generation model**

Highlight the benefits and value proposition that the Park will provide to its customers, explain how the Park will deliver these benefits (partners, activities, resources) and detail how does the Park will generate revenue (revenue model or revenue structure).

- 4. The Impact Strategy**

Propose a Theory of Change explaining how the Park activities are understood to contribute to a series of results that produce the final intended positive impacts.

#### 5. The Financials: Forecasted performance for the next 3 to 5 years

Present a forecast of future revenues and expenses and PreformaBreak-evenAnalysis

#### 6. Initial Investment Need and Uses of funds

Determine amount of finance needed by the Park to start and carry out its operations smoothly and clarify the sources of fund and type of financial instruments

### 4. Expected Outputs and Deliverables

- **Deliverable #1:** 1<sup>st</sup> draft Investment proposal as per suggested outline
- **Deliverable #2:** Present the finding to the Project Stakeholder Group meeting and discuss way forwards
- **Deliverable #3:** Final draft Investment proposal, including investment teaser

N	Deliverables/Outputs	Estimated Duration to Complete	Target Due Dates	Review and Approvals Required (Indicate designation of person/team who will review outputs and confirm acceptance)	Payment Amount
1	Upon signature of the contract and submission of the approach and tentative work plan for the assignment	5 Days	30 Aug 2019	Reviewed by Policy Analyst and approved by ARR - Policy	10%
2	1st draft Innovative SME Cluster Park Investment proposal	20 Days	30 Aug 2019	Reviewed by Policy Analyst and approved by ARR - Policy	40%
3	Presentation of investment teaser at project Stakeholder Group Meeting	5 Days	18 Oct 2019	Reviewed by Policy Analyst and approved by ARR - Policy	20%
4	Final draft Innovative SME Cluster Park	10 Days	15 Dec 2019	Reviewed by Policy Analyst and approved by ARR - Policy	30%
<b>Total:</b>		<b>40 Days</b>			<b>100%</b>

### 5. Institutional Arrangement

The Consultant will work under the guidance of the WorldBridge responsible management and supervision of the UNDP Policy and Innovation Unit. The consultant's assignment is expected to be for a maximum of 40 working days, in Cambodia.

Should travel be needed in the conduct of this assignment DSA, air ticket and all other travel actual costs inside the country will be covered by the project in line with UNDP travel rules and regulations. The reimbursement of the costs will be made through F-10.

## 6. Duration of the Work

The assignment is for a total of 40 working days from **August to December 2019**.

## 7. Duty Station

The international Consultant for Investment Proposal and Investment Memorandum will be based in Phnom Penh.

## 8. Minimum Qualifications of the Individual Contractor

<b>Education:</b>	Master's degree, in industrial economy, economics, trade and development or related field.
<b>Experience:</b>	<ul style="list-style-type: none"><li>▪ Minimum 15 years of practical experience in business and private sector development</li><li>▪ Experience in advising and building public and private partnership projects</li><li>▪ Experience in formulating investment proposal to social and environmental;</li><li>▪ Experience in conducting and facilitating public private dialogue in Cambodia in areas that matters to SME and industry development;</li><li>▪ Expertise and proven track record in SME technical assistance project formulation, management and monitoring;</li><li>▪ In-depth understanding of Cambodia private sector and investment ecosystem</li></ul>
<b>Competencies:</b>	<ul style="list-style-type: none"><li>▪ <b>Innovation Outreach and Partnerships:</b> Ability to establish and cultivate institutional alliances around new ways of working and new approaches to development.</li><li>▪ <b>Networking Skills:</b> Builds internal and external partnerships and alliances for the exchange of knowledge, experiences and services for mutual benefit. Builds partnerships for business development opportunities and positions UNDP as a partner of choice.</li><li>▪ <b>Communicates with Impact:</b> Highly effective written and oral communication skills. Communicates complex topics simply but without losing important nuance and meaning. Understands how to frame messages in a compelling way for a target audience, and articulates these messages credibly, powerfully, and with</li></ul>

	<p>confidence. Makes a positive impact in all forms of communication.</p> <ul style="list-style-type: none"> <li>▪ <b>Strategic analysis and creative problem solving:</b> Advanced analytical, problem solving skills are essential for this role. S/he is able to challenge mind-sets and think outside the box, as well as improvise in dynamic situations. Exhibits original and innovative thinking in his/her work. Demonstrates strong development and business insight, and sees the big picture.</li> <li>▪ <b>Knowledge and expertise:</b> Knowledgeable of business, economic, digital economy principles, and technology trends influencing the intersection of private, public, finance and development sectors. Applies well-informed perspectives to identify new growth opportunities, address partnership dynamics, and shape innovative yet pragmatic business plans that drive tangible organizational growth and sector impact.</li> </ul>
<b>Language Requirement:</b>	Fluency in written and spoken English

## 9. Criteria for Evaluation of Level of Technical Compliance of Individual Contractor

Technical Evaluation Criteria	Obtainable Score
Master's degree, in industrial economy, economics, trade and development or related field.	10
Minimum 15 years of practical experience in business and industry development in Cambodia.	20
Experience in advising, building, management and monitoring public and private partnership and SME projects.	20
Experience in formulating investment proposal to social and environmental.	20
Experience in conducting and facilitating public private dialogue in Cambodia in areas that matters to SME and industry development.	20
In-depth understanding of Cambodia private sector and investment ecosystem.	10
<b>Total Obtainable Score:</b>	<b>100</b>