

Terms of reference



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GENERAL INFORMATION

Title: Public Financial Management Expert (Indonesian National) – **Re - advertisement**

Project Name : Environment Unit/ Sustainable Development Financing (SDF) & BIOFIN

Reports to: UNDP Programme Manager

Duty Station: Ministry of Finance, Fiscal Agency Office

Expected Places of Travel (if applicable): N/A

Duration of Assignment: 180 working days within 12 months

REQUIRED DOCUMENT FROM HIRING UNIT

<input checked="" type="checkbox"/>	TERMS OF REFERENCE
5	CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT , please select : (1) Junior Consultant (2) Support Consultant (3) Support Specialist (4) Senior Specialist (5) Expert/ Advisor CATEGORY OF INTERNATIONAL CONSULTANT , please select : (6) Junior Specialist (7) Specialist (8) Senior Specialist
<input checked="" type="checkbox"/>	APPROVED e-requisition

REQUIRED DOCUMENTATION FROM CONSULTANT

<input checked="" type="checkbox"/>	CV
<input checked="" type="checkbox"/>	Copy of education certificate
<input checked="" type="checkbox"/>	Completed financial proposal
<input checked="" type="checkbox"/>	Completed technical proposal

Need for presence of IC consultant in office:

☐ partial (explain)

☒ intermittent consultant need to build strong relations with policy makers in fiscal policy office and other government counterpart whose their availability are unpredictable

☐ full time/office based (needs justification from the Requesting Unit)

Provision of Support Services:

Office space: ☒ Yes ☐ No at Ministry of Finance office

Equipment (laptop etc): ☐ Yes ☒ No

Secretarial Services ☐ Yes ☒ No

If yes has been checked, indicate here who will be responsible for providing the support services: < Enter name >

I. BACKGROUND

Indonesia issued Presidential Regulation No. 61/2011 stipulating the National Action Plan on Greenhouse Gases Emissions Reduction (RAN-GRK) in 2011 which also include the responsibility of sub-national level government to develop Local Action Plan on GHGs Emission Reduction (RAD-GRK). This Regulation elaborates on Indonesia's commitment to make voluntary reduction to its Greenhouse Gases Emissions by 26% against a business-as-usual scenario using domestic resources, and reaching up to 41% with international support by the year 2020. The RAN-GRK specifies Indonesia's action plan to mitigate climate change by setting emissions reduction targets per sector to be implemented by 5 priority sectors contributing to Indonesia's emissions. In parallel to the RAN-GRK which states the national mitigation action plan, the Government of Indonesia has recently launched in February 2014 the RAN API which sets out adaptation action plan for the country.

As an input to the preparations for the implementation of Regulation on RAN-GRK, a Climate Public Expenditure and Institutional Review (CPEIR) was undertaken by the Fiscal Policy Agency of the Ministry of Finance with support from UNDP. The CPEIR was covering fiscal year of 2009 – 2011, with a focus on reviewing public expenditures related to climate change in the forestry and energy sectors. The outcome of the CPEIR was the development of Indonesia's Mitigation Fiscal Framework (MFF) which was adopted in 2012. The CPEIR study is to be regarded as an input to a longer term policy dialogue and development on climate finance in Indonesia.

Since the development of the MFF, the Government of Indonesia (GoI) has been striving to achieve a transition from the current brown economy to green economy development pathways. As a next step from the MFF. The GoI in October 2014 has agreed to implement Sustainable Development Financing (SDF) project. The project will be implemented during 2014-2017 and is an umbrella project of UNDP for all climate & biodiversity financing projects in Indonesia. The project will be implemented by the Fiscal Policy Agency of the Ministry of Finance in close coordination with Bappenas, the Ministry of Environment and Forestry, Ministry of Home Affairs and Indonesia Institute of Sciences.

The project targets three thematic areas: climate change mitigation, adaptation and Biodiversity. The aim of the project is to strengthen the capacities of the Government of Indonesia to green the budget process by development and application of budget tagging system, fiscal instruments and performance-based budgeting system to enhance implementation of three action plans; RAN/RAD GRK (climate mitigation), RAN API (climate adaptation) and IBSAP (biodiversity). The project consists of three regional/global UNDP projects: the UNDP-UNEP Poverty-Environment Initiative (PEI); Building Transformative Policy & Financing Frameworks to Increase Investment in Biodiversity Management (BIOFIN) funded by the European Union and the Federal Ministry of Environment of Germany; and Strengthening the Governance of Climate Finance to Benefit the Poor and Vulnerable funded by Swedish International Development Agency.

The project activities will focus on supporting effective implementation of RAN-GRK, RAN-API and IBSAP. The component activities include, but not limited to:

1. Put in place system to integrate biodiversity & ecosystem services, climate mitigation and adaptation in sectoral & development policy, planning & budgeting:
2. Assessing the financing & governance needs for the implementation of RAN-GRK, RAN-API and IBSAP.
3. Identify, access, combine & sequence different sources of funds to meet the financing needs.
4. Initiate implementation of the resource mobilization strategy at national level.
5. Establishment of budget tagging and performance-based budgeting system to allow tracking expenditure and assess cost-effectiveness of the activities.
6. Development of fiscal instruments and policies to support effective implementation of RAN-GRK, RAN-API and IBSAP.

In order to implement the Sustainable Development Financing (SDF) project, this consists of three initiatives mentioned above, we are seeking a qualified Public Financial Management (PFM) Expert. The national consultant provide support to the Country office on implementation of the SDF and provide technical and quality assurance oversight for the performance based budgeting and fiscal instruments outputs. The Public Financial Management Expert will be supervised and report to the Head of Center for Policy and Climate Finance and Multilateral (PKPPIM) of the Ministry of Finance and the UNDP Programme Manager for Climate Change. Public Financial Management Expert working closely with the Project Manager, supports the development and management of the SDF portfolio.

II. SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES

Scope of Work

The consultant will act as a technical expert working with the SDF/BIOFIN Project Management Team and UNDP on public financial management issue.

Related to climate change and biodiversity, scope of work of the assignment are to:

- Prepare technical notes and briefings as necessary for high level policy dialogues with government counterparts and donors as necessary.
- Develop policy briefs in priority areas which demonstrate the links between climate change and major national and sub-national budgeting and fiscal policy concerns.
- Develop lines of enquiry and assessment guidelines for the process for both the performance based budgeting and fiscal instrument reviews ensuring alignment with the overall national budget formulation process and the relevant climate change policies (RAN GRK, RAN API) and biodiversity policy (IBSAP)
- Review fiscal instruments of climate change and biodiversity
- Identify priority climate change and biodiversity fiscal instruments relevant for national and/or subnational implementation
- Develop indicators for the performance based management system. Reviewing and developing ways to strengthen and operationalize the system at national and sub-national levels building on Indonesia's past experiences.
- Identify a longer term road map for systematic implementation of performance based budgeting system at national and sub-national levels
- Work with government officials and stakeholders to develop guidance for implementation of both performance based budgeting system and where appropriate fiscal instruments
- Deliver on-the-job training to key government officials, and work with them to implement climate change and biodiversity analysis as part of the formulation of performance indicators and priority budget documents.
- Develop activities to support a further institutionalization of performance based climate change expenditure reporting with the Ministry of Finance-led budget expenditure reporting process. He/she will assess options and present them to the Ministry of Finance for piloting.
- Provision of high quality policy advice services to the Government focusing on fiscal instruments of climate change and biodiversity and Performance Based Budgeting
- Facilitate the establishment of mechanisms for coordination, dialogue, and learning among actors (bureaucrats and practitioners) in each key sector of climate change and biodiversity
- Development of practical policies and plan recommendations.
- Develop handbook/training material for government officials and parliamentarians and the relevant committees helping them to ask questions that ensure that key schemes and allocations take the climate change and and biodiversity dimension into account during the budget sessions.
- Strengthen key government officials for implement climate change analysis as part of the formulation of performance indicators and priority budget documents.
- Strengthen institutions to track and report on climate change and biodiversity expenditures as part of the budget process at national and sub-national levels.
- Effective mapping, gap analysis on active development partners, donors, private sector actors in the field of Public Financial Management in Indonesia and timely identification of opportunities.
- The consultant will also support the transfer of knowledge and expertise across countries of the region through supporting practitioners to provide South-South technical assistance in response to country demand.

Expected Outputs and deliverables

Deliverables/ Outputs	Estimated number of working days	Completion deadline	Review and Approvals Required (<i>Indicate designation of person who will review output and confirm acceptance</i>)
<ul style="list-style-type: none"> Report on Review of performance based budgeting in Indonesia (both national and sub-national components). Development of Policy Note, strategic brief on Public Finance Management Development of Policy note, policy paper, strategic brief on climate finance and biodiversity finance Development of concept note for further resource mobilization 	45 days	July 2015	UNDP, Fiscal Policy Agency of the Ministry of Finance
<ul style="list-style-type: none"> Development of indicators for the performance based management system. Development of Policy note, policy paper, strategic brief on biodiversity finance 	45 days	Sep 2015	UNDP, Fiscal Policy Agency of the Ministry of Finance
<ul style="list-style-type: none"> Report on Review of fiscal instruments in Indonesia at national level Report on Review of fiscal policy in Indonesia at sub-national Development of recommendation to strengthen and operationalize the fiscal instruments and financing mechanisms for climate change and biodiversity activities at national and sub-national levels building on Indonesia's past experiences. 	45 days	Nov 2015	UNDP, Fiscal Policy Agency of the Ministry of Finance
<ul style="list-style-type: none"> Report on guideline to track and report on climate change expenditures as part of the budget process at national and sub-national levels. Report on mapping, gap analysis on active development partners, donors, private sector actors in the field of Public Financial Management in Indonesia and timely identification of opportunities. 	45 days	Mar 2016	UNDP, Fiscal Policy Agency of the Ministry of Finance

III. WORKING ARRANGEMENTS

Institutional Arrangement

- The consultant will have close supervision and coordination with Fiscal Policy Agency – Ministry of Finance;
- The consultant' draft reports will be reviewed by Fiscal Policy Agency - Ministry of Finance and UNDP;
- The consultant will report to the Programme Manager, UNDP Indonesia.
- The payment will be made to the consultant at each payment schedule, upon technical clearance and approval of the satisfactory submission of results from Programme Manager, Environment Unit of UNDP. Estimated lead time for UNDP or Project Implementing Partners to review outputs, give comments, certify approval/acceptance of outputs is 1 week.

Duration of the Work

The consultant is expected to work 180 days within 12 months with final report to be completed not later than March 2016.

Duty Station

- The consultant is expected to work intermittent in Ministry of Finance Office.
- The consultant will receive a lump sum professional fees

Travel Plan

No intended travel is planned for this assignment.

IV. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Academic Qualifications:

Master Degree in Economics, Finance, Environment, Social Science or other related field

Years of experience:

- Minimum 8 years experiences in Public Administration, Business Administration, Organisational Development, Economics, Public Finance Management or related fields
- Substantive experience in national and sub-national budget planning processes, National and sub-national budget execution (treasury and accounting), and oversight (audit, monitoring and transparency) processes, Fiscal Decentralisation and intra-governmental transfer mechanisms and processes, or related field
- Knowledge in results based/ performance based budgeting frameworks
- Experience in Economics of climate change and biodiversity policy is desirable
- Excellent written skills in English (provide list of sample report)

III. Competencies and special skills requirement:

- Analytical skills, communications abilities, teamwork
- Strong motivation & ability to work & deliver under short deadlines.
- Focuses on impact & result for the client & responds positively to critical feedback.
- Able to work independently with little or no supervision.

V. EVALUATION METHOD AND CRITERIA

Individual consultants will be evaluated based on the following methodologies:

Cumulative analysis

When using this weighted scoring method, the award of the contract should 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 weight; 70*

** Financial Criteria weight; 30*

Only candidates obtaining a minimum of 70 point would be considered for the Financial Evaluation

Criteria	Weight	Maximum Point	
<u>Technical</u>		100	
<ul style="list-style-type: none"> Criteria A: qualification requirements as per TOR: <ol style="list-style-type: none"> Master Degree in Economics, Finance, Environment, Social Science or other related field Minimum 8 years experiences in Public Administration, Business Administration, Organisational Development, Economics, Public Finance Management or related fields Substantive experience in national and sub-national budget planning processes, National and sub-national budget execution (treasury and accounting), and oversight (audit, monitoring and transparency) processes, Fiscal Decentralisation and intra-governmental transfer mechanisms and processes, or related field Knowledge in results based/ performance based budgeting frameworks Experience in Economics of climate change and biodiversity policy is desirable Excellent written skills in English (provided sample of report) 	70	15 15 10 10 10 10	
<ul style="list-style-type: none"> Criteria B: Brief Description of Approach to Assignment 	30		