

TERM OF REFERENCE (ToR) FOR THE RECRUITMENT OF INDIVIDUAL CONTRACTOR (IC)

GENERAL INFORMATION

Services/Work Description:	Project Preparation: GEF Full-Size Project Preparation of "Ethiopian Urban NAMA: "Creating Opportunities for Municipalities to Produce and Operationalise Solid Waste Transformation (COMPOST)"
Project/Program Title:	GEF PPG
Post Title:	National Expert – Finance Specialist
Consultant Level:	Level C (Senior Specialist)
Duty Station:	Addis Ababa with at least one mission to each city
Expected Places of Travel:	Regional Municipalities such as Adama, Bahir Dar, Bishoftu, Dire Dawa, Hawassa and Mekelle
Duration:	July 2015-January 31 st 2016
Expected Start Date:	Immediately after concluding contract agreement

I. Preamble

The Government of Ethiopia's Climate Resilient Green Economy (CRGE) vision has set the goal of reaching middle-income country status by the year 2025 with net-zero greenhouse gas (GHG) emissions. The country's Green Economy strategy identifies green cities and buildings among its seven key sectors that will contribute to the envisaged 250 megatonnes (Mt) CO₂ reductions. Within this sector, solid waste, liquid waste and off-grid fossil fuel energy are the major abatement levers. Under the business as usual scenario, emissions from cities will increase from 4.7 Mt CO₂e in 2010 to 10.2 Mt CO₂e in 2030.

Despite robust national level strategy, the country's rapid population growth and urbanization is resulting in a rise of demand for basic urban infrastructure, including urban greenery and solid waste management that challenges the current capacity of the municipalities. Proper collection, transportation and disposal of solid waste that contributes to sustainable and low-carbon development remain bottlenecks in major cities of Ethiopia. Soil, water and air pollution, various health problems and poor quality of life are major issues that result from an absence of urban green areas and proper waste management, with women and children the most vulnerable to these negative effects.

The rapid growth of most towns and cities in Ethiopia without properly planned green spaces have also generated environmental problems, including: increase of temperature and other microclimatic effects, air pollution and greenhouse gas emissions. Urban green areas and forestry can affect global climate change and local and regional air quality by affecting the urban atmosphere and various chemical emissions. Because of their close proximity to numerous emissions sources, urban forests can be managed to improve air quality and mitigate global climate change.

Most Ethiopian cities lack a well-designed waste management system that complies with environment and human health protection. In most cities, the solid waste collection is managed in a fragmented and inefficient manner by youth and/or women's associations who do not have the capacity to collect the ever-increasing volumes of urban waste. The transportation and disposal process is managed by the municipalities and the disposal process is typically an open dumping system. Moreover, there is no evaluation of the underlying soil structure and topography, climatological conditions, surface water hydrology or the geologic and hydro-geologic conditions of the dumping sites. For these reasons, the sites are causing environmental, health and social problems to the people living around the dumping areas.

II. BACKGROUND / PROJECT DESCRIPTION

Improving the provision of waste management services and urban greenery development in Ethiopian towns and cities is one among the major national priorities identified by the Government of Ethiopia. The Ministry of Urban Development, Housing and Construction (MUDHCo) has prepared climate change resilient strategies and standards for both solid waste management and urban greenery development. The documents provide the towns and cities with an overall framework necessary for the effective design, implementation and operation of ISWM systems for urban green infrastructure development.

For the efficient implementation of the solid waste management and the urban greenery development, MUDHCo, together with UNDP, developed a GEF full-sized climate change mitigation (CC-M) concept note (PIF – Project Identification Form) titled **"Creating Opportunities for Municipalities to produce and Operationalise Solid Waste Transformation (COMPOST)"**. The PIF has now received approval from the GEF Council in the June 2015 GEF-6 work programme. The PIF is designed to promote greater use of Integrated Solid Waste Management (ISWM) and Urban Green Infrastructure (UGI) approaches in Ethiopia cities and towns in alignment with the standards and the national growth and transformation plan for the urban sector.

In this regard, UNDP will hire a team of consultants to undertake the design of the full project document. This team will consist of national and international expertise on Integrated Solid Waste Management, Urban Green Infrastructure and finance. The team of consultants will consist of 2 lead international consultants (with one focusing on the ISWM aspects of the project and one focusing on the UGI aspects), and two national technical consultants (to be hired to work with the two international consultants: one will focus on the ISWM and UGI aspects of the project and the other will focus on the financial aspects for specific, short-term tasks).

III. SCOPE OF THE WORK

The national expert, in coordination with the international ISWM and UGI experts and the national sector expert, will assist with the financial aspects of the project design process, ultimately leading to a UNDP-GEF project document, a GEF CEO Endorsement Request, a UNDP Environment & Social Safeguards Screening and a GEF climate change mitigation Tracking Tool, all ready for submission to UNDP and GEF. UNDP Ethiopia will lead the project preparation process and manage the Project Preparation Grant (PPG) budget/phase. The UNDP Ethiopia country office will perform the selection and recruitment of PPG consultants, develop ToRs, arrange travel and meetings, and arrange project disbursements in collaboration with the Ministry of Urban Development, Housing and Construction (MUDHCo).

During the PPG phase, a number of studies and stakeholder consultations will be undertaken with the view to further develop the approved project concept into a fully formulated project document within an indicative period of approximately 6 months.

The final output should be an approved GEF project following submission of the UNDP Project Document, GEF Request for CEO Endorsement, GEF tracking tool, and all co-financing letters to the GEF Secretariat, approximately 6 months from the start of this assignment.

In order to fulfill the work and reach the specific objectives, the consultant shall consider the following (but not limited to):

1. Project preparation

- a) Analysis and design of specific financial instruments that will form part of the GEF-financed project. This represents the key element of the consultant's work.

The project will establish a financing mechanism, consisting of a combination of micro-credit and partial loan guarantees and potentially also results-based payments, directed at small- and medium-sized enterprises (SMEs) to enter the urban waste management sector at various points in the value-chain (waste collection, waste transportation, waste processing, composting, compost retailing). This financial mechanism will build on the Innovative Investment Facility (IFF) that is being established by UNDP and the Government of Ethiopia under the Entrepreneurship Development Programme.

The consultant will explore potential design options for the financing mechanism, and will select and develop in detail the optimal option in terms of cost-effectiveness, SME sustainability, financial viability and institutional context. Detailed quantitative financial analysis is expected.

- b) Assistance with the financial aspects of a national voluntary carbon offset scheme that the project will establish. This offset scheme will be based on the carbon sequestration that will result from the GEF project's support to peri-urban forestry in Ethiopia. The consultant's role will be to model potential market scenarios in terms of carbon supply and demand, and scheme design.
- c) Assistance to the other consultants as required to ensure optimum project design and to facilitate the endorsement of the full-size project for final submission.

2. Assistance with the project budget and sustainability plan for post-project impacts.

3. Help to conduct a validation workshop

IV. EXPECTED OUTPUTS AND DELIVERABLES

Under the overall direction and guidance of UNDP Ethiopia office as well as the UNDP regional service centre, in collaboration with MUDHCo and in coordination with the other consultants, the finance consultant will produce:

- Design elements associated with the project's financial mechanism, the carbon offset market and post-project sustainability.
- Validation workshop for representatives of all relevant stakeholders.
- Contributions to the final UNDP project document, GEF request for CEO endorsement, ESSP (Environmental and Social Screening Procedures), GEF climate change mitigation Tracking Tool and all co-financing letters to UNDP for submission to the GEF Secretariat.

No.	Deliverables / Outputs	Estimated Duration to Complete	Review and Approvals Required
1	Design elements associated with the project's financial mechanism, the carbon offset market and post-project sustainability.	July 2015- September 15, 2015	By UNDP and MUDHCo
2	Draft of the project document	October 2015	"
3	Validation workshop will be held for representatives of all relevant stakeholders.	November 15, 2015	"

No.	Deliverables / Outputs	Estimated Duration to Complete	Review and Approvals Required
4	Final UNDP project document, GEF request for CEO endorsement, ESSP (Environmental and Social Screening Procedures), GEF climate change mitigation Tracking Tool and all co-financing letters to UNDP for submission to the GEF Secretariat.	January 31, 2016	"

V. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS

- The national finance consultant will be responsible for overall delivery of the services as per the details included in this TOR.
- The consultant will work closely with MUDHCo, the UNDP Country Office, the UNDP regional office and other key stakeholders to identify major needs and to devise appropriate recommendations and investment plan.

VI. LOGISTICS AND ADMINISTRATIVE SUPPORT TO PROSPECT IC

- MUDHCo will provide inputs and services to the IC including but not limited to relevant documents, office space and a technical task force to work with.
- UNDP, in collaboration with MUDHCo, will provide office equipment; secretarial services; local transport service; arrangement of training and validation workshop(s).
- The assignment requires field visits to selected municipalities, MUDHCo and other affiliated institutions: close working relationships will be required.
- UNDP Ethiopia will be in charge of the recruitment and payment of the consultant fee.
- MUDHCo will establish a core technical team chaired by senior Ministry representative that will closely work with the consultant and provide the necessary input and directions.

No.	Task	Timeline (Will be agreed with the consultant but not later than 31 st of January 2016)
1	Design elements associated with the project's financial mechanism, the carbon offset market and post-project sustainability.	
2	Validation workshop for representatives of all relevant stakeholders.	
3	Contributions to the final UNDP project document, GEF request for CEO endorsement, ESSP (Environmental and Social Screening Procedures), GEF climate change mitigation Tracking Tool and all co-financing letters to UNDP for submission to the GEF Secretariat.	

VII. QUALIFICATIONS OF THE SUCCESSFUL INDIVIDUAL CONTRACTOR (IC)

Education:

- Advanced degree in finance, economics, business, accounting or a relevant discipline.

Experience:

- At least 7 years of experience in financial analysis, investment appraisal and/or financial modelling.

Language Skills:

- Excellent analytical, writing, communication and reporting skills in English.

Functional Competencies:

- Proven track record of investment plan preparation or relevant experience of similar work related to financial instruments.
- An understanding of the institutional and financial context of Ethiopia.
- Knowledge of the CRGE initiatives and the Ethiopian Green Economy Strategy are not necessary but are considered an advantage.
- Experience in working with international organizations, including UNDP, is preferred but not required.
- Ability to deliver on time.

Core Competencies:

- Demonstrates integrity by modelling the UN's values and ethical standards
- Promotes the vision, mission, and strategic goals of UNDP;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability
- Treats all people fairly without favouritism;
- Fulfils all obligations to gender sensitivity and zero tolerance for sexual harassment.

VIII. CRITERIA FOR SELECTING THE BEST OFFER

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

- Responsive/compliant/acceptable, 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
• Criteria a. Minimum educational background		15 pts
• Criteria b. Past experience in similar projects and contracts		20 pts
• Criteria c. Understanding the Scope of Work and Methodology (from the written Technical Proposal)		50 pts
• Criteria d. Individual competencies (Analytical and Communication Skills)		15 pts
Financial (Lower Offer/Offer*100)	30%	30
Total Score	Technical Score * 70% + Financial Score * 30%	

IX. PAYMENT MILESTONES AND AUTHORITY

The prospective consultant will indicate the cost of services for each deliverable in US dollars **all-inclusive¹ lump sum contract amount** when applying for this consultancy. The consultant will be paid based on the effective UN exchange rate and only after approving authority confirms the successful completion of each deliverable as stipulated hereunder.

The qualified consultant shall receive his/her lump sum service fees 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	Percentage of Payment
1 st Installment	After first mission conducted and	By UNDP	

¹ The term "All inclusive" implies that all costs (professional fees, travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal

Installment of Payment/ Period	Deliverables or Documents to be Delivered	Approval should be obtained	Percentage of Payment
	completion of deliverables 1 & 2		20%
2 nd Installment	Completion of deliverables 3 & 4 (Validation workshop will be held for representatives from all relevant stakeholders. And the final UNDP project document, GEF request for CEO endorsement, ESSP (Environmental and Social Screening Procedures), GEF climate change mitigation Tracking Tool and all co-financing letters to UNDP for submission to the GEF Secretariat.)	By MUDHCo and UNDP	35%
3 rd Installment	Upon receipt of GEF endorsement	"	45%

X. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL

For purposes of generating quotations whose contents are uniformly presented and to facilitate their comparative review, a prospect Individual Contractor (IC) is given a proposed *Table of Contents*. Therefore prospective Consultant Proposal Submission must have at least the preferred contents which are outlined in the IC Proposal Submission Form incorporated hereto.

XI. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The Individual Consultant shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy service without prior written consent. Proprietary interests on all materials and documents prepared by the consultants under the assignment shall become and remain properties of UNDP.