

## **TERMS OF REFERENCE (ToR)**

### **FOR THE RECRUITMENT OF INDIVIDUAL CONTRACTOR (IC)**

#### **I. GENERAL INFORMATION**

Service /Work Description:	<b>Strategy Development: National Tourism Destination Development Strategy</b>
Project/Program Title	Strengthening Institutional Capacity for Sustainable Tourism Development
Post Title:	International Consultant
Duty Station:	Addis Ababa
Duration:	80 working days
Expected Start Date:	August 2016

#### **II. BACKGROUND**

Ethiopia is one of the fastest growing economies in the world. Currently, the country is in the process of implementing the second Growth and Transformational Plan (GTP II) which broadly seeks to facilitate the attainment of a middle-income country by 2025. The tourism industry is increasingly becoming an important economic sector in the country and has consequently been identified as an avenue through which the plan for accelerated and sustainable development to end poverty can be achieved. Such economic prominence of the tourism industry is illustrated by its direct contribution to the country's GDP which in 2015 was about 6%. With the vast geographical set up of the country, Ethiopia is blessed with abundant natural and cultural resources, which have remained underexploited for tourism development purposes. However, the country has not done well in exploring opportunities to enhance and diversify the tourism resource-base.

The country has a number of institutions that are involved in tourism planning and development both at the national and federal levels. These institutions range from public, private, to civil. At the national level, the Tourism Transformation Council (TTC), the Ethiopia Tourism Organization (ETO) and the Ministry of Culture and Tourism are the key institutions whose main roles is policy making, planning, regulation and overall destination development. There are also a number of other line office partners under the Ministry including, Ethiopia Wildlife Conservation Authority (EWCA), Authority for Research and Conservation of Cultural Heritage (ARCCCH), and the Catering and Tourism Training Institute (CTTI). At the regional levels, tourism planning and development is coordinated by Culture and Tourism Bureaus. Several industry associations also exist including the Ethiopian Tourism Professional Association, Hotel Professionals Association, Ecotourism Association, Ethiopian Tour Operators Association, Ethiopian Hotel Owners Association and the Ethiopian Wildlife Association. Clearly, the presence of numerous institutions calls for a mechanism to better coordinate and manage the diverse goals which may in some cases be in conflict. Further, institutional capacity is a critical challenge in developing the sector to its full potential.

The critical challenges encountered by the sector are:

- Lack of articulated tourism destination development strategy
- Lack of coordination and established mechanism to facilitate tourism investments in the absence of Public Private Partnership (PPP) framework
- Absence of national tourism concession frame work to encourage private business or safari tourism activities in protected areas of Ethiopia
- Limited availability of tourism investment financing to both large investments and Tourism Small, Medium Micro Enterprise (TSMME) developments

- Absence of strategic mechanism to benefit and engage the host communities in diverse business activities in almost all destination localities
- Absence of tourism resource mapping that is necessary to develop new tourism destinations and improvement of existing destinations that include product diversifications
- Absence of National Tourism Trust Fund to facilitate the joint intervention, networking, collaboration and partnership among the public and private tourism actors in all aspects of tourism transformation efforts of the country
- Limitation in the availability of hospitality service facilities in remote and along critical areas of tourism destinations routes
- Lack of well qualified and trained personnel in both government and private sector of the industry

Hence the Ethiopian Tourism organization (ETO) would like to deploy an international consultant in the field to develop **Ethiopian Tourism Destinations Development Strategy** that would serve as a guiding framework in managing tourism destinations.

### III. SCOPE OF WORK

#### Overall Objective

The tourism development strategy is expected to be a strategy of *Tourism Destination Development Strategy of Competitiveness and Attractiveness Link (TDCAL)*. The following issues discussed under specific duties would be the core areas of the tourism destination development strategy in which the international consultant would focus to provide the intended consultancy services. The strategy should be developed in terms of tourism sustainability framework and responsible tourism principles with *Visitors, Industry, Community and Environment (VICE)* modality of interventions. It should also adapt all Inclusive Business Ecosystem (IBE) approaches to the Ethiopian tourism products and destinations development endeavours. The international consultant would have the intervention modality of inbuilt, interactive and participatory approach when it comes to engagement of the primary stakeholders operating in the Ethiopian tourism industry value chains.

#### Specific Duties

The specific duties of the consultant will include the following but not limited to:

#### 1. Tourism Destination Management System and Tourism Destination Management Organization (DMO)

The consultant would review the Ethiopian tourism industry state of affairs to further propose appropriate tourism destination management system and tourism destination management organization at all levels of the administrative system. The consultant is strongly advised to critically consider the Ethiopian federal governance system towards the intended institutional rearrangements. The Ethiopian tourism resources are basically found under different ownership and management which need appropriate management system and management organization that would fit to its basic characteristics. Strong site based destination management organization in terms of management of social agreement so as to avoid remote management system of command and control. The consultant shall also consider a joint public and private partnership of governance as the way forward.

## **2. Tourism Resource Mapping**

In destination development strategy tourism resource mapping is one of the priority area that the consultant would focus on. Hence, the consultant is expected to conduct resource mapping, evaluation and set relative order of priorities to develop tourist destinations and product that would include tourism product diversification along designated destination routes, destination corridors and en-route sites of visitations. This would include recommendation on establishment of tourism development zones and tourism growth corridors in terms of tourism resource clustering approaches.

## **3. Tourism Resource Development, Mobilization, and Conservation**

In most cases tourism resources are the resources of everybody and the resources of everybody sometimes tends to be the responsibilities of nobody. In order to avoid such inconsistency, the consultant is expected to propose technical mechanisms as to how a joint effort and shared responsibility can be implemented for tourism resource development, mobilization, and conservation that would consider the present day global concern of climate change and Ethiopian green economic development initiative in terms of tourism destination development guidance, tourism destination development operations, and tourism destination development governance as the main pillars of the the tourism destination development strategy.

## **4. Tourism Public Private Partnership Framework**

Tourism projects generally require a high amount of initial investment for which the private financing may become impossible for most companies. Public Private Partnership (PPP) could be suggested as a viable model to finance tourism projects where tourism projects are financed and operated through a partnership of government and one or more private sector companies. The consultant is expected to develop Tourism Private Public Partnership framework to encourage a joint tourism investment modality of the government and tourism private sector operators.

## **5. Tourism concessions for protected areas/ Biosphere reserve/Paleoanthropological sites**

Tourism concession system would provide a framework for private sector engagement in the development of protected areas and other similar Destination Management Areas (DMAs) through concessions and other business and non-business permits, ranging from 5 to 20 years, depending on the activities and scale of investment. The consultant is expected to propose different modalities of tourism concession modalities for protected areas and other Biosphere Reserve and Paleoanthropological aligned with the expected/required regulatory frameworks.

## **6. Tourism Private Sectors Foundation**

The establishment of tourism private sectors foundation is to engage the privates in the tourism transformation endeavour of the country. It is considered to be an important factor towards strengthening the growing private initiatives in diverse tourism investment fields. The consultant is expected to come up with the tools to reorganize the fragmented efforts of the privates into an integrated and consolidated approaches. This would also include delineating proven experience from other countries that could be adopted in the Ethiopian context in establishing parastatal agencies, investment clubs, coalitions, partnership forums etc.

## **7. Tourism Investment Financing**

Tourism Investment financing is a major area of concern in limited bank loans and other investment financing sources from domestic financial institutions. The consultant is expected to map potential tourism investment financing options in terms of networking, collaboration and partnership that would engage domestic financial institutions and banks with international financial institutions and investment banks to

work together. This would include FDI modality, International Financial Institutions (IFI's), Multilateral Investment Guarantee Agency (MIGA) and International Finance Corporation (IFC). This should be done basing experience from other countries and in the overall framework of the nation's financial rules and regulations.

#### 8. *National Tourism Trust Fund*

The establishment of National Tourism Trust Fund has now become an important issue of tourism destination development strategy as Ethiopian Tourism Organization (ETO) is expected to become *a quasi government organization* in terms of PPP framework that would be very different from its present status working dominantly as government authority. The establishment of the fund is about transforming ETO into a Destination Management Organization (DMO) of a *Joint Public Private Authority* that would equally involve the tourism private sector operators and partners in all aspect of the tourism transformation efforts of the country. The consultants or the team of experts are expected to propose the establishment of National Tourism Trust Fund framework and different modalities of harnessing financial resources to realized the intended objectives.

### IV. EXPECTED DELIVERABLES and DURATION

#### Deliverables

- **Inception report**
- **Draft Report for peer review**
- **Main Deliverable Document**
  - *Final Tourism Destination Development Strategy Document with estimated budget for the lifetime of the strategy*
- **Associated regulatory documents**
  - *Tourism Concessions System frame work document*
  - *Tourism investment financing and PPP frame work document*
  - *Tourism Trust Fund modality and organizational arrangement document of the DMO*
  - *Tourism Private Sectors Foundation frame work document as appendixes - By incorporating all the recommendations provided in due course*

#### Duration

The consultancy assignment shall be completed within 80 working days as per the following time frame:

No.	Main activity	Working days Assigned
1.	Inception Report	10
2.	First draft	35
3.	Second draft	20
4.	Validation workshops	2
5.	Final draft	13

### V. IMPLEMENTATION ARRANGEMENTS

The consults will be recruited under the UNDP terms and conditions, and undertake the assigned tasks and responsibilities under the direct supervision of the Ethiopian Tourism Organization (ETO) and UNDP. The consults will also be working closely with ETO staff and other key stakeholders at federal, regional, and local levels. ETO will provide the necessary support in providing administrative support and arranging appointment

with stakeholders and partners. The consultant is required to be a team player with the ability to maintain good working relationship with the ETO staff, stakeholders, partners and donors. All local travel costs related to the assignment will be covered by UNDP. ETO will provide the consultants office space and arrange the validation workshop.

## **VI. QUALIFICATIONS OF THE SUCCESSFUL INDIVIDUAL CONTRACTORS (ICs)**

### **A. Technical Competencies:**

#### **Technical Assistant I**

- Master's Degree or above in tourism planning and development, with tourism destination development specialization and proven experience in strategic development planning
- A minimum of 10 years of professional experience
- Knowledge and experience in the area of tourism value chain, public-private partnership, tourism destination and product development, investment promotion, etc
- Hands on work experience in tourism development strategy documents
- Experience in producing programme documents
- Previous experience with results-based monitoring and evaluation methodologies
- Experience of working in Africa is desirable

### **B. Functional Competencies**

- Outstanding communication skills in English
- Positive and constructive approaches to work with energy
- Demonstrate openness to change and ability to receive and integrate feedback
- Excellent written and verbal communication skills
- Strong time management and meet established time lines.

### **C. Language and Other Skills**

- Excellent knowledge of English, including the ability to write reports clearly and concisely and to set out a coherent argument in presentation and group interactions
- Capacity to facilitate and communicate with different stakeholders
- Computer skills: full command of Microsoft applications (word, excel, PowerPoint) and common internet applications

## **VII. 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; Individual Consultant 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 is:
  - a. Technical Criteria weight is **70%**
  - b. Financial Criteria weight is **30%**

Criteria	Weight	Max. Point
<b>Technical Competence (based on CV, Proposal and interview (if required))</b>	<b>70%</b>	100
▪ Educational relevance: close fit to post		10 pts
▪ Understanding the scope of work and organization of the proposal		40 pts
▪ Relevant experience in Tourism sector		20 pts
▪ Experience of similar assignment/		20 pts
▪ Previous work experience in Africa/ Ethiopia		10 pts
<b>Financial (Lower Offer/Offer*100)</b>	<b>30%</b>	30
<b>Total Score</b>	<b>Technical Score * 70% + Financial Score * 30%</b>	

## VIII. PAYMENT MILESTONES AND AUTHORITY

The prospective consultants will indicate the cost of services for each deliverable in US dollars **all-inclusive<sup>1</sup> lump-sum contract amount** when applying for this consultancy. The consultant will be paid only after approving authority confirms the successful completion of each deliverable as stipulated hereunder. The qualified consultants shall receive his/her lump sum service fees upon certification of the completed tasks satisfactorily, as per the following payment schedule:

Instalment of Payment/ Period	Deliverables or Documents to be Delivered	Approval should be obtained	Percentage of Payment
1 <sup>st</sup> Instalment	Upon submission of an Inception Report	UNDP Team Leader	20%
2 <sup>nd</sup> Instalment	Submission of draft report	“	40%
3 <sup>rd</sup> Instalment	Submission of the final/endorsed report other two framework documents in English in both soft and hard copies.	“	40%

## IX. 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 Consultants Proposal Submission must have at least the preferred contents which are outlined in the IC Proposal Submission Form incorporated hereto.

## X. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The Individual Consultants 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 the ETO and UNDP.

<sup>1</sup>The term “All inclusive” implies that all costs (professional fees, international 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