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ETHIOPIA

TERMS OF REFERENCE (TOR)

GENERAL INFORMATION

Services/Work Description:	National Consultant for Climate Finance Tracking for the Water, Irrigation and Energy Sector
Project/Program Title:	CRGE
Duty Station:	Addis Ababa with travel to the regional states
Type of the Contract:	National Individual Consultant
Duration:	150 days which will be distributed over 5 months
Expected Start Date:	Immediately after concluding contract agreement

I. BACKGROUND / RATIONALE

Ethiopia has been implementing the CRGE strategy since 2011/12 and has further integrated the CRGE into the second Growth and Transformation Plan (GTP-II) (2015/16-2019/20). Currently, CRGE is one of the main pillars of the Ten Years Perspective Plan of Ethiopia for the period 2020-2030. Ethiopia has also submitted one of the most ambitious National Determined Contribution (NDC) in accordance with Article 3 of the Paris Climate Agreement. Ethiopia's NDC aims to reduce 64% of the annual emissions by 2030 compared to business as usual (BAU) level of emission. The NDC target is consistent with the GHG emission reduction set in the CRGE Strategy. The integration of CRGE into Ethiopia's midterm and longer-term plans ensure that the CRGE is part of a comprehensive national plan and not a standalone initiative. It also ensures that public investments are allocated 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.

The realization of the CRGE vision and NDC targets requires significant investment in climate smart initiatives across the key CRGE sectors, building human, institutional and system capacities at all level. As indicated in the CRGE Strategy, Ethiopia is expected to invest over USD 150 billion or an annual investment of USD 7.5 billion in order to realize its vision of building climate resilient and carbon neutral middle-income economy by 2025. The required financing is expected to come from international public and private sources as well as from domestic public and private sources in various forms.

It is well recognized that the resources required for implementation of the CRGE initiatives across the key CRGE Sectors significantly exceeds the current financial, technological and capacity building supplies. However, it has been very challenging to clearly track what has been mobilized thus far from various and project the future needs of each sector in line with changing national and global circumstances. Cognizant of this, the CRGE Facility in the Ministry of Finance (MOF) in collaboration with the Global Green Growth Institute (GGGI) has developed climate finance tracking and projection methods, which is consistent with international practices. To date, the Facility in collaboration with the GGGI, UNDP, and World Bank has completed Climate finance tracking and projection for the Forest, Urban, Transport, Agriculture sectors as well for the non-state actors. The outcomes of these assessments have shaded light on what has been the baseline investment in these sectors since the launching of the CRGE Strategy in 2011 by sources of finance (i.e. public, private, community and non-governmental organization) as well as the future financial needs of the sectors in order to achieve the sectoral targets as set in the CRGE

Strategy. In order to fully capture economy-wide climate related investments and needs in Ethiopia, it is important to track financial flows in the Water, Irrigation and Energy Sectors in addition to the above-indicated sectors. 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 (2011/12-2018/19) channeled to the Water, Irrigation and Energy Sectors 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
Final conceptual and analytical framework, instruments and protocols for the non-state actors	Three weeks	MoF, CRGE Facility Team
Report on baseline financing/investment requirements (2011/12-2018/19)	Ten weeks	MoF, CRGE Facility Team
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
Terminal report and completion	Two weeks	MoF, CRGE Facility Team

VII. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS

The contract will be managed by the IGSD 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 cover DSA only not vehicle arrangement 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	Deliverables or Documents to be Delivered	Approval should be obtained from:	Percentage of Payment
1 st Installment	Inception report	MOF & UNDP	15%
2 nd Installment	Final conceptual and analytical framework, instruments and protocols	MOF & UNDP	15%
3 rd Installment	Report on baseline financing/investment requirements (2011/12-2017/18)	MOF & UNDP	35%
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;	MOF & UNDP	25%
5 th Installment	Terminal Report	MOF & UNDP	10%

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);
- 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
Technical Competence (based on CV and Proposal)	70%	100
<ul style="list-style-type: none"> ▪ Criteria a. Understanding the Scope of Work (SoW); comprehensiveness of the methodology/approach; and organization & completeness of the proposal 		50
<ul style="list-style-type: none"> ▪ Criteria b. Previous similar experience <ul style="list-style-type: none"> √ Experience working in the UN √ Experience working in other international organization 		30
<ul style="list-style-type: none"> ▪ Criteria c. Educational Background 		20
Financial (Lower Offer/Offer*100)	30%	30
Total Score	Technical Score * 70% + Financial Score * 30%	

XI. LOGISTICAL SUPPORT

The UNDP shall pay DSA only for the consultant during authorized travels to the regional states for data gathering.

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.

TECHNICAL PROPOSAL COVER PAGES

Cover Page

Cover Letter

SECTION I. TECHNICAL PROPOSAL SUBMISSION FORM

- 1.1 Letter of Motivation
- 1.2 Proposed Methodology
- 1.3 Past Experience in Similar Consultancy and/or Projects
- 1.4 Implementation Timelines
- 1.5 List of Personal Referees
- 1.6 Bank Reference

SECTION II. ANNEXES

Annex a. Duly Signed Offeror's Letter to UNDP Confirming Interest and Availability (use the template hereto)

Annex b. Duly Signed Personal CV's

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.