

Environment, Forest and Climate Change Commission (EFCCC) Forest Sector Transformation Unit/UNDP

TERMS OF REFERENCE (TOR)

GENERAL INFORMATION

Services/Description: Developing Forest Sector Transformation Roadmap to enhance the Socio-economic, Social and Environmental Evaluation of Forest Management

Project/Program Title: REDD+ Investment Program

Duty Station: Addis Ababa/with extensive travel to regions

Type of the Contract: National Consulting Firm

Duration: 60 working days

Expected Start Date: Immediately after signing of the Contract

I. BACKGROUND/RATIONALE

The Government of Ethiopia has shown a vested interest to sustainably manage forest resources of the country so as to enhance the contribution of the sector to achieving socio-economic and environmental goals. Despite such growing interest to mainstream the socio-economic and ecological importance of the forest sector, there still exist various challenges that have been undermining the realization of the optimal benefits of the sector. On the one hand it is still a challenge to arrest the persistent deforestation and forest degradation in the country and on the other hand, there are limited success stories of afforestation and reforestation schemes, calling for concerted and multi-output solutions.

The Forest Sector Transformation Unit (FSTU) is established to substantially contribute to support the transformation of the forest sector of Ethiopia. The Unit through unlocking opportunities, designing, piloting and scaling up innovations, has been expected to significantly contributing to achieve the ambitious targets set in the CRGE, NFSDP and GTP-II and other targets that Ethiopia has pledged to the international communities. FSTU has been capacitating the forestry sector, by providing targeted, hands-on support to the national, regional and woreda level forest development interventions, mainly that of REDD+ initiatives.

Lessons show that, Ethiopia need to engage in transforming its forest sector and need to make transformation one of the main agendas in the development paths as continuing with business as usual will not take her anywhere. Transforming the sector help to

understand the challenges and opportunities affecting sustainable forest sector development in general and specifically, exiting and lacking inputs and provisions such as technologies; processes and approach necessary to plan and execute transformation of the forest sector of Ethiopia; and thereby, ensure the enhanced socio-economic and environmental contribution of the forest sector to the national development. Ethiopia needs to address the ever-growing demand for forest product, increase social and environmental resilience of its people and ecosystems, where the supportive role of the forest sector to other production sector is also immense. EFCCC/FSTU believes that forest sector transformation process can only be effective and efficient when it will be guided by pragmatic Forest Sector Transformation Master Plan, also called Forest Sector Transformation Roadmap. To this end, EFCCC/FSTU through UNDP would like to hire a National Consulting firm to develop a comprehensive Master Plan/Roadmap that will serve as base to plan and execute Forest Sector Transformation Agenda in Ethiopia. The Transformation Master Plan will significantly benefit the implementation of the Ethiopia's Ten Years National Forest Sector Development Program (2018-2028).

II. OBJECTIVES OF THE SERVICE

Ensuring fast and sustainable forest sector development for its socio-economic and environmental benefits in Ethiopia needs to be guided by holistic Transformation Master Plan that constitutes areas of change/transformation, process of change/transformation, implementation method of, among others. The major objective of this consultancy is therefore to prepare a forest sector transformation roadmap that will facilitate innovation and value adding in the forest development, management and utilization, and thereby, substantially increase the socio-economic and environmental benefits.

The Transformation Master Plan needs to consider the social, economic, environmental and institutional and policy aspects of the forest sector, with a focus on innovations that will enhance the importance of the sector in the country's economic development and in responding to global agendas. The outputs from the consultancy work will build future decisions to promote changes in the forest sector development, to enhance investment and Public-Private-Partnership in the forest sector, which will be basic to add value to the forest sector. As forest sector has as such cross cutting effects, the Master Plan to be prepared need to consider changes to be realized in the interfaces between forest and other production sectors such as agriculture, energy, water, industry and tourism. Equally important is also the roadmap needs to showcases that improve international cooperation and lesson learning processes from other countries.

III. SCOPE OF THE SERVICE

The scope of this consultancy work will cover the whole value chain of the forest sector, ranging from forest policy and institution, through forest sector development, management, utilization and cross cutting areas such as research, education and others important sectors in such a way that, it will:

- draw key lessons from efforts to bring transformation in different sectors in Ethiopia in such a way that identify challenges, opportunities, results achieved so far and areas to be treated differently. The review need to also include other suitable countries from which Ethiopia can learn to transform its forest sector in relatively short time;
- identify areas of transformation/innovation along the value chain of forest sector development with performance indicators;
- Prioritize and sequence key areas of transformation along with their intended results;
- map processes, methods and necessary inputs that are crucial to design, execute, monitor, evaluate and report transformation results;
- determine challenges and opportunities that will affect adoption of transformative interventions in the forest sector with key recommendations to solicit them;
- analyze existing institutional (extension, research, education, financial, policy and institutional) capacity and suggest key recommendations that enable the necessary capacities to realize the implementation of the transformation roadmap;
- list of key stakeholders and their role in the processes of forest sector transformation in Ethiopia;
- review key transformation processes and results of at least two suitable countries from which Ethiopia can learn lesson; and
- include potential funding sources and access to technology hubs that will enhance the realization of forest sector transformation in the country. This includes estimating the resources (budget) need to execute the Master Plan.

IV. EXPECTED OUTPUTS / DELIVERABLES

The points mentioned here under are the outputs that are expected from the consultancy work

- Inception Report including Report Outline;
- Draft report of the Master Plan/Roadmap showing areas of transformation, menu of transformative interventions, processes and method of transformation, determinants of transformation (challenges and opportunities), impacts of the roadmap (transformation agenda, lesson from two countries, role of institutions (list and role of key stakeholders relevant to transform the forest sector of Ethiopia), budget and etc;
- A final report based on feedback from a validation workshop, where the validation workshop should involve key decision-makers, experts and key stakeholder.

V. METHODOLOGY/APPROACH OF THE SERVICE (WORK)

The consulting firm is expected to:

- Outline the proposed methodology and/or approach to be employed including the use of primary data and analysis of relevant secondary data sources, and clear results (indicators and measurements).
- Extensive review of the status of transformation efforts in the country, this may include review of GTP-I and II reports, the CRGE strategy implementation status recently done by the WB as these plans are also aims at bringing sectoral transformation in the country. Further, the consultant has to undertake extensive review of challenges and opportunities and results obtained by Agricultural Transformation Agency (ATA).
- The NCF also need to present experience from other suitable countries from which Ethiopia could learn lesson.
- Identify, analyze, characterize and prioritize key areas of transformation along the value chain of the forest development, management/conservation and utilization. Change areas need to be presented for each of the main categories of forest sector value chain including the cross-cutting areas/issues separately.
- Identify and analyze methods of change process, i.e., the how about of the transportation, the necessary inputs and deliverables/results to be achieved due to implementing the identified transformative interventions.
- Develop sample transformation model (businesses) with the necessary steps that will serve as reference to further execute and scale up the transformation agenda in the forest sector.
- Scope key stakeholders with their role to transform the forest sector of Ethiopia.
- Organize validation workshop to get inputs, include comments and prepare final document. The validation workshop(s) need to include key stakeholders in the forest sectors and these in the interface institutions, ranging from policy, research, education and extension to donor agencies.
- The Master Plan need to closely consult the 10 years' perspective plan of the country and NFSDP. It is hence important to arrange consultation with relevant experts and heads in the commission.
- The Master Plan need to include indicative budget and other inputs for its implementation.

In addition, the consultant will undertake the following activities:

- **Initial discussions:** Initial kick off meeting with FSTU/EFCC and UNDP to determine and discuss the parameters of the TOR and to review future work progress plan.
- **Desk review:** the NCF will conduct desk review to learn about the status of transformation in the sector so far, also learn from other institutions in the country

and abroad, and use the outputs to plan areas and methods of transformation and expected results.

- **Consultative meetings:** The NCF will organize consultation/interview and focus group discussion with relevant stakeholders, taking into account policy/extension, research, education, and the industry. It is also important to consider donor agencies and agencies already dealing with transformation.
- **Field observations:** the NCF will organize field level observations as it is appropriate, mainly he/she has to hold meetings with the two regional forest enterprises, NGOs and other actors who may have engaged in transformation of a given sector, so that critical lesson will be learnt.
- **Additional instruments and tools:** the selected NCF can suggest additional instruments and information that might be useful for the study.

VI. LOCATION, DURATION AND TIMEFRAME, DELIVERABLES/OUTPUT

The Master Plan will be implemented across the nation, and hence, its preparation need to take into account the context of Ethiopia, its regions, and resources.

The Deliverables and Duration of Assignment

| No | Deliverable | Expected Output | Duration Notes | Remarks |
|----|--|---|---|---------|
| 1 | Inception | Report including report outline, methodology, provisional report format, suggested annotated outlines of the deliverables. The inception report should include details of proposed initial focus group meetings | 5 calendar days after signing contract | |
| 2 | 1st Draft Report | Interim Report | 40 calendar days after presentation of inception report | |
| 3 | Final Report on Annexes/Excel Data/GIS Data | Completed Final Report and database of potential sites | 15 calendar days after validation workshop | |

VII. INSTITUTIONAL ARRANGEMENT/REPORTING RELATIONSHIPS

This consultancy work will be guided by FSTU/EFCCC/UNDP. The NCF will report to FSTU Director and UNDP. The NCF should closely work with the Delivery Support Program Manager at FSTU and other stakeholders. The NCF shall have consultations with key Government Partners including the Forest Sector Deputy Commissioner of

EFCCC; the CRGE Facility, Ministry of Finance and with the Embassy of Norway Sweden and other development partners in Ethiopia. The NCF shall also hold consultation with research and academia and other relevant stakeholders including regional environment/forest institutions, MoA, MoL, MoI, MoWIE, MoUDH and MOT to gain more inputs crucial for preparing the roadmap.

VIII. PAYMENT MILESTONES AND AUTHORITY

| Installment of Payment/ Period | Deliverables Documents to or be Delivered | Approval should be obtained | Percentage of Payment |
|--------------------------------|--|-----------------------------|-----------------------|
| 1st installment | Upon submission and approval of Inception Report | UNDP and FSTU | 20% |
| 2nd installment | Following submission and approval of the 1 st draft assessment report and validation workshop minutes | UNDP and FSTU | 40% |
| 3rd installment | Following submission and approval of the final assessment report | UNDP and FSTU | 40% |

IX. REQUIREMENTS

Minimum Professional/Organization Requirements

The National Consulting Firm should mobilize multi-disciplinary experts with extensive experiences as presented below:

- **The Team Leader** should have minimum MSc degree (preferably PhD) and 10 years of practical experience in the forest, natural resources science, forest development, forest management, conservation and utilization. More importantly, the team leader should have extensive experience and engagements in research and academia in areas of forest innovation, value addition, transformation;
- **The socio-economist expert** must have at least MSc and over 10 years of practical experience in the forest, natural resources science, forest development, management, conservation, utilization, and preferably experience in areas of innovation, transformation, value chain and livelihood;
- The firm also need to mobilize a **technologist/innovationist** who has MSc and at least seven years of extensive experience in areas of transformation, innovation, product development, designing of prototypes and the like;

- The firm and its experts need to have experience of working with diverse stakeholder including the with the private sector and government agencies;
- Experience of preparing national working documents including experience in review of international experiences in the forest/natural resource sector;
- Knowledge of relevant sectors and access to stakeholders and relevant information sources at national level;
- In-depth knowledge about the forest sector of Ethiopia, its challenges, opportunities, the need for change, innovation and its key stakeholders;
- Experience working with UN or other international organizations is beneficial;
- The consultant should have strong analytical aptitude, communication and presentation expertise;
- It shall demonstrate its capabilities, understanding of the TOR in the technical proposal.

X. CRITERIA FOR SELECTING THE BEST OFFER

Upon the advertisement Notice, qualified Consultancy Firm is expected to submit both the Technical and Financial Proposals. Accordingly; the firm 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), 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 |
|--|------------|------------|
| | 70% | 100 |
| ▪ Criteria a. Educational relevance: close fit to post | | 10 pts |
| ▪ Criteria b. Understanding the scope of work and organization of the proposal | | 50 pts |
| ▪ Criteria c. Experience of similar assignment | | 30 pts |
| ▪ Criteria d. Previous work experience in Ethiopia/Africa | | 10 pts |
| Financial (Lower Offer/Offer*100) | 30% | 30 |

XI. LOGISTICAL SUPPORT

UNDP will cover only the DSA of the Consulting Firm. It is the responsibility of the CF to arrange transport to the field and other consultancy service related costs (meetings/workshops). These costs should be included in the financial proposal of the CF.

XII. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The CF 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 CF under the assignment shall become and remain properties of UNDP. This assignment will be administrated by the United Nations Development Programme (UNDP), and all relevant UNDP rules, policies and procedures will apply.

XIII. PROPOSED STANDARD TECHNICAL PROPOSAL EVALUATION CRITERIA

Below are the Standard Technical Proposal Evaluation Criteria along with respective allocated weight template for Requester's subsequent review.

| Summary of Technical Proposal Evaluation Forms | | Score Weight | Points Obtainable |
|--|--|--------------|-------------------|
| 1 | Expertise of Firm/Organization | 30% | 300 |
| 2 | Proposed Methodology, Approach and Implementation Plan | 40% | 400 |
| 3 | Management Structure and Key Personnel | 30% | 300 |
| TOTAL | | 100% | 1000 |

| Technical Proposal Evaluation (FORM I) | | |
|--|---|-------------------|
| Expertise of the Firm / Organization | | Points Obtainable |
| 1.1 | Reputation of Organization and Staff / Credibility / Reliability / Industry Standing | 50 |
| 1.2 | General Organizational Capability which is likely to affect implementation <ul style="list-style-type: none"> - Financial Stability - Loose consortium, Holding company or One firm - Age/size of the firm - Strength of the Project Management Support - Project Financing Capacity - Project Management Control | 90 |

| | | |
|---|--|------------|
| 1.3 | Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.) | 15 |
| 1.4 | Quality assurance procedure, warranty | 25 |
| 1.5 | Relevance of: - Specialized Knowledge - Experience on Similar Programme/Projects - Experience on Projects management in the Region - Work for UNDP/major multilateral/ or bilateral programmes | 120 |
| | SUB TOTAL | 300 |
| Technical Proposal Evaluation (FORM II) | | |
| Proposed Methodology, Approach and Implementation Plan | | |
| 2.1 | To what degree does the Proposer understand the task? | 30 |
| 2.2 | Have the important aspects of the task been addressed in enough detail? | 25 |
| 2.3 | Are the different components of the project adequately weighted relative to one another? | 20 |
| 2.4 | Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal? | 55 |
| 2.5 | Is the conceptual framework adopted appropriate for the task? | 65 |
| 2.6 | Is the scope of task well defined and does it correspond to the TOR? | 120 |
| 2.7 | Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project? | 85 |
| | SUB TOTAL | 400 |
| Technical Proposal Evaluation (FORM III) | | |
| Management Structure and Key Personnel | | |
| 3.1 | Team Leader/Forestry Expert: Forester, Natural Resources | |
| | General Qualification | |
| | Suitability for the Project | |
| | - Leadership/coordination Experience | 50 |
| | - National experience in the topic | 50 |
| | - Educational preparation and professional experience in the area of specialization | 50 |

| | | |
|------------------|---|-------------|
| | - Language qualification and evidence of publications | 50 |
| SUB TOTAL | | 200 |
| 3.2 | National-Socio-economist Expert | |
| | General Qualification | |
| | Suitability for the project | |
| | - Educational and professional experience in the area of specialization | 25 |
| | - Language qualification | 25 |
| SUB TOTAL | | 50 |
| 3.3 | National – Technology/industry Expert | |
| | General Qualification | |
| | Suitability for the project | |
| | - Educational and professional experience in the area of specialization | 25 |
| | - Language qualification | 25 |
| SUB TOTAL | | 100 |
| | Aggregate | 1000 |