

## **Terms of Reference (TOR)**

### **Assessment of infrastructure for preparation of Input/output table and SDG aligned Social Accounting Matrix (SAM)**

<b>Type</b>	<b>Individual</b>
<b>Location:</b>	Kathmandu, Nepal
<b>Project:</b>	Accelerating Implementation of Sustainable Development Goals in Nepal
<b>Starting Date:</b>	December 2020
<b>Duration:</b>	30 days spanned over 60 days

## **1. BACKGROUND**

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The Government of Nepal (GoN) has made strong commitments to achieving the Sustainable Development Goals (SDGs) through several policy and institutional arrangements to mainstream the SDGs in all development efforts, and at all levels of government. Government of Nepal's national priorities are elaborated in 15th plan (2076/77 – 2080/81), the framework document for Nepal government's development efforts in the coming five years, which identifies SDGs localization at the sub-national government level as among the key priorities. The National Planning Commission (NPC) is the lead agency of GoN for planning, facilitating and monitoring of the SDGs at the national level. To accelerate implementation of SDGs and prepare GoN become SDG responsive and functional, one of the key output is to have planning, budgeting and M & E systems at federal level fully aligned with the SDGs.

In this context, developing Social Accounting Matrix (SAM) that is aligned to SDGs is crucial to know the interrelations between different sectors of the economy and to know about required policy interventions to achieve SDGs. Therefore, the AISN (Accelerating Implementation of Sustainable Development Goals in Nepal) project has identified SAM that is aligned as an activity which needs to be carried out which will further strengthen National Statistical System to generate SDGs based data including PEC/GESI disaggregated data.

A Social Accounting Matrix (SAM) is a comprehensive and economy-wide database recording data about all transactions between economic agents in a specific economy for a specific period of time, usually one fiscal year. A SAM is a square matrix with identical row and column accounts in which each cell shows payment from its column account to its row account. A SAM extends the classical Input-Output framework, including the complete circular flow of income in the economy. It shows a complete but intuitive snapshot of the economy at hand.

### **Rationale for the study**

The SDG aligned SAM will provide macroeconomic framework for GoN, which can be key/vital information in planning and budgeting for the GoN to achieve SDGs by 2030. Furthermore, SDG aligned SAM will help to indicate how to allocate resources in different sectors of economy.

Similarly it will help in prioritization of resource allocation from both public and private sectors including cooperative sectors that will help to identify the resource required and financing for the implementation of SDGs.

AISN is a joint project of NPC and UNDP which is implemented under the National Implementation Modality (NIM). This consultancy is supported by AISN project funded by UNDP Nepal and European Union (EU). One of the key project outcomes to be achieved through **SDG aligned macroeconomic framework – Social Accounting Matrix (SAM)** is to assist GoN agencies for ensuring ‘planning, budgeting, monitoring and reporting systems at all levels of government are SDG responsive and functional.’

This consultation work is to assess infrastructure in preparation of Input/output table and Social Accounting Matrix (SAM). This consultation work will provide methodology for preparing I/O table and other preparatory work in process.

## **2. OBJECTIVES OF THE ASSIGNMENT**

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The main objective of this consultation service is to assess infrastructure for the construction of I/O table and SDGs aligned SAM of Nepal. In preparation of creating I/O table and Social Accounting Matrix later in 2021, this consultation work has the objective to prepare methodology for preparation of I/O table. As recommended in System of National Accounts (SNA 1993), I/O table will be derived from Supply and Use Tables (SUTs).

Following are the specific objectives of this consultation work:

1. Develop the appropriate methodology to prepare the I/O table and SAM for Nepal
2. Assess the data availability and quality of data from different source in preparation of I/O table and SAM
3. Identify the data gaps for construction of I/O table and SAM
4. Recommend appropriate methods/source of data collection to fulfil the identified data gaps.

## **3. SCOPE OF WORK**

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The scope of the work to assess **infrastructure for preparation of Input/output table and SDG aligned Macroeconomic Framework- Social Accounting Matrix** are following (and more as per requirement):

1. Review of Literatures:
  - Review SDG related materials
  - Review Supply and Use table prepared by CBS
  - Review previous I/O table prepared by CBS, if available.
2. Collect the Required Data and Information
  - Review available data and identify data availability
  - Assess the data availability and quality of data for the preparation of SAM
  - Recommend data sources (admin data, surveys) etc with their frequency and coverage

- Identify list of data sources required for preparing I/O table
- Identify data required but not currently available – identify variables.

### 3. Methodology Preparation:

- Prepare methodology in preparation of I/O table
- Identify the methodology to make I/O table (and later SAM) SDG aligned
- Identify macro-economic policy interlinkage and identify use of SAM for policy implications.
- Prepare policy recommendation on types of data required and country assessment of currently available data.
- Provide policy recommendation on use of I/O table and SAM for macroeconomic policy intervention and its use. Provide recommendation on goal-wise resource allocation for SDG at national scale.

## 4. DELIVERABLES

The specific deliverables are outlined below:

- a) An Inception report within 10 days of signing of award. This should include a detailed methodology and a time bound work plan with key deliverables in consultation with NPC /AISN project team.
- b) Prepare and submit country-in-depth assessment report on data availability, use and gaps.
- c) A Draft report on ‘Assessment of infrastructure for preparation of Input/output table and SDG aligned Social Accounting Matrix (SAM)’ submitted to the AISN project, within 45 days of signing of the contract.
- d) A policy consultation workshop held to share the outcome of this assignment in order to gather policy feedback from stakeholders. NPC/AISN will organize workshop.
- e) A final report on ‘Assessment of infrastructure for preparation of Input/output table and SDG aligned Social Accounting Matrix (SAM) to NPC/ AISN project incorporating feedbacks from stakeholder within 15 days from receiving feedbacks.

## 5. PAYMENT OF CONSULTING WORK The payment schedule of this assignment will be as follows;

Stage of work of Consultant	Deliverables	Payment Schedule
i. Inception Report: with detailed study methodology and content of the assignment to be submitted by the consultant within a week (10 days) of contract signing	Acceptance of the Inception Report by NPC/AISN	20% payment upon acceptance of the report.

<b>ii.</b> Submission of first draft of ‘Assessment of infrastructure for preparation of Input/output table and SDG aligned Social Accounting Matrix (SAM)’ report by the consultant within one and half month (45 days) of contract signing.	Acceptance of draft report by NPC/AISN	50% payment upon acceptance of the draft report.
<b>iii.</b> Submission of final ‘Assessment of infrastructure for preparation of Input/output table and SDG aligned Social Accounting Matrix (SAM)’ report by the consultant incorporating comments from stakeholders’ consultation meeting within two months (60 days) of contract signing.	Approval of Draft Report by NPC/AISN	30% payment upon acceptance of the final report.

## 6. COMPETENCIES AND EXPERIENCES

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**Economist / Policy Analyst:** Master’s degree in Economics or Development Economics, or Applied Economics, Public Finance Management or in related subject areas. A Ph.D. degree on the related themes (subjects) is preferred.

At least 15 years of general experience in the academia field or in policy research on Economics or on Development Planning, with a focus on macroeconomic policy analysis or economic policy evaluation research, as reflected through professional work experience and experience on SAM based macroeconomic /CGE modeling.

### Experience

- Proven experience of preparing input/ output table or Supply and Use Table of Nepal.
- Prior experience of working on National Account of Nepal
- Proven quantitative skill in economic policy research, and are reflected through publication record in CV (namely written journal papers, policy documents, and/or, etc.
- Proven strong analytical skills in monetary policy and fiscal policy research related subject-areas in Nepal, with a proven publication record.
- Experience on SAM based macroeconomic /CGE modeling.
- Proven previous experience in working on similar kind of study on national account and macroeconomic framework in Nepal or similar work in other countries will be given higher weightage while evaluating CV of the applicants.
- Demonstrated leadership, team building, and coordination skills, and association with national and international professional groups related to the work proposed.
- Proven good record of writing high level economic policy papers and policy report in English language, especially in drafting of economic policy research papers.
- Proven experience in leading project or of dealing with senior government officials for development of high-level policy analysis, and in dissemination of the policy outputs and research results with senior government officials and with other national/international agencies.

### **Competencies**

- Excellent oral and written skills in English and Nepali with exceptional writing, communication and presentation skills.
- Ready to work independently, under tight deadlines;

### **7. WORKING ARRANGEMENTS**

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The consultant will work under the overall guidance of Hon' member and relevant division of the National Planning Commission while accomplishing this assignment. The consultant will work under the direct supervision of National Project Director (NPD) in close collaboration with Central Bureau of Statistics and AISN project team and UNDP Country Office to administer the task in producing deliverables. The consultant in implementing the activities under its scope, shall demonstrate synergies with relevant government agencies and UNDP and adopt strategy in a complete collection of information and analysis from all stakeholders' perspectives.

The consultant will be given access to relevant information necessary for the execution of the tasks under this assignment. The consultant will be responsible for providing his/her own working station (i.e. laptop, internet, phone, printer/scanner etc. and must have access to a reliable internet connection).