

**TERMS OF REFERENCE**

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| **Project title** | “SDG-Aligned Budgeting to Transform Employment in Mongolia” |
| **Location** | Ulaanbaatar, Mongolia |
| **Title of the assignment** | Support to Public Finance Management reform and SDG-aligned budgeting |
| **Post title** | Public Finance Expert (Ministry of Finance) |
| **Type of contract** | Individual Contractor (IC) |
| **Languages required:** | English and Mongolian |
| **Duration of Initial Contract** | 160 days over 10 months |

**BACKGROUND**

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| The project “SDG-Aligned Budgeting to Transform Employment in Mongolia” aims to support increased employment and promotion of decent work in Mongolia. The Project plans to achieve its goal by conjoining two main streams of activities: i) enabling and promoting employability in Mongolia via direct interventions and policy improvements, and ii) improving the public finance management systems to absorb results-oriented, effective and evidence-based policies and budget initiatives in employment and labour sectors.  The project duration is 42 months. This technical assistance project is funded by the European Union (EU), and complements the EU Direct Budget Support to Mongolia.  The Project is managed by UNDP in partnership with FAO and ILO and had the following four components:  Component A. Bridging Policies with Budgets  Component B. Budget Oversight and Transparency  Component C. Employment Promotion: Boosting Employability  Component D. Effective Application of International Labour Standards by Strengthening Institutions of Work  MOF with UNDP support introduced SDG-aligned budgeting in 2018 and has piloted the approach at the Ministries of Health, Environment and Tourism, and Education and Science for bridging policies and performance indicators with budgets and contribute to results-based or program-based budgeting in Mongolia.  A methodology pack (Paper A, B, and C) has been developed to assist in building a common understanding and facilitate discussions on actions needed for bridging policies with budgeting and financing, and for reflecting SDGs targets.  The SDG-aligned budgeting will be further rolled out into employment related sectors, namely, labour and food, agriculture, and light industry, compliment with bottom up approach to link expenditures and revenues generated at the sub-national level (where applicable) with budgetary appropriations, develop/ refine Medium term expenditure framework and the annual budget processes, to enhance Citizen’s budget information for engagement of non-executive partners (civil service organizations, think-tanks, research, academic institutions and public at large) in budget formulation and monitoring using SDGs and Vision 2050 as a platform, and improve monitoring and evaluation and reporting systems to assess and report on execution of the annual budgets aligned with SDGs and Vision 2050 for the pilot line ministries and local governments.  The objective of this assignment is to support the Ministry of Finance in implementation of the overall public finance management reform by focusing on preparation of a medium-term expenditure framework, results-based annual budgeting, and monitoring and evaluation. |

**DUTIES AND RESPONSIBILITIES**

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| **Scope of Work**  *Support to Public Finance Management reform implementation and coordination*   1. Assist in development/update Public Finance Management Reforms strategy and the implementation plan in close consultation with key stakeholders, development partners, and IFIs working in the field of public finance management reforms 2. Work closely with all other teams and experts to link planning outcomes with budgeting processes 3. Serve as project focal point for the Ministry of Finance in relation to overall Public finance management reform implementation, SDG-aligned budgeting, sector strategy costing processes, INFF roadmap development, etc.   *Integrating SDGs/Vision 2050 into medium term and annual budget policies*   1. Support the formulation and adoption of a medium-term expenditure framework, and linkage with corporate and sector planning processes. Review existing operational budgetary processes, identify process gaps, recommend and implement process improvements. Guide better budget documentation, including through inclusion of forward year estimates, macroeconomic outlook, macro-fiscal targets and strategy, sector and local development strategies, monitoring indicators and targets, new policy initiatives, savings measures, fiscal risks, commitments, guarantees and other contingent liabilities. 2. Assist in reflecting SDG/Vision 2050 targets and indicators into the MTEF and annual budgeting processes and documents in a systemic way, including specific support in relation to integrating SDGs into 2022-2024 MTEF and annual budgets for health, environment and tourism, education and science, employment, food, agriculture and light industry sectors and pilot local governments. 3. Support the Ministry of Finance (MOF) in adjusting and adopting the MTEF and annual budget methodological instructions and circulars for SDG and national development policy alignment 4. Provide capacity development and support to the MOF, line Ministries, local governments, and relevant committees of the State Great Khural with more effective and SDG-informed budget negotiations. 5. Provide overall methodology support to the MOF, line ministries, and local governments in effective integration of SDG targets and indicators in KPI framework during the pre-budget negotiations. 6. Develop coding/tagging principles and provide recommendations on a coding model suitable for Mongolia for SDG-aligned programmes and projects within the MTEF and budget programme classification structure for better tracking of budgets in line with the national and sectoral strategies 7. Develop/refine a manual for conducting review of sector MTEF and annual budget requestsby MOF 8. Provide hands-on functional training in preparing MTEF and annual budget documentation and reports   *Strengthening SDG budget monitoring and reporting systems*   1. Assist in developing monitoring and expenditure effectiveness analyses (program evaluation) on priority SDG targets/indicators/programs to showcase the usefulness of such feedback mechanisms for both improved budget accountability, transparency, and budget decision-making processes 2. Support in bridging the budget expenditure performance reporting framework with government’s SDG reporting framework (incl. SDG statistics system of the National Statistics Office), including in specific processes such as spending reviews, etc. 3. Develop manuals for conducting expenditure effectiveness analysis (spending reviews, expenditure analysis and program evaluation) and support the project team, line ministries, and local governments in conducting expenditure effectiveness analysis. 4. Support the MOF in adjusting and adopting budget execution and performance reporting instructions for SDG and national and local development policy implementation 5. Provide hands-on functional training to staff in preparing annual budget execution and performance reports and documentation   *Strengthening accountability for SDG-aligned budgets*   1. Assist in capacity development of Government, the Parliament and CSOs in understanding SDG-aligned budgeting and programming 2. *Supporting the design and implementation of INFF* to increase the understanding of the country’s current financial landscape, needs and opportunities. 3. Support the development of the design of an INFF roadmap for Mongolia   **Deliverables:**   1. Detailed work plan agreed by MOF; 2. Adaptation of MTEF, budget circulars and proposal templates with requirements on SDG relevance, priority level, bridging SDG targets/indicators with budget outcome frameworks, etc. 3. Supported reflection of SDG targets and indicators in the MTEF and annual budget 4. Draft SDG budget coding model suitable for Mongolia (including options for manual/ automated processes, with/ without changes in the chart of accounts, short- and long-term solutions, etc.) 5. Support to development of monitoring and expenditure effectiveness analyses on priority SDG targets/indicators/programs 6. Budget programmes’ alignment with SDG policies and results 7. Capacity building and assistance with SDG-aligned budgeting and MTEF, including development of training modules and/or delivery of on-the-job capacity building on SDG budgeting and MTEF 8. Manuals and guidance notes on preparations for MTEF and annual budget proposal and annual budget execution and progress reports and on conducting expenditure analysis/reviews and program evaluation at national and local government levels and 9. Other deliverables, in line with the task and objectives above.   All deliverables shall be submitted in Mongolian. Working drafts of some deliberables will need to be translated into English for the purpose of obtaining inputs from the international consultant and their final documents shall also be submitted in English.  **Payment schedule**  Payments shall be made monthly, based on the monthly progress reports linked to the project annual workplan timelines and the list of deliverables;  **Institutional Arrangement**  The Public finance management expert shall report to the Project Coordinator and work closely with the finance and policy focal points of government Ministries, other stakeholders, and consultants working on similar thematic assignments.  The Public Finance management expert shall work in the Project office. The assignment involves occasional field trips to aimags and soums.  **Duration of the Work**  160 working days over 10 months |

**REQUIRED SKILLS AND EXPERIENCE**

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| **Educational Qualifications:**   * Advanced university degree (Master's degree or higher) in Economics, Finance, Public Finance Management and other closely related fields;   **Experience**   * Minimum 8 years of work experience in the areas of public financial management reform, fiscal policy analysis, development and economic policy, budget systems, revenue and expenditure reviews, program evaluation, data analysis and management; * Prior experience of work with central, sectoral ministry or sub-national government finance departments would be an asset; * At least 3 assignments demonstrating analytic and report writing skills (references or samples to be submitted with the application); * Good understanding of results-based management and related prior work experience would be an asset;   **Language requirements**   * Fluency of English and Mongolian languages is required;   **Price Proposal and Schedule of Payments**  Consultant must send a financial proposal based on lump sum amount.  The total amount quoted shall be all-inclusive and include all costs components required to perform the deliverables identified in the TOR, including professional fee, travel costs, and any other applicable cost to be incurred by the IC in completing the assignment. The contract price will fixed output-based price regardless of extension of the herein specified duration.  In the event of unforeseeable travel not anticipated in this TOR, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and the Individual Consultant, prior to travel and will be reimbursed.  **Evaluation Method and Criteria**  Individual consultants will be evaluated based on the following methodology of **Cumulative analysis.**  The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (70%). and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.  **Technical Criteria for Evaluation (Maximum 70 points)**  See attached table – Technical evaluation scoring guide.  Only candidates obtaining a minimum of 70% of the total technical points would be considered for the Financial Evaluation.  Shortlisted candidates shall be called for an interview which will be used to confirm and/or adjust the technical scores awarded based on documentation submitted.  **Documentation required**  Interested individual consultants must submit the following documents/information to demonstrate their qualifications:   * **Letter of Confirmation of Interest and Availability** using the template provided in Annex II. * **Personal CV or** [**P11**](https://info.undp.org/global/documents/cap/P11%20modified%20for%20SCs%20and%20ICs.doc), indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least two (2) professional references. * **Technical proposal**, including a) a brief description of why the individual considers him/herself as the most suitable for the assignment; and b) a methodology, on how they will approach and complete the assignment. * **Financial proposal**, as per template provided in Annex III.   Incomplete proposals may not be considered. Only the successful candidate will be notified of contract award.  **Annexes**   * Annex I – Technical evaluation scoring guide * Annex II - [Individual IC General Terms and Conditions](http://www.undp.org/content/dam/undp/documents/procurement/documents/IC%20-%20General%20Conditions.pdf) * Annex III – [Offeror’s Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template](https://info.undp.org/global/documents/cap/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx) |

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| **Criteria** | **Weight** | **Max. point** |
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| **Technical criteria 1: Education** |  | **20** |
| Advanced university degree (Master's degree or higher) in Economics, Finance, Public Finance Management and other closely related fields; |  | *[20]* |
| **Technical criteria 2: Professional experience** |  | **60** |
| Minimum 10 years of work experience in the areas of public financial management reform, fiscal policy analysis, development and economic policybudget systems, revenue and expenditure reviews, program evaluation, data analysis and management; |  | *[30]* |
| Prior experience of work with central, sectoral ministry or sub-national government finance departments would be an asset; |  | *[10]* |
| At least 3 assignments demonstrating analytic and report writing skills |  | *[15]* |
| Good understanding of results-based management and related prior work experience would be an asset; |  | *[5]* |
| **Technical criteria 3 - Proposed methodology and approach** |  | **10** |
|  |  | *[10]* |
| **Technical criteria 4 – Language skills** |  | **10** |
|  |  | *[10]* |
| **Technical Score** | **70%** | **100** |

**Annex 1. Technical evaluation scoring guide**