TERMS OF REFERENCE
FOR INDIVIDUAL CONTRACT

POSITION TITLE: Financial Expert
AGENCY/PROJECT NAME: PSU / UNDP - Phuket COVID Socio-Economic Recovery Strategy
COUNTRY OF ASSIGNMENT: Home-based with travels to Phuket anticipated
Duration: April 12th – June 11th, 2021 with an estimated 40 working days.

1) GENERAL BACKGROUND

Thailand is facing severe socio-economic effects of the global COVID-19 pandemic. In response to the pandemic the government imposed a partial lockdown and travel bans in April 2020 and increased health spending. However, while the health impact is being contained, the economic impact of the pandemic and the efforts to curb the pandemic have led to a deep recession. With a large tourism sector and intensive global supply chain links, Thailand’s economy is vulnerable to the pandemic. Phuket is particularly vulnerable given that 80% of its economy depends on tourism, which relies heavily on global travel. As in the rest of the country, the most vulnerable population are hit the hardest. Informal enterprise and informal employment are commonplace in Phuket, with those in informal jobs less well served by social protection and so more vulnerable to the shocks from COVID-19. Migrant labour is also widely found, with migrants enjoying little or no protection – many have now returned home. Labour productivity is assumed to be low, particularly in informal jobs serving low-end tourism, which are accordingly poorly paid.

COVID-19 and associated economic shocks emphasize the urgency to rethink the future of Phuket, which is seen as a test bed for a new economy after the pandemic. The reasoning is that if the old economy has been seriously damaged, then the reconstruction should be oriented towards a new economy. The form of the new economy is under discussion but, as one element, there is consensus that a move away from low-end, low productivity tourism with linked adverse environmental impacts is overdue.

Phuket Chamber of Commerce and leading business associations have recently issued a White Paper on the future of the Phuket economy. This suggests that, in the medium term, there should be other industries in addition to or complementary to tourism, such as marinas, education, health and wellness, tuna export, local food, and sports and events. These proposals are at an initial stage and have not been investigated in detail.
It is within this context that UNDP Thailand is responding to the urgent need to protect and ultimately recover the Phuket economy. Apart from the national-level socio-economic impact assessment, UNDP Thailand has undertaken a socio-economic impact assessment for Phuket in close partnership with the Tourism Authority of Thailand, the Phuket Chamber of Commerce, and relevant line ministries and government agencies. The assessment primarily entailed the analysis of the pandemic’s impact on Phuket’s economic structure, its labour market, and the people’s livelihood.

UNDP Thailand is also supporting the development of Phuket’s recovery from the impact of COVID by helping to secure the province’s resilience and ensure its progress towards sustainable development. Initial studies have been undertaken which demonstrate that the acceleration and consolidation of COVID recovery will depend not only on a recovery vision but also adequate funding and human resources and suitable prioritized investments.

At the request of the Government, NESDC is preparing a Vision and Strategic framework, including flagship projects and an implementation guideline for a sustainable tourism in the Andaman provincial cluster of Phuket, Krabi and Phang-Nga.

It has been agreed that UNDP Thailand will support the NESDC by providing: an analysis of public and private funding resources available to Phuket and the processes used to identify and prioritize public and private investments; and as appropriate, recommendations for alternative resources and mechanisms for prioritizing project investments using existing or new proposed administrative structures. The recommendations will be directly applicable to Phuket and generally applicable to Krabi and Phang-Nga.

The Phuket investment context will acknowledge that global and regional economic disruption, climate change uncertainties, the unpredictability of the trajectory of COVID-19 and the possibility of further pandemics require change in the economic base. The context involves integration between sectors, efficient resource use, improved environmental management, and reduced vulnerability.

2) SCOPE OF WORK

A national consultant is being sought to work with the co-team leader / project economist to undertake the analysis of financial resources available to Phuket and the processes of identification and prioritization of public and private investments. The consultant will also make recommendations to enhance financial availability (including to the proposed Special Administrative Region of Tourism) and to identify and prioritize investments. The recommendations will be directly applicable to Phuket and generally applicable to Krabi and Phang-Nga.

The Financial Expert will be a specialist in public and private sector development finance and will provide support to: (i) reviewing indicative financial availability and funding gap and sources estimates, investment prioritization (in support of the project economist) and identification of sources of funding. The scope of the work will include reviews of:

- Public sector - State Budget, sub-national budgets and other government programs at the national and subnational levels. The impact of the establishment of a Special Administrative Region of Tourism will also be considered.
- **Private investment** – consideration will be given to ensuring adequate provincial capacity to review and negotiate private sector investor proposals and package infrastructure development to be attractive for private investment;
- **Commercial Banks** – consideration will be given to strengthening the bond market to mobilize capital for local infrastructure projects; creating additional security for potential investors through the use of financial guarantee mechanisms;
- **Climate financing** – the consultant will explore the availability of concessional funding in priority areas such as climate change resilience and green growth; packaging commercial projects with inclusion of climate funding priority areas to leverage finance; improving project preparation capacity.
- **Local level revenue generation** – consideration will be given to the progressive development of access to financial resources at the local level through mechanisms such as local revenue generation as part of own-source local government financing.
- **Key points for own-source revenues:**
  - Consider reform land-use regulation to build land-based commercial activities and development gains recapturing;
  - Consider shift from sale of Land Use Rights to rental/lease arrangements and recoupment of value gains via taxation and collaborative development to reduce local burden;
- Consideration will be given to the generation of government-related private investments through lease, tariff, franchising, commercializing, or creating fees for use of public services either directly or with private sector participation.
- Examples of alternative or innovative public and / or private financing and project prioritization in other Thai provinces or internationally will be identified and considered for relevance and appropriateness.

### 3) DURATION OF ASSIGNMENT, DUTY STATION AND EXPECTED PLACES OF TRAVEL

**Duration of Assignment:** April 12th – June 11th, 2021 with an estimated maximum of number of 40 working days.

**Duty Station:** Home-based with travels to Phuket anticipated

### 4) DELIVERABLES AND FINAL PRODUCTS

<table>
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<tr>
<th>Milestone</th>
<th>Target Due Date</th>
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<tr>
<td>Milestone 1: Inception Report</td>
<td>April 25th 2021</td>
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### 5) INSTITUTIONAL ARRANGEMENTS
UNDP will be responsible for coordinating with all responsible parties, including, among others, the National Economic and Social Development Council (NESDC), Phuket Governor’s Office, and Phuket Chamber of Commerce.

Day-to-day management will be jointly by the international and national co-team leaders (with the international co-team leader mostly working remotely). Progress meetings will be held (virtually if necessary).

This position will work closely with Phuket Socio-Economic Impact Assessment International Consultant and will directly report to the Deputy Resident Representative of the UNDP Thailand.

6) DEGREE OF EXPERTISE AND QUALIFICATIONS

The Individual Consultant should possess the following expertise and qualifications:

- At least a master’s degree in economics, finance, or a related discipline;
- At least 10 years of professional experience in national and sub-national public sector finance and public and private investment planning;
- with sufficient knowledge of relevant stakeholders in the 3-provinces in the NESDC cluster and especially in Phuket.

7) CONSULTANT PRESENCE REQUIRED ON DUTY STATION/UNDP PREMISES

- NONE
- PARTIAL
- INTERMITTENT
- FULL-TIME

8) PAYMENT TERMS

Consultant must send a financial proposal on professional fee based on Lump Sum amount. The total amount quoted shall be include all costs components to perform the deliverables identified in the TOR, included travel cost to Bangkok. The cost should include professional fee\ and any other applicable cost to be incurred by the IC in completing the assignment.

The contract price will be fixed output-based price regardless of extension of the herein specified duration. Payments will be done upon completion of the deliverables/outputs and as per below.:

Payment terms:

- First payment - 30% of total contract amount upon the completion of the first milestone
• **Second payment** - 40% of total contract amount upon the completion of the second milestone
• **Third payment** - 30% of total contract amount upon the completion of the third milestone

UNDP will not accept travel costs exceeding those of an economy class ticket. Should the Consultant wish to travel on a higher class he/she should do so using their own resources.

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.

Both international and domestic travel costs shall be paid at actual but not exceeding the quotation from UNDP approved travel agent.

### 9) CRITERIA FOR SELECTION OF THE BEST OFFER

The Individual Consultant will be evaluated based on the following methodology: **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)

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<tr>
<th>Criteria</th>
<th>Weight</th>
<th>Max. Point</th>
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<tr>
<td><strong>Technical</strong></td>
<td>70%</td>
<td>700</td>
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<tr>
<td>- Education</td>
<td>15%</td>
<td>150</td>
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<tr>
<td>- 10 years of professional experience in national and sub-national public sector finance and public and private investment planning;</td>
<td>30%</td>
<td>300</td>
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<td>- with sufficient knowledge of relevant stakeholders in the 3-provinces in the</td>
<td>25%</td>
<td>250</td>
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NESDC cluster and especially in Phuket.

| Financial | 30% | 300 |

Only candidates obtaining a minimum of 70% of the total technical points would be considered for the Financial Evaluation.

10) DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS

Interested individual consultants must submit the following documents/information to demonstrate their qualifications. Please group them into one (1) single PDF document as the application only allows to upload maximum one document:

- **Letter of Confirmation of Interest and Availability** using the template provided in Annex II.
- **Personal CV or P11**, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references.
- **Financial proposal**, as per template provided in Annex II. Note: National consultants must quote prices in Thai Baht.