



INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

National Consultant for a Study on Gap Analysis of Complementary and Special Grant's objective, its Performance and its Management

Reference No.: UNDP/PN/12/2021

Date: 6 May 2021

Country: NEPAL

Description of the assignment: As per the attached Terms of Reference (ToR)

Project name: Accelerating Implementation of Sustainable Development Goals in Nepal

Period of assignment/services (if applicable): 45 days spread over two months

Proposal should be submitted by email to procurement.np@undp.org not later than **1700 hours (Nepal Standard Time) on 17 May 2021** mentioning reference No. **UNDP/PN/12/2021– Study on Gap Analysis.**

Any request for clarification must be sent in writing, or by standard electronic communication to the e-mail: query.procurement.np@undp.org mentioning Procurement Notice Ref: **UNDP/PN/12/2021: Study on Gap Analysis**, on or before **14 May 2021**. The procurement unit will respond in writing, including an explanation of the query without identifying the source of inquiry and post in UNDP website: <http://www.np.undp.org/content/nepal/en/home/procurement.html>. Inquiries received after the above date and time shall not be entertained.

1. BACKGROUND

Intergovernmental fiscal transfers can be mobilized to reduce the fiscal gap between functional responsibilities and revenue-raising rights. National Planning Commission has the responsibility of recommending projects for Special and Complementary grants as per Intergovernmental Fiscal Arrangement Act (2074). The objectives of this study is to evaluate project/program implementation/outcome as per its objective for efficient use of resources spent through Complementary and Special grant (through selected case studies), to assess grant recipient and allocating agency's capacity, to assess the grant allocation processes to draw lessons for making grant allocation more efficient and effective, and to review the Working Procedure of the Complementary and Special grant and recommend changes to be made for grant allocation and monitoring process improvement.

2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK

For detailed information, please refer to the Terms of Reference – ToR

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

For detailed information, please refer to the Terms of Reference – ToR

4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS.

Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

1. Offeror's Letter to UNDP Confirming Interest and Availability for the Individual Contractor (IC) Assignment
2. Proposal:
 - (i) Explaining why they are the most suitable for the work
 - (ii) Provide a brief methodology on how they will approach and conduct the work (if applicable)
3. Financial proposal
4. Personal CV including past experience in similar projects and at least 3 references

Note:

- a) Applicants of 65 years or more require full medical examination and statement of fitness to engage in the consultancy.
- b) The candidate has to be an independent consultant (If the candidate is engaged with any organization, the organization employing the candidate will be issued with a Reimbursable Loan Agreement (RLA) to release the employee for the consultancy with UNDP.)
- c) Due to sheer number of applicants, the procurement unit will contact only competitively selected consultant.

5. FINANCIAL PROPOSAL

- **Lump sum contracts**

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or

upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount.

6. EVALUATION

Individual consultants will be evaluated based on the following methodologies:

Cumulative analysis

When using this weighted scoring method, the award of the contract should 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 a pre-determined set of weighted technical and financial criteria specific to the solicitation.*

** Technical Criteria weight; 70%*

** Financial Criteria weight; 30%*

Only candidates obtaining a minimum of 49 point would be considered for the Financial Evaluation

| Criteria | Weight | Max. Point |
|--|---------------|-------------------|
| <u>Technical</u> | | |
| <ul style="list-style-type: none"> Criteria A Academic Qualification <p>At least Master's degree in Economics or Development Studies, or Applied Economics, Public Finance Management or in related subject areas. A Ph.D. degree on the related themes (subjects) is preferred. (20 points)</p> | 20% | 20 |
| <ul style="list-style-type: none"> Criteria B Knowledge and Experience in the specified fields <p>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 monitoring and evaluation of projects and economic policy evaluation research, as reflected through professional work experience. (20 points)</p> <p>Proven good record of writing high level economic policy papers and policy report in English language, especially in drafting of economic policy research papers. (10 points)</p> <p>Proven previous experience in working on similar kind of study on identifying gap analysis, situation analysis and evaluation of national-</p> | 40% | 40 |

| | | |
|--|-----|----|
| level projects or similar work in other countries will be given higher weightage while evaluating CV of the applicants (10 points) | | |
| <ul style="list-style-type: none"> • Criteria C Competencies and languages <p>Excellent oral and written skills in English and Nepali with exceptional writing, communication, and presentation skills. (10 points)</p> | 10% | 10 |
| <u>Financial</u> | 30% | 30 |

Contract will be awarded to the technically qualified consultant who obtains the highest combined score (financial and technical). The points for the Financial Proposal will be allocated as per the following formula:

$$\frac{\text{Lowest Bid Offered} *}{\text{Bid of the Consultant}} \times 30$$

* “Lowest Bid Offered” refers to the lowest price offered by Offerors scoring at least 70% points in technical evaluation.

ANNEX

ANNEX I- TERMS OF REFERENCES (TOR)

ANNEX II- INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS (different attachment)

Terms of Reference (TOR)

Study on Gap Analysis of Complementary and Special Grant's objective, its performance and its management

Type: National Individual Consultant
 Location: Kathmandu, Nepal
 Project: Accelerating Implementation of Sustainable Development Goals in Nepal
 Starting Date: May 2021
 Reporting: Honorable Members, and Chief - Infrastructure and Production Division and Good Governance and Social Development Division
 Duration: 45 person days within a time frame of 60 days

BACKGROUND

The intergovernmental fiscal transfer is meant to promote fiscal governance and fiscal productivity and is a major source of fund for provincial and Local governments. Further, intergovernmental fiscal transfer serves as an instrument to remove or minimize the fiscal imbalance of local/provincial governments, and is focused to achieve social equality, economic development and macroeconomic stability. Intergovernmental fiscal transfers can be mobilized to reduce the fiscal gap between functional responsibilities and revenue-raising rights. According to this arrangement, provincial and local governments receive four grants, namely Fiscal Equalization grant, Conditional grant, Special grant and Complementary grant. National Planning Commission (NPC), a specialized apex advisory body of the Government of Nepal for formulating a national vision, development policy, periodic plans and sectoral policies for overall development of the nation, is entrusted with the responsibility of recommending projects for Special and Complementary grant.

NPC administers this responsibility according to the Working Procedure for Complementary and Special grant as per Intergovernmental Fiscal Arrangement Act (2074 – section 10 and sub-section 5). NPC seeks proposals for Complementary and Special grants from provincial and local governments in line with Working procedure on Complementary grant, 2075 and Working procedure on Special grant, 2075. Both grant proposals are submitted online. For province, proposals are submitted through Office of the Chief Minister and Council of Ministers and for local government, these are submitted through respective municipality. The Working Procedure has identified five major sectors for which these grants can be utilized and those sectors are: Economic, Agriculture land reform and forest, infrastructure, social and good governance.

Provincial and local governments have started receiving these grants since fiscal year 2076/77. In fiscal year 2077/78, Nepal government has recommended 59 projects for Complementary grants to be implemented through provinces and 405 projects through local government.

Similarly, for Special grants, 43 projects are recommended for implementation through province level and more through local level.

Projects with Complementary and Special grant can be implemented for one to three years. Given Complementary and Special grants are being implemented since fiscal year 2076/77, for some projects this gap analysis will serve the purpose of end evaluation of the project. NPC website lists awarded Complementary and Special grants projects with allocated budget for both 2076/77 and 2077/78.

Rationale for the study

Given the government has federal system and resources are transferred to province and local level in the form of Complementary and Special grant, proper monitoring of utilization of these grants is required. As a monitoring agency for these grants, NPC aims to assess and monitor the use of earlier disbursed funds and liability they have created through these grants and improve performance/use of these grants in future. The Working Procedure for these grants' management require quarterly progress report submission as part of monitoring process. However, there is a void in reporting process. Hence, this study is proposed to identify the reporting gap between project/program's objectives and assessment of grant's SDG alignment during its implementation at provincial and local government level. This study analyzes the performance of grant recipient as well as grant allocating agency and provides recommendations for making grant allocation process more smooth, effective and productive.

The National Planning Commission will emphasize on learning lessons to the issue of understanding what has and what has not worked as a guide for future planning and monitoring of grant distribution. Based on these findings, recommendations will be provided either to the National Planning Commission or to the local government with certain procedures for distribution/allocation, implementation, monitoring and evaluation process of these grants. This gap analysis is intended to be forward looking which will effectively capture lessons learnt and provide information on the nature, extent and where possible, the effect of the project to the Government of Nepal in achieving effectiveness of intergovernmental fiscal transfer.

OBJECTIVES OF THE ASSIGNMENT

The objectives of this study are:

- To evaluate project/program implementation/outcome as per its objective for efficient use of resources spent through Complementary and Special grant (through selected case studies)

- To assess grant recipient and allocating agency's capacity and provide recommendations for improvement.
- To assess the grant allocation processes to draw lessons for making grant allocation more efficient and effective in next granting cycle.
- To identify if project/programs for the Special grant has achieved the objectives of uplifting marginalized population.
- To review the Working Procedure of the Complementary and Special grant and recommend changes to be made for grant allocation and monitoring process improvement

SCOPE OF WORK AND METHODOLOGY

Since this gap analysis assess gap between project objectives and outcomes with recommendation on reporting process, it could be mid-term evaluation or end-of the project evaluation based on life span of the project (some projects are one-year project and some stretch up to three years).

The gap analysis will look at the following areas: project management, project activities, reflection of project coordination, engagement and partnerships of local government with local community. It will address the results achieved, the partnerships established, as well as issues of capacity and approach. Specific scope and methodology of this assignment include (but not limited to)

- Prepare a checklist based on the five OECD/DAC evaluation criteria i.e., Relevance, Effectiveness, Efficiency, Impact and Sustainability.
- Identify performance capacity (Human Capital, management etc) of the granting agency
- Identify the pre- and post-allocation grant management performance and provide recommendations for improvements,
- Identify performance of grant allocated in fiscal year 2076/77 & 2077/78
- Identify pre-implementation readiness of grant recipient agency
- Identify the sick projects in multi-year project and provide recommendation for its improvement
- Conduct case studies of objective vs outcome gap analysis for selected projects/programs (around 20 studies – 10 of each type of grants). While selecting those projects/programs, inclusivity should be maintained i.e., project should represent all provinces and all three regions.
- Desk study and review of all relevant project documentation including project documents, annual work-plans, project quarterly progress reports (if any), annual project reports, reports of the project steering committee
- Review relevant Acts and policies related to intergovernmental fiscal transfer
- Stakeholders consultation with local entities such as local government, local community and local organizations in project area
- Consultation with NNRFC, MOF and National Planning Commission – grant serving and monitoring authority.

- Review and refer to Sub-National Treasury Regulatory Application (SUTRA) and PLMBIS (provincial Line ministry Budget Information System) to identify gap analysis of resource and its implementation.
- In depth interviews to gather primary data from key stakeholders using a structured survey questionnaire, and interview with other relevant key informants
- Focus Group discussion with project beneficiaries and other stakeholders, Observations (field visits using checklist)
- Provide recommendations to NPC regarding establishing a mechanism for effective monitoring, ensuring significant impact of the project, and for making project reporting timely, systematic and accountable.
- Provide recommendations to make changes on policy, local budgeting, guidelines and reporting mechanism

DELIVERABLES AND PAYMENT SCHEDULE OF CONSULTING WORK

The payment schedule of this assignment will be as follows;

| Deliverables | Condition | Payment Schedule |
|--|--|---|
| i. Inception Report: with detailed study methodology and content of the assignment to be submitted by the consultant within a week (7 days) of contract signing | Acceptance of the Inception Report by NPC/AISN | 20 % payment upon acceptance of the report. |
| ii. Submission of first draft of the gap analysis report by the consultant within 45 days of contract signing. | Acceptance of draft report by NPC/AISN | 40 % payment upon acceptance of the draft report. |
| iii. Submission of final gap analysis of objective and outcome of the Complementary and Special grant report by the consultant incorporating comments from stakeholders' consultation meeting within 60 days of contract signing. | Approval of Draft Report by NPC/AISN | 40 % payment upon acceptance of the final guidance. |

COMPETENCIES AND EXPERIENCES

Required qualification and experience of the consultant is given below:

- **Education:** At least Master's degree in Economics or Development Studies, or Applied Economics, Public Finance Management or in related subject areas. A Ph.D. degree on the related themes (subjects) is preferred.
- **Experience:** 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 monitoring and

evaluation of projects and economic policy evaluation research, as reflected through professional work experience.

- Proven experience of conducting monitoring and evaluation of projects.
- Prior experience of working on policies and research focused with policy implication
- Proven previous experience in working on similar kind of study on identifying gap analysis, situation analysis and evaluation of national-level projects 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;

WORKING ARRANGEMENTS

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).

The consultant will work under the direct supervision of National Project Director (NPD) in close collaboration with AISN project team and UNDP Country Office to administer the task in producing deliverables. The consultant will work under the overall guidance of chief of Infrastructure and Production Division (for gap analysis of Complementary grant) and chief of Good Governance and Social Development division (for gap analysis of Complementary grant) of the National Planning Commission while accomplishing this assignment. 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 his/her own working station (i.e. laptop, internet, phone, printer/scanner etc. and must have access to a reliable internet connection).

7. ESTIMATED COST

The estimated budget should be included in the Offeror's letter comprising the cost of specialist support (such as survey and grant specialist) and all other expenses required to accomplish the assignment.

8. EVALUATION METHOD

Applicants will be evaluated on the basis of educational qualification and his/her past work experience in the relevant field, demonstrated experience in undertaking similar types of assignments in the government or in other development agencies. Proven experience of working with government will be a strong asset.

**OFFEROR'S LETTER TO UNDP
CONFIRMING INTEREST AND AVAILABILITY
FOR THE INDIVIDUAL CONTRACTOR (IC) ASSIGNMENT**

UNDP/PN/12/2021: National Consultant for a Study on Gap Analysis of Complementary and Special Grant's objective, its Performance and its Management

Date _____

United Nations Development Programme
UN House
Pulchowk,
Lalitpur, Nepal

Dear Sir/Madam:

I hereby declare that:

I have read, understood and hereby accept the Terms of Reference describing the duties and responsibilities of **National Consultant for a Study on Gap Analysis of Complementary and Special Grant's objective, its Performance and its Management**.

- A) I have also read, understood and hereby accept UNDP's General Conditions of Contract for the Services of the Individual Contractors;
- B) I hereby propose my services and I confirm my interest in performing the assignment through the submission of my CV which I have duly signed and attached hereto as Annex 1;
- C) In compliance with the requirements of the Terms of Reference, I hereby confirm that I am available for the entire duration of the assignment, and I shall perform the services in the manner described in my proposed approach/methodology which I have attached hereto as Annex 3.
- D) I hereby propose to complete the services based on the following payment rate:

☐ A total lump sum of *[state amount in words and in numbers, indicating exact currency]*, payable in the manner described in the Terms of Reference.

- E) For your evaluation, the breakdown of the abovementioned all-inclusive amount is attached hereto as Annex 2;
- F) I recognize that the payment of the abovementioned amounts due to me shall be based on my delivery of outputs within the timeframe specified in the TOR, which shall be subject to UNDP's review, acceptance and payment certification procedures;

G) This offer shall remain valid for a total period of _____ days [*minimum of 90 days*] after the submission deadline;

H) I confirm that I have no first degree relative (mother, father, son, daughter, spouse/partner, brother or sister) currently employed with any UN agency or office [*disclose the name of the relative, the UN office employing the relative, and the relationship if, any such relationship exists*];

I) If I am selected for this assignment, I shall [*please check the appropriate box*]:

- ☐ Sign an Individual Contract with UNDP;
- ☐ Request my employer [*state name of company/organization/institution*] to sign with UNDP a Reimbursable Loan Agreement (RLA), for and on my behalf. The contact person and details of my employer for this purpose are as follows:

J) I hereby confirm that [*check all that applies*]:

- ☐ At the time of this submission, I have no active Individual Contract or any form of engagement with any Business Unit of UNDP;
- ☐ I am currently engaged with UNDP and/or other entities for the following work:

| Assignment | Contract Type | UNDP Business Unit / Name of Institution/Company | Contract Duration | Contract Amount |
|------------|---------------|--|-------------------|-----------------|
| | | | | |
| | | | | |
| | | | | |

- ☐ I am also anticipating conclusion of the following work from UNDP and/or other entities for which I have submitted a proposal:

| Assignment | Contract Type | Name of Institution/ Company | Contract Duration | Contract Amount |
|------------|---------------|------------------------------|-------------------|-----------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

K) I fully understand and recognize that UNDP is not bound to accept this proposal, and I also understand and accept that I shall bear all costs associated with its preparation and submission and

that UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the selection process.

- L) ***If you are a former staff member of the United Nations recently separated, please add this section to your letter:*** I hereby confirm that I have complied with the minimum break in service required before I can be eligible for an Individual Contract.

- M) I also fully understand that, if I am engaged as an Individual Contractor, I have no expectations nor entitlements whatsoever to be re-instated or re-employed as a staff member.

- O) Are any of your relatives employed by UNDP, any other UN organization or any other public international organization?

YES ☐ NO ☐ If the answer is "yes", give the following information:

| Name | Relationship | Name of International Organization |
|------|--------------|------------------------------------|
| | | |
| | | |
| | | |

- P) Do you have any objections to our making enquiries of your present employer?

YES ☐ NO ☐

- Q) Are you now, or have you ever been a permanent civil servant in your government's employ?

YES ☐ NO ☐ If answer is "yes", WHEN?

- R) REFERENCES: List three persons, not related to you, who are familiar with your character and qualifications.

| Full Name | Full Address | Business or Occupation |
|-----------|--------------|------------------------|
| | | |
| | | |
| | | |
| | | |

- S) Have you been arrested, indicted, or summoned into court as a defendant in a criminal proceeding, or convicted, fined or imprisoned for the violation of any law (excluding minor traffic violations)?

YES ☐ NO ☐ If "yes", give full particulars of each case in an attached statement.

I certify that the statements made by me in answer to the foregoing questions are true, complete and correct to the best of my knowledge and belief. I understand that any misrepresentation or material omission made on a Personal History form or other document requested by the Organization may result in the termination of the service contract or special services agreement without notice.

DATE: _____

SIGNATURE: _____

NB. You will be requested to supply documentary evidence which support the statements you have made above. Do not, however, send any documentary evidence until you have been asked to do so and, in any event, do not submit the original texts of references or testimonials unless they have been obtained for the sole use of UNDP.

Annexes *[please check all that applies]:*

- ☐ CV shall include Education/Qualification, Professional Certification, Employment Records /Experience
- ☐ Breakdown of Costs Supporting the Final All-Inclusive Price as per Template
- ☐ Brief Description of Approach to Work (if required by the TOR)

BREAKDOWN OF COSTS¹
SUPPORTING THE ALL-INCLUSIVE FINANCIAL PROPOSAL

A) Breakdown of Cost by Components:

| Cost Components | Quantity | Unit Cost (NPR) | Total in NPR |
|---|--|-----------------|--------------|
| I. Personnel Costs | | | |
| Professional Fees | 45 days | | |
| Life Insurance | | | |
| Medical Insurance | | | |
| Communications | | | |
| Others, if any | | | |
| II. Travel² Expenses to Join duty station | NA | | |
| Round Trip Airfares to and from duty station | NA | | |
| Living Allowance | NA | | |
| Travel Insurance | NA | | |
| Terminal Expenses | NA | | |
| Others (pls. specify) | NA | | |
| | | | |
| III. Duty Travel | NA | | |
| Round Trip Airfares | NA | | |
| Living Allowance | NA | | |
| Travel Insurance | NA | | |
| Terminal Expenses | NA | | |
| Others (pls. specify) | NA | | |
| Total | | | |
| IV. Field visits outside duty station | <i>Applicable travel cost for field visit will be borne by UNDP, if any.</i> | | |

B) Breakdown of Cost by Deliverables*

| Deliverables | Percentage of Total Price (Weight for payment) | Amount in NPR |
|--|--|---------------|
| Upon submission of the Inception Report with detailed study methodology and content of the assignment to be submitted by the consultant within a week (7 days) of contract signing | 20% payment | |
| Upon submission of first draft of the gap analysis report by the consultant within 45 days of contract signing | 40% payment | |

¹ The costs should only cover the requirements identified in the Terms of Reference (TOR)

² Travel expenses are not required if the consultant will be working from home.

| | | |
|---|-------------|-----------|
| Upon submission of final gap analysis of objective and outcome of the Complementary and Special grant report by the consultant incorporating comments from stakeholders' consultation meeting within 60 days of contract signing. | 40% payment | |
| Total | 100% | NPR |

**Basis for payment tranches*