

TERMS OF REFERENCE

Position:	National Expert on the Kazakhstan Emissions Trading System (ETS)
Assignment:	Provision of services to strengthen human resources, legal and methodological framework and develop a pilot project for the development of forest carbon projects within the framework of the domestic emissions trading system (ETS)
Project title and number:	Biodiversity Finance Initiative (BIOFIN), 00113227, 00108641
Contract type:	Individual contract (IC)
Contract duration:	August 2021- March 2022 (130 working days)
Duty station:	Home-based

A. PROJECT DESCRIPTION:

- a) Brief description of the project rationale / background and the objectives of the project

Biodiversity Finance Initiative – BIOFIN Phase II is being implemented by the UNDP with financial support from the Government of Germany and the Government of Switzerland. BIOFIN provides countries with a methodology that shows innovative steps to measure recurrent biodiversity expenditures, assess financial needs, identify the most appropriate financing mechanisms, and provide guidance on how to implement these mechanisms to achieve national biodiversity targets.

Phase II of the BIOFIN project in Kazakhstan will be built on the lessons learned from Phase I and focus on testing six finance solutions - (1) enhanced public finance for the Protected Area System; (2) introduction of biodiversity offsets as a formal instrument in Kazakhstan; (3) subsidizing game breeding; (4) tax incentives for ecotourism development; (5) creating an enabling environment for attracting carbon offsets from the international market, multinational enterprises operating in the country and (6) establishing an internal Emission Trading System to integrate the mechanisms into the national legal framework.

The project also aims to promote gender equality and the empowerment of women through the introduction of new finance solutions, as relevant and possible within the project.

- b) Brief description of the context of the required services

Since 2019, BIOFIN in Kazakhstan has been working on the creation of a legal and methodological basis for the use of a mechanism for offsetting greenhouse gas emissions from forests (carbon offsets). This mechanism in the context of the forestry sector is new for Kazakhstan practice. It covers two goals - increasing financing for the development of the forestry sector by involving the private sector and helping to achieve Kazakhstan's international commitments to reduce greenhouse gas emissions by 15% compared to 1990.

The introduction into practice of offsetting greenhouse gas emissions from forests is based on changing existing and preparing new legal norms, testing, studying the experience and approaches of other countries, building the capacity of industry experts and extensive information about the possibilities of the mechanism for financing forest biodiversity and reducing greenhouse gas emissions.

For these purposes, within the framework of BIOFIN, an assessment of the potential of Kazakhstan's forests for carbon sequestration was carried out, a full-scale pilot project was launched to compensate for CO₂ emissions from unaccounted forests of East Kazakhstan and Pavlodar oblast, a number of regulatory and legal acts were developed that allow the implementation of forest carbon projects, i.e., a comprehensive work to improve the stability of the mechanism in practice.

c) Relevance and purpose of the required services

Within the framework of the 2nd phase of BIOFIN, a number of results were achieved in creating a legal and methodological basis, piloting a mechanism for compensating greenhouse gas emissions from forests. Drafts of four NLAs were sent to the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (MEGNR), which were adopted for further development within the framework of the new Environmental Code of the Republic of Kazakhstan in 2019, a full-scale pilot project was launched aimed at piloting the mechanism by attracting the international company Bitfury from the private sector. This year, in continuation of these activities, the issues of (1) increasing human resources for the development of forest carbon initiatives, their implementation and further monitoring in accordance with the legal framework of the domestic emissions trading system (ETS) or the requirements of international voluntary markets are relevant, (2) the continuation of work on harmonization and approval of NLA on carbon offsets prepared for the new Environmental Code (3) selection and piloting of one forest carbon project with the participation of local companies within the framework of the Kazakhstan ETS.

In this regard, the purpose of the required services is to strengthen human resources, legal and methodological framework, develop a pilot project for the development of forest carbon projects within the framework of the domestic emissions trading system (ETS).

d) Stakeholders

Forestry and Wildlife Committee of the Ministry of Ecology, Geology and Natural resources of the Republic of Kazakhstan (hereinafter referred to as the FWC), which carries out strategic, regulatory, implementation and control functions in the field of forestry, protection, reproduction and use of wildlife and protected areas. Organization website: <https://www.gov.kz/memleket/entities/forest/about?lang=ru>

The Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (hereinafter referred to as the MEGNR), which is in charge of the formation and implementation of state policy, coordination of management processes in the areas of environmental protection, the development of a "green economy", forestry, protection, reproduction and use of wildlife and protected areas, waste management, protection, control and supervision over the rational use of natural resources, state geological study of the subsoil, reproduction of the mineral resource base, use and protection of water resources, water supply, wastewater disposal. Organization website: <https://www.gov.kz/memleket/entities/ecogeo/about?lang=ru>

Zhasyl Damu JSC, aimed at reducing greenhouse gas emissions through the establishment and efficient functioning of the system of regulation and trading of quotas for greenhouse gas emissions in the Republic of Kazakhstan. Organization website: <http://zhasyldamu.kz>

- e) The specifics of the work required (for example, the security risks associated with operating in specific communities, specific cultures and practices unique to stakeholders, etc.)

The planned work is analytical, creative, provides for interaction with specialists in the field of the forestry sector, the Kazakhstan ETS from government bodies and the private sector, and does not pose any security risks to a potential contractor.

B. SCOPE OF WORK

As part of the implementation of the mechanism for compensating greenhouse gas emissions from forests, this year it is envisaged to hire 2 national and 1 international expert. The national expert on Kazakhstan ETS is one of the experts in this group and his work is in collaboration with the national expert in the field of the forestry sector and the international expert on ETS and forest carbon projects. At the same time, the work of each expert is delimited by individual objectives.

The objectives of the national expert on Kazakhstan ETS include:

Objective 1. Providing expert support to an international expert in the preparation of training materials / modules on the development, implementation, assessment and monitoring of forest carbon projects, preparation of calculations of carbon sequestration by forests and CO₂ absorption (hereinafter referred to as the Training Course), including:

- Organization of online interviews (or polls) with experts of FWC, Zhasyl Damu JSC, independent experts and identification of needs and problematic issues for coverage of the Training Course. Preparation of the agenda, minutes of meetings and discussions.
- Preparation of a report on the Kazakhstan ETS and the conditions for the implementation of forest carbon projects, their verification and monitoring.
- Data collection and preparation of information, analytical materials, preparation of recommendations for preparation:
 - 1) an introductory part of the Training Course, which should include at least (i) the relevance and purpose of the Training Course; (ii) features and specifics of the Training Course; (iii) expected results; (iv) qualification requirements of the target audience (minimum knowledge and skills that the target audience must possess);
 - 2) the thematic part of the Training Course, which should include at least: (i) a module on the development of forest carbon projects in accordance with the terms of the Kazakhstan ETS, (ii) a module on the specifics of validation and verification of forest carbon projects in accordance with the terms of the Kazakhstan ETS, (iii) a module on monitoring forest carbon projects under the terms of the Kazakhstan ETS, (iv) a module for studying the methodology and calculating forest carbon sequestration and CO₂ reduction, (v) a module for reporting forest carbon projects under the terms of the Kazakhstan ETS, (vi) a module for preparing forest carbon projects for voluntary international markets;
 - 3) methodological part of the Training Course, which should include at least: (i) duration (number of hours), (ii) forms of delivery of the training module

(minilecture, brainstorming, work in small groups, presentations, discussion, handouts, etc.); (iii) forms of feedback and summing up the results of the Training Course (critical design review, survey, etc.); (iv) forms of verification of achievement of expected results; (v) materials, tasks, questionnaires; (vi) additional resources for self-capacity building.

- Preparation of the program, list of participants, letters of inquiry, feedback questionnaire for conducting an online seminar on testing the Training Course. Facilitation of an online seminar, processing of feedback forms of an online seminar.
- Together with an international expert, the addition/revision of the Training Course based on feedback from the workshop participants.
- Preparation and proofreading of the pre-printed version of the Training Course in Russian. Support (interaction with a designer, typography) in the release of the printed version of the Training Course.

Objective 2. Preparation of a pilot forest carbon project.

- Providing expert support to the national forestry expert in preparing the concept of ideas for at least 5 forest carbon projects in terms of the relevance of the existing ETS of Kazakhstan.
- Participation in discussions of the concept of ideas for at least 5 forest carbon projects with FWC, MEGNR and Zhasyl Damu JSC, in the selection of one idea for a forest carbon project for further testing within the framework of BIOFIN implementation.
- Taking into account the comments of all stakeholders, together with the national expert in the field of the forestry sector, preparation of sections of the concept, project documentation and monitoring plan for the pilot forest carbon project. As part of the teamwork, the national expert on the Kazakhstan ETS is responsible for determining the period for obtaining carbon credits, the stages of the pilot project and the preparation of all project documentation in accordance with the requirements and regulations of the Kazakhstan ETS.
- Expert support for project approval in accordance with the legislation of the Republic of Kazakhstan;
- Expert support for further piloting of the project.

Objective 3. Providing expert support to the project team in the coordination and approval of the NLA on carbon offsets prepared within the framework of BIOFIN in 2020 to the new Environmental Code.

- interaction with the responsible experts of the MEGNR, Zhasyl Damu JSC and working out comments to the NLA;
- preparation of recommendations to enhance the capabilities of ETS for the development of forest carbon initiatives.

a) Required activities

In the course of work, the National Expert on Kazakhstan ETS:

- works in a team with a national ETS forestry expert and an international expert;
- interacts with the responsible experts of MEGNR, Zhasyl Damu JSC;
- collects and processes information as part of the terms of reference;

- organizes online interviews, surveys as needed in order to achieve the best work results;
 - initiates working meetings, online and/or offline meetings as needed;
 - in the course of collecting information and preparing analyzes, as necessary, prepares draft letters, requests to government agencies and other organizations;
 - participates in online meetings and discussions on the subject of the terms of reference, organized by BIOFIN;
 - studies and uses the BIOFIN reporting materials in the preparation of the Training Course.
- b) The national expert on the Kazakhstan ETS will be provided with reports and informational, publication materials on the subject of this Terms of Reference, prepared by other experts.
- c) Copyright:

Upon completion of the contract with the national expert on Kazakhstan ETS, UNDP receives all direct and related copyrights to the materials prepared within the framework of this Terms of Reference. The use of materials prepared within the framework of this technical assignment by the national expert on Kazakhstan ETS in the framework of other works/contracts must be agreed upon with UNDP.

C. EXPECTED RESULTS

Expected results	Duration and estimated completion date	Necessary agreement and approval	Payment
<p>Expert support was provided to the project team in the coordination and approval of the NLA on carbon offsets prepared within the framework of BIOFIN in 2020 to the new Environmental Code.</p> <p>Result 1:</p> <p>Progress report, including recommendations to enhance the capabilities of ETS for the development of forest carbon initiatives.</p>	30 days, but no later than September 27, 2021	UNDP Biodiversity Project Manager	30%
<p>A pilot forest carbon project was prepared in a team with a national forest sector expert.</p> <p>Result 2:</p> <p>Draft concept, project documentation and monitoring plan for the pilot forest carbon project drawn up in accordance with the requirements and regulations of the Kazakhstan ETS.</p>	50 days, but no later than December 14, 2021	UNDP Biodiversity Project Manager	40%

Expert support was provided to the international expert in the preparation of the Training Course, the process of collecting information was organized, the needs and problematic issues were identified for the coverage of the Training Course, an online seminar on testing the Training Course was organized, the training course was tested as part of the BIOFIN seminar, together	25 days, but no later than January 28, 2022	UNDP Biodiversity Project Manager	20%
with an international expert, supplemented on the basis of feedback contacts of the seminar participants. Result 3: 1) Analytical report on the Kazakhstan ETS and the conditions for the implementation of forest carbon projects, their verification and monitoring; 2) A report on the work done in the preparation of the draft and final versions of the training course materials, including agendas, minutes of working meetings and discussions, program and list of participants, online seminar feedback form.			
Provided expert support for the process of coordination, approval with stakeholders of all documents prepared by the expert. Result 4: Final progress report.	25 days, but no later than March 15, 2022	UNDP Biodiversity Project Manager	10%
Total:	130 working days		100%

D. INSTITUTIONAL SET-UP

a) Responsibility and accountability

The national expert on Kazakhstan ETS is responsible for:

- timely and rational planning, execution of activities and achievement of expected results in accordance with this Terms of Reference;
- reliability and legality of the information provided;
- unconditional fulfillment of the requirements specified in the contract and terms of reference.

The national expert on Kazakhstan ETS has no right to distribute, transfer data, materials, reports collected/prepared within the framework of this Terms of Reference without the permission of UNDP;

The national expert on Kazakhstan ETS reports to the UNDP Biodiversity Project Manager, BIOFIN expert on financial instruments and all actions related to the performance of this work must be agreed upon by these persons;

The national expert on Kazakhstan ETS conducts consultations for the project team throughout the entire period of the contract through working meetings, online meetings, conferences. b) Reporting requirements

The reports must be submitted in accordance with the deadlines specified in the "Expected Results" section of this Terms of Reference;

Reports and materials must be submitted to UNDP for approval in an electronic version in Russian.

Requirements for the format of reports and materials: file extension - doc or docx, font - Times New Roman, size - 14, margins - right (1.5 cm), top, bottom (2 cm), left (3 cm), single line interline spacing, indentation of the first (red) line - 1 cm.

c) Interaction and collaboration

The national expert on the Kazakhstan ETS works in a team and works closely with the national expert in the field of the forestry sector and the international expert on ETS and forest carbon projects, as well as, as necessary, with other specialists, interaction with whom is required during the collection of materials, approval of the documents being developed; d) Logistics

The National expert on Kazakhstan ETS and forest carbon projects perform work at his place of residence and/or location, using personal computer technology, equipment and communications. UNDP does not provide office space, office supplies and equipment.

The work of the national expert on the Kazakhstan ETS is individual and the hiring of auxiliary personnel is not provided for within the framework of this Terms of reference.

E. DURATION OF WORK

- a) Total duration of work: 130 working days within a period of August 2021 – March 2022 from the date of signing the contract.
- b) The expected start and full completion dates are August 2021 – March 2022.
- c) Terms of consideration of expert reports by UNDP:

The submitted materials based on the results are reviewed by the BIOFIN project team, agreed in accordance with the expected results specified in this Terms of Reference within 5 working days after the submission of materials by e-mail.

d) **DUTY STATION**

Distance (remote) part-time work is assumed. Travel and business trips are not assumed.

e) REQUIRED SKILLS AND WORK EXPERIENCE

- Higher education in natural and social sciences.
- 5 years of work in environmental organizations.
- 2 years of work in the field of climate projects/initiatives, research, forecasting, simulation study on climate change issues.
- Knowledge of the specifics of the Kazakhstan ETS, the legal framework governing this area.
- Experience in the development of not less than 1 carbon project.
- Experience in preparing analytical reports. Strong skills in written presentations and reports.
- Excellent oral and communication skills.
- Excellent knowledge of Russian, knowledge of English is an asset.

f) PROVISION OF FEE PROPOSAL AND PAYMENT

The type of contract provided for this type of work/services is a lump sum contract in KZT, which includes all costs of performing the work/services (in this case, the daily fee for professional services).

Payment will be made in 4 installments upon satisfactory completion of the expected results specified in the “Scope of work” of this ToR and upon approval of the results by the UNDP Biodiversity Project Manager.

The financial proposal will include a breakdown of this lump sum amount (including number of anticipated working days) according to the proposed schedule of payments.

Stage of work	Payment %
Result 1	30%
Result 2	40%
Result 3	20%
Result 4	10%

g) RECOMMENDATIONS PRESENTATION OF OFFER

The following documents in PDF format to be attached to the proposal (maximum size 19Mb) and sent to procurement.kz@undp.org indicating reference number IC-2021-081 and position name in the subject of the letter.

- 1) Duly accomplished and signed **Letter of Confirmation of Interest and Availability** using the template provided by UNDP;
- 2) **Financial Proposal** (in separate file) that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs, as per template provided. If an Offeror is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the Offeror must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.



- 3) A detailed **personal CV**, indicating all previous work experience in similar projects and skills relevant to the task, as well as the contact details (email and telephone number) of the Candidate.
- 4) **Short essay** explaining why the Offeror considers his/herself the most suitable candidate for the implementation of these TOR .
- 5) Documents confirming the Applicant's qualifications (**diplomas**, certificates of advanced training, certificates of completion of courses);

h) CRITERIA FOR RATING THE BEST FEE PROPOSAL:

Individual consultants will be evaluated based on the Cumulative analysis or Combined Scoring Method. The award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

- I. Responsive/compliant/acceptable
- II. received the highest score according to pre-defined technical and financial criteria:
 - a. Specific weight of technical criteria: 70%
 - b. Specific weight of financial criteria: 30%,

APPROVED

 <hr/> Talgat Kerteshev UNDP Biodiversity Projects Manager Date: 18- Jul-2021	 <hr/> Nuri Ozbagdatli Portfolio Manager Date: 19- Jul-2021
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