



TERMS OF REFERENCE

CONSULTANCY FOR FINANCE MANAGER: PAPUA NEW GUINEA BIODIVERSITY AND CLIMATE FUND, IC/PNG/033-2021

Location:	Port Moresby, Papua New Guinea
Type of contract:	Individual Contract (IC) - National
Project:	Sustainable Financing for PNG's Protected Area Network
Languages Required:	English
Starting Date:	01 December 2021
Duration of Initial Contract:	1 year with possibility of extension

1. Project Background

Papua New Guinea is endowed with exceptional natural wealth. It contains more than 293 species of mammals (of which 80% are endemic), 813 bird species (more than 50% endemism) and 346 species of reptiles and 371 species of amphibians. The country comprises of the third largest tropical forest in the world, covering 280,000km², over 2.4million km² of ocean including over 7,000km² of coral reefs and 4,200km² of diverse mangrove forest. The coral reefs are of global significance. They lie at the epicenter of the Coral Triangle. These reefs are home to over 1500 species of coral reef fish and at least 514 species of coral. Nevertheless, the IUCN Red List for PNG includes 33 critically endangered species, 56 endangered, 373 vulnerable and 289 near threatened.

The terrestrial environment underpins the country's productive sectors and supports the livelihoods of 80% of PNG's population who live in rural areas. The coastal and marine environment provides food security, important sources of protein, protection from coastal erosion, and livelihoods in tourism and fisheries. Furthermore, the forests as well as islands and reefs provide significant spiritual and cultural importance to the people of Papua New Guineans.

However, the country's natural environment is under threat. Over 50% (or 140,000km²) of PNG's forests lie within the 298 logging concessions. In coastal areas, population growth, with more than 50% under the age of 24, places increased strain on marine resources. Impacts of development activities (in coastal and upstream areas) including increased runoff and habitat fragmentation and degradation; pollution, especially related to runoff from inland mining activities and poor land management practices, and debris and sewage; and impacts of climate change on coastal erosion all pose immediate and dramatic threats to local communities and the natural environment.

Strengthening biodiversity conservation efforts will improve the country's resilience to the impacts of climate change as well as the emerging threats. It will enhance the long-term growth of existing productive sectors, support the growth of new economic opportunity based on sustainable national resource stewardship, transforming the growth path of the country. There is a need for the natural capital wealth to be placed at the center of the country's economic policy in order to achieve the objectives in the PNG Protected Area Policy; the Medium-term Development Plan; Vision 2050; the Sustainable Resource Strategy; the Climate Change Act; and the Conservation and Environment Protection Authority Act.

Protected areas across the country neither have sufficient nor reliable funding. With a few notable exceptions, there is no revenue being generated by protected areas for on-the-ground conservation management. These exceptions include the Kokoda Historical Reserve and the Yus Conservation Area, but both are highly dependent on donor funding. A national assessment of the management effectiveness of the protected areas across the country noted that 83% of protected areas stated that their current budget was an issue and 91% stated that there was no budget security. This is corroborated with the data collected by UNDP which noted that 40 of a total of 59 protected areas are known not to receive any budget.

A similar lack of investment exists for climate change initiatives. A recent estimate for implementing the National REDD+ Strategy calculated that nearly US\$ 100m per annum is required to deliver the strategy over the next 10 years.

The project, **Sustainable Financing of Papua New Guinea's Protected Area Network**, will extend the Government of PNG's ability to fulfil its protected area mandate and implement the Protected Area Policy to: (i) secure stable and long-term financial resources for the management of protected areas across the country; (ii) ensure that these financial resources are allocated to contribute to improving effectiveness of the management of the protected areas across the country; and (iii) ensure that they are managed cost-effectively and efficiently with respect to their conservation and other complementary development objectives. In recognition of this need, the project will assist with the development of a diversified mix of conventional and innovative funding sources and consolidate revenues to finance the ongoing costs of establishing and managing protected areas, and assist the Government to establish a Biodiversity Fund – that will be built on a secure, accountable and transparent financial mechanism, for receiving, administering and disbursing funds. The project will, therefore, result in a system that will provide catalytic and long-term financial support that will lead to stable ecosystems (both within and outside of protected areas), coupled with the social transformations to make that happen (including transforming institutions to become supporters/facilitators of that process, and the establishment of long-term partnerships).

There is a strong demand for a national-level financing mechanism that is able to attract, disburse and report against financial support to critical locations that protect the unique biodiversity and the natural wealth of the country. PNG's approach to conservation is based on the premise of 'doing conservation differently' and placing people at the heart of conservation, incentivising business models that have a net benefit to the environment, are transformative and demonstrate that conservation and economic development are not conflicting but complementary. The establishment of a national Fund is an ideal vehicle to attract and manage a diversified portfolio of finance streams to provide financial support to PAs in perpetuity as well as seed-finance for conservation-based business models. The project has committed to provide financial and technical support to the establishment and operationalisation of the Fund over the next six years.

The project has made strong progress to establish the foundations for national system-level financing solutions to support the reduction of the financing gap facing the country's Protected Area network, namely:

- An *Institutional and Regulatory Review* of protected area management and financing, which identifies the key actions to strengthen the institutional responsibilities, regulatory environment and capacity needs to lead to increased financial support to protected areas. ([Institutional and Regulatory Review](#))
- A national *Protected Area Finance and Investment Plan* that identified the funding gaps to the existing and future protected areas as well as the identification and assessment of possible financial options. ([Protected Area Finance and Investment Plan](#))
- The establishment of an independent *Biodiversity and Climate Fund* to facilitate the receipt, disbursement and accounting of identified finance solutions. The process to establish the fund is ongoing and is expected to be completed by the end of 2021. ([PNG Biodiversity Fund](#))

The Fund is currently being established as an independent entity to attract, manage and disburse funds. The Fund will provide greater transparency and accountability for donors and private sector supporting the implementation of the identified finance solutions. Stakeholder consultation, a best practice review and legal analysis have already been completed and presented. The legal registration is currently underway and is expected to be registered before the end of the year with an appointed Board of Directors. The next step in the process is to develop the Fund's Strategic Plan, operational manuals and Resource Mobilisation plan. These actions will begin by August 2021 with the intention to officially launch to coincide with the UN Climate Summit in November 2021.

In preparation of the above, the project is recruiting suitable candidates to form the independent Secretariat. The Secretariat will consist of an Executive Director, Programme Manager, Finance Manager and Administrative Associate. The Secretariat will receive technical support in the short term from UNDP, specifically the project's Chief Technical Advisor and project staff.

2. Objective

The project is seeking suitable and qualified candidates to join the Secretariat as the **Finance Manager** of PNG's Biodiversity and Climate Fund. The Finance Manager is responsible for overseeing all aspects of the financial management systems and processes for the Fund. Under the supervision of Executive Director, the Finance Manager will direct all finances and business administration of the Fund to (i) ensure an efficient and clean financial management structure, (ii) optimize revenue generation while preserving the endowment's inflation-adjusted capital, and (iii) manage a minimum of US\$1 million in annual expenditure.

3. Key Duties and Responsibilities

The Programme Manager will be required to:

- Play a leadership role in the continued growth of the organization by designing and implementing financial policy for sustainability.
- Provide essential input for financial planning, monitoring and evaluation to ensure all finances are grounded in sound business management to enhance cost-effectiveness of the Fund's philanthropic work.

- Prepare and maintain annual budgets and regular cash forecasts; report financial health of the organization to the Executive Director and the Board.
- Review all financial grant requests and institutional operations and prepare work plans with grant seekers and grantees in government, civil society, and rural communities, including preparation of annual operating budgets and regular financial monitoring and reporting. Provide leadership for in-house capacity building in financial management and reporting.
- Systematically monitor, analyze, and evaluate the performance of all activities in accomplishing program and organization objectives, and assist program staff in reporting these results to the Board, donors, and general public.
- Prepare financial statements as per Generally Accepted Accounting Principle (GAAP) and Fund accounting policies, and facilitate regular auditing of project and operational finances. Ensure appropriate internal controls are maintained.
- Keep the organization informed on pertinent financial issues and regulatory matters, and provide financial input for program review and evaluation.
- Assist the Board and its Investment Committee in their fiduciary mandate to ensure annual income from prudent investment and management of the Fund's invested assets; implement the investment policy, monitor investment reports, and serve as the staff liaison to the Investment Committee.
- Monitor new technical information, policy developments, and trends related to investment management for Conservation Trust Funds. Maintain tax exemption in the countries where the assets are invested and facilitate biennial independent reviews of investment performance.
- Direct all procurement and payroll administration and management of physical assets.
- Uphold the highest standards of integrity in ensuring that the procurement procedures are free of conflicts of interests.
- Manage the risk management procedures and maintain the risk register. Ensure the Fund is appropriately insured against major business and operational risks.
- Serve as the staff liaison to the Finance/Audit and Investment Committees.
- Prepare the terms of reference for the annual audits for approval by the Executive Director, and,
- Support any other tasks assigned by the Executive Director.

4. Key deliverable and schedule of payment

Key milestones or deliverables	Report due	Payment Rate	Review and Approvals
Payment upon submission of monthly time sheet for month of October 2021 • monthly report that captures all key activities in the TOR. A	31 st October 2021	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • monthly report that captures all key activities in the TOR. A	30 th November 2021	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A	31 st December 2021	8.33% of total contract	Chief Technical Advisor

monthly report that captures all key activities in the TOR.		value	
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	31 st January 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	28 th February 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	31 st March 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	30 th April 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	31 st May 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	30 th June 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	31 st July 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	31 st August 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the following deliverables: • A monthly report that captures all key activities in the TOR.	30 th September 2022	8.33% of total contract value	Chief Technical Advisor
Payment upon submission and acceptance of the	31 st	8.33% of	Chief

following deliverables:	October 2022	total contract value	Technical Advisor
<ul style="list-style-type: none"> • A monthly report that captures all key activities in the TOR. 			

5. Working Arrangement

The Finance Manager will report directly to the Executive Director and be expected to work with the UNDP Chief Technical Advisor and the project team. The Manager will be based at the Fund's offices which are currently being organized and furnished.

6. Required Experiences and Skills

Education and experience

- As a minimum, a bachelors degree in economics, finance, or business management from a globally reputed university; Certified Practising Accountant (CPA) preferred.
- At least seven years' practical work experience in accounting, auditing, financial management, and/or financial planning and reporting.
- Experience with grant reporting for international and multilateral donors preferred.

Competencies

- Strong leadership and management skills, with demonstrable experience in financial management and working independently.
- Excellent technical and financial analysis, oral and written communication skills, and a demonstrated capability of writing technical financial reports.

7. Evaluation

Cumulative analysis

The proposals will be evaluated using the cumulative analysis method with a split 70% technical and 30% financial scoring. The proposal with the highest cumulative scoring will be awarded the contract. Applications will be evaluated technically, and points are attributed based on how well the proposal meets the requirements of the Terms of Reference using the guidelines detailed in the table below.

When using this weighted scoring method, the award of the contract may 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 weighting; 70%

* Financial Criteria weighting; 30%

Only candidates obtaining a minimum of 49 points in the Technical Evaluation would be considered for the Financial Evaluation. Interviews may be conducted as part of technical assessment for shortlisted proposals.

Criteria	Points	Percentage
Technical criteria		70%
i. Qualification		20%
<ul style="list-style-type: none"> As a minimum, a bachelors degree in economics, finance, or business management from a globally reputed university; Certified Practising Accountant (CPA) preferred. 	20	
ii. Experience		45%
<ul style="list-style-type: none"> At least seven years' practical work experience in accounting, auditing, financial management, and/or financial planning and reporting. 	25	
<ul style="list-style-type: none"> Experience with grant reporting for international and multilateral donors preferred. 	20	
iii. Competencies		5%
<ul style="list-style-type: none"> Strong leadership and management skills, with demonstrable experience in financial management and working independently. 	3	
<ul style="list-style-type: none"> Excellent technical and financial analysis, oral and written communication skills, and a demonstrated capability of writing technical financial reports. 	2	
Financial Criteria – Lowest Price		30%
Total		100%

Documents to be included when submitting Consultancy Proposals

The following documents may be requested:

- Duly executed **Letter of Confirmation of Interest and Availability** using the template provided by UNDP;
- P11 form** using template provided by UNDP which indicates all past experience from similar projects, as well as the contact details (email and telephone number) with at least three (3) professional references;
- Technical proposal** outlining the proposed methodology and approach for completing all the tasks outlined in the TOR.
- Financial Proposal** 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 stipulate that arrangement at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

Delivery-based contracts

The financial proposal shall specify a delivery-based amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in instalments 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 amount (including travel, living expenses, and number of anticipated working days).

Travel

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket; should the IC wish to travel on a higher class, they should do so using their own resources. In the case of unforeseeable travel, payment of travel costs including tickets, lodging, and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

Submission Instructions

Completed proposals should be submitted to procurement.png@undp.org, no later than 19 August 2021. For any clarification regarding this assignment please write to procurement.pg@undp.org

Please be guided by the instructions provided in this document above while preparing your submission.

Incomplete proposals and failure to comply with proposal submission instruction may not be considered or may result in disqualification of proposal.

UNDP looks forward to receiving your Proposal and thank you in advance for your interest in UNDP procurement opportunities.

Approved by:

Edward Vrkic
Deputy Resident Representative
Date