



Empowered lives.  
Resilient nations.

## Terms of Reference

### GENERAL INFORMATION

**Services/Work Description:** Recruitment of resident Consultant for poverty analysis report

**Post Title:** National Consultant (NC)

**Group of Individuals and/or Firms are not eligible for this consultancy assignment (only at an individual level)**

**Duty Station:** Addis Ababa

**Duration:** 9 months

**Expected Start Date:** Immediately after Signing the Contract

### I. BACKGROUND / PROJECT DESCRIPTION

The key development agenda and main objective of the Ethiopian government is ensuring shared prosperity through actively reducing poverty and achieving improvements in the well-being of people. To this end, achieving a rapid, sustainable, broad-based economic growth complemented by the renewed focus on pro-poor sectors has been considered central to addressing the poverty reduction agenda in the context of Ethiopia. Achieving macroeconomic stability has also been considered essential to address the poverty agenda.

Previously implemented development policies and plans were reduced the level of income poverty and that was also witnessed by preceding poverty and welfare analysis reports. Thus, further reduction of the level requires accomplishment of various assignments and in line with this the relevance of undertaking poverty analysis is paramount to monitor the track record, evaluate the implemented policies and to grasp important lesson for future tasks. So far, we have five poverty analysis tasks conducted since the first ever poverty analysis report was publicized in 1995. The coming will be the sixth round; and tasks done during the previous rounds were going to be done with contextualizing the existing scenario.

The measurement and analysis of income and non-income dimensions of poverty including consumption poverty, inequality, vulnerability, capability (education, nutrition and health achievements) are crucial to understand the status of poverty and welfare in a given period of time and to understand the factors determining this situation, to design interventions and for monitoring and to assess the effectiveness of current policies and to determine whether the situation is changing. To this effect, two data sets; WMS and HCES data are currently under collection for analysis of poverty in 2022.

Against this background, UNDP would like to hire a competent and pertinent resident consultant in the arena for Planning and Development Commission (PDC) who can lead and undertake the sixth round poverty analysis exercise of Ethiopia based on HCES and WMS data of 2020/21.

### II. SCOPE OF THE WORK

The assignment will focus on preparation of poverty analysis report based on 2020/21 HCES and WMS for monitoring the progress and to provide up-to-date information on poverty to policy makers at various levels. The analysis report will be outlined, but not limited to, both monetary and non-monetary dimensions of poverty and will further disaggregate the result for spatial analysis based on residence, sex, age, land

ownership, income quintiles, and gender headship and rural-urban using the twin surveys (HCES & WMS). In this regard, it is expected from the assignment to undertake and assess the previous poverty analysis tasks both local and international, review relevant development policy documents, dig-out survey instruments, manage and clean the datasets collected by CSA and other essential records from relevant government and non-government bodies. Accordingly, the detail scope of the work explained as follows.

### **2.1. Drafting poverty measurement and analysis report**

The measurement and analysis of poverty include income and non-income dimensions of poverty and are supposed to address the following, among others:

- Lack of opportunity, which is measured by an appropriate concept of income or consumption poverty.
- Presenting achievement in education and health (low capabilities) using the WMS data set;
- Vulnerability and shocks (and exposure to risk or low level of security). For analyzing vulnerability, both HCES and WMS data sets can be used;
- Empowerment using some part of WMS can be used for analyzing empowerment and governance.
- Access to basic infrastructure of road, water, electricity, etc.

### **2.2. Figure-out and report on determinants of poverty**

To identify determinants of poverty the following have to be dealt with, among others:

- Decompose the income and non-income dimensions of poverty by various household characteristics such as residence, sex, age, land ownership, income quintiles, gender headship and rural urban. Statistical tests and/or stochastic dominance analysis may have to be employed.
- Also decompose the analysis of poverty by sector/type of employment.
- Analyze the determinants of poverty by applying appropriate econometric techniques.

### **2.3. Measuring Inequality**

- Measuring income and consumption inequality using Gini Coefficient.
- Since poverty is a function of income and inequality, change in poverty has to be decomposed into that which is due to income growth and income distribution. Thus, analysis of such a kind is also among the major tasks.

### **2.4. Analysing the Dynamics of Poverty over Time**

Analysis on the above-mentioned topics has to be compared with that of the 1995/96 and 1999/00 and 2005/06 and 2010/11 and 2015/16 results. Thus, the methodology to be used for 2020/21 has to be similar to and built on that of previous poverty analysis reports as far as possible. Moreover, both spatial and temporal price indices have to be formulated for 2020/21 to analyze the changes in poverty over time.

### **2.5. Spatial Analysis**

The analysis on the above topics has to be disaggregated by reporting level. Hence, development of spatial price index using internal and external price surveys conducted by the CSA. Price indices should be developed separately for rural and urban areas.

### **2.6. Hands-on Training**

By way of launching the poverty analysis work, staffs of PDC, CSA and selected trainees from line ministries and each regional Planning and Finance Bureaus have to be trained in poverty estimation and modeling, poverty and inequality measurement and policy analysis. The training should cover both technical measurement of poverty and inequality and analysis of inequality and poverty.

## **2.7. Preparing poverty analysis manual and full-fledged technical report**

In addition to providing trainings for experts, to more institutionalize the poverty analysis task it is necessary to back-up the theoretical background, country experience and analytical frameworks of undertaking poverty analysis with written technical document. To this end, the consultant will undertake preparation of working manual which presents major tasks, procedures to be followed as well as technical considerations to undertake poverty analysis; this include the full fledged do files so that it will be reference for future tasks and new employees.

## **2.8. Specific Tasks**

The consultant will have the following specific tasks and responsibilities:

- a. Coordinate the overall technical operation of the full-fledged poverty analysis.
- b. Conduct an in-depth assessment of the datasets which include managing and cleaning the overall datasets being collected by CSA.
- c. Prepare the outline and overall work plan to guide the overall task.
- d. Coordinate the preparation of a consolidated poverty analysis report.
- e. Conduct full-fledged poverty analysis and modeling as specified under major task 2 to be able to flesh out key determinants of poverty in Ethiopia.
- f. Present the draft full-fledged poverty analysis report to the stakeholder's workshop as per the agreed schedule.
- g. Work in close collaboration with PDC staff and provide its staff on-the-job training.
- h. Participate PDC staff in the analysis process.
- i. Impart practical technical skills for PDC staff.
- j. Finally submit the consolidated final poverty analysis report to the PDC.

## **III. EXPECTED OUTPUTS AND DELIVERABLES**

The following are deliverables from the assignment:

- a. Inception report prepared and submitted to UNDP/PDC.
- b. Draft poverty analysis report prepared and submitted to UNDP/PDC.
- c. Draft poverty analysis report presented to stakeholders at a workshop.
- d. Final poverty analysis report reflecting the relevant inputs form various stakeholders.
- e. Datasets to be used in the training compiled based on the HCES and WMS datasets.
- f. Poverty analysis working manual.
- g. Staff members from PDC, CSA, line ministries, regional Planning and Finance bureau trained in poverty analysis;
- h. Complete set of workshop materials shared with PDC.

## **IV. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS**

This consultancy assignment will be jointly managed by PDC and UNDP. The contract administration, coordination, and technical follow-up will be managed by UNDP. The PDC will provide technical backstopping at each stage of the task, appraise methodology, review, and comment draft report, and appraise and approve the final version of the report. The overall task will be done at PDC and the consultant will be fully resident at PDC.

## **V. LOGISTICS AND ADMINISTRATIVE SUPPORT TO PROSPECT IC (if any)**

PDC will provide office space for the consultant. However other expenses other than office spaces will be covered by the consultant.

## **VI. DURATION OF THE WORK<sup>1</sup>**

The task is expected to be undertaken in a duration of nine months from the date of signing the contract. From PDC perspective the commission planned to undertake the task starting from October 2021.

## **VII. QUALIFICATIONS OF THE SUCCESSFUL INDIVIDUAL CONTRACTOR (IC)**

### **a. Education:**

- At least advanced degree (MA/MSc) in Economics, development studies is required and PhD in similar fields is an advantage

### **b. Experience:**

- Extensive and proven experience in poverty analysis methodologies.
- Comprehensive understanding of poverty/welfare and risk and vulnerability issues pertaining to Ethiopia.
- Extensive experience with survey data management and information systems;
- Previous experience in poverty analysis works in Ethiopia.
- Experience in working with the Government of Ethiopia.
- Familiarity with STATA and other statistical software;
- Excellent writing, speaking, and presenting skills.
- The fulfillments of the above list of requirements are backed by credential attachments during application.
- Proven experience in preparation of written reports in English.

### **c. Language:**

- Excellent knowledge of English, including the ability to set out a coherent argument in presentations and group interactions.
- Capacity to communicate fluently with different stakeholders (civil society, government authorities, local communities, project staff, etc)

### **d. Functional Competencies:**

- Practical experience in organization management, strategic planning of associations and public organizations at the national and regional level.

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<sup>1</sup> The IC modality is expected to be used only for short-term consultancy engagements. If the duration of the IC for the same TOR exceeds twelve (12) months, the duration must be justified and be subjected to the approval of the Director of the Regional Bureau, or a different contract modality must be considered. This policy applies regardless of the delegated procurement authority of the Head of the Business Unit.

- Extensive experience in Ethiopian data sets and the Ethiopian context; Experience in formulating development strategies and policies.
- Excellent public speaking and presentation skills
- Computer skills: full command of Microsoft applications (word, excel, PowerPoint) and common internet applications will be required.

#### **e. Core Competencies:**

- Demonstrates integrity by modelling the UN's values and ethical standards.
- Promotes the vision, mission, and strategic goals of UNDP.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.
- Treats all people fairly without favoritism.
- Fulfils all obligations to gender sensitivity and zero tolerance for sexual harassment.

#### **Important Note:**

The Consultant is required to have the abovementioned professional and technical qualifications. **Only the applicants who hold these qualifications** will be shortlisted and contacted.

### **VIII. CRITERIA FOR SELECTING THE BEST OFFER**

Upon the advertisement of the Procurement Notice, qualified Individual Consultant is expected to submit both the Technical and Financial Proposals. Accordingly, Individual Consultants will be evaluated based on Cumulative Analysis as per the following scenario:

1. Technical proposal will be rated as follows .....70%
  - 1.1. Educational qualification .....10%
  - 1.2. Methodology and understanding the scope of the assignment .....30%
  - 1.3. Experience in similar work .....30%
2. Financial proposal .....30%

### **IX. PAYMENT MILESTONES AND AUTHORITY**

The prospective consultant shall receive his/her lump sum service fees upon certification of the completed tasks satisfactorily, as per the following payment schedule:

<b>Installment of Payment/ Period</b>	<b>Deliverables or Documents to be Delivered</b>	<b>Approval should be obtained</b>	<b>Percentage of Payment</b>
1 <sup>st</sup> Installment	Upon submission of inception report	PDC/UNDP team	20%
2 <sup>nd</sup> Installment	Upon submission of Final poverty analysis report reflecting the relevant inputs collected from various bodies to PDC	"	40%
3 <sup>rd</sup> Installment	Upon submission of Poverty analysis working manual, providing technical training on poverty analysis for staff members from PDC, CSA, line ministries, regional Planning and Finance bureaus on and complete set of workshop materials shared with PDC.	"	40%

### **X. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL**

For purposes of generating quotations whose contents are uniformly presented and to facilitate their comparative review, a prospect Individual Contractor (IC) is given a proposed *Table of Contents*. Therefore, prospective Consultant Proposal Submission must have at least the preferred contents which are outlined in the IC Proposal Submission Form incorporated hereto.

Proposed Table of Contents	Page
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## **TECHNICAL PROPOSAL COVER PAGES**

Cover Page

Cover Letter

## **SECTION I. TECHNICAL PROPOSAL SUBMISSION FORM**

- 1.1. Letter of Motivation.
- 1.2. Past Experience in Similar Consultancy and/or Projects
- 1.3. List of Personal Referees

## **SECTION II. ANNEXES**

Annex a. Duly Signed Offeror's Letter to UNDP confirming Interest and availability (use the template hereto).

Annex b. Duly Signed CV

## **XI. CONFIDENTIALITY AND PROPRIETARY INTERESTS**

The consultant displays utmost professional integrity in the course of coordinating the poverty analysis work and ensure that the study report is prepared through strict adherence to the outline of the poverty analysis report and available information (both quantitative and qualitative) is being utilized efficiently. Thus, the Consultant shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy or the government without prior written consent. Proprietary interests on all materials and documents prepared by the consultant under the assignment shall become and remain properties of the Government of Ethiopia.