

Terms of reference



GENERAL INFORMATION

Title: Public Finance Management and Disaster Risk Management (Indonesian nationality only)

Project Name: RESTORE

Reports to: Head of Innovative Financing Lab

Duty Station: Homebased

Expected Places of Travel (if applicable): N/A

Duration of Assignment: 45 days from December 2021 – March 2022

REQUIRED DOCUMENT FROM HIRING UNIT

<input checked="" type="checkbox"/>	TERMS OF REFERENCE
<input checked="" type="checkbox"/>	CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT, please select:
	1. Junior Consultant
	2. Support Consultant
	3. Support Specialist
4	4. Senior Specialist
	5. Expert/ Advisor
	CATEGORY OF INTERNATIONAL CONSULTANT, please select:
	6. Junior Specialist
	7. Specialist
	8. Senior Specialist
<input checked="" type="checkbox"/>	APPROVED e-requisition

REQUIRED DOCUMENTATION FROM CONSULTANT

<input checked="" type="checkbox"/>	P11 / CV with three referees
<input checked="" type="checkbox"/>	Copy of education certificate
<input checked="" type="checkbox"/>	Completed financial proposal
<input checked="" type="checkbox"/>	Completed technical proposal

Need for presence of IC consultant in office:

☐ partial (explain), *During the consultant assignment She/He will be at the office to coordinate and discuss with RR Unit*

☒ intermittent (explain) : regularly in coordination with RR Unit)

☐ full time/office based (needs justification from the Requesting Unit)

Provision of Support Services:

Office space: ☐ Yes ☒ No

Equipment (laptop etc): ☐ Yes ☒ No

Secretarial Services ☐ Yes ☒ No

If yes has been checked, indicate here who will be responsible for providing the support services: -

I. BACKGROUND

UNDP has supported 17 countries in the region to establish national disaster loss and damage accounting system to monitor disasters (including those of climatic origin) and their impacts on populations and sectors. Typically, these national data system capture the occurrences and impacts of disaster disaggregated at local levels. Through these data system, countries can conduct analysis to identify the most severely affected areas for prioritizing and supporting disaster risk reduction (DRR) interventions. Also, the national disaster data system have become an important source of data for the indicators of the Sendai Framework for Disaster Risk Reduction (SFDRR) and SDGs 1, 11, and 13. Loss and damage data will also allow countries to engage the insurance industry in developing risk transfer solutions, such as insurance, the development of which rely highly on risk data.

Whilst these national loss and damage accounting system support countries to better understand the disaggregated impacts of disaster, it is difficult to understand if the most impacted areas in a country are also provided with appropriate financing and budgetary allocations that can more effectively increase resilience and reduce vulnerability to future disaster. Such system are also unable to disaggregate budgetary allocations according to the main elements of an integrated disaster risk management framework (i.e prevention, preparedness, response, recovery and risk transfer), thereby failing to lend to meaningful analysis of resource allocation vis-à-vis risks actually faced across different hazards.

UNDP has also been providing support to countries in Asia Pacific on integrating climate change into the public financial management system. It had started with Climate Public Expenditure and Institutional Review (CPEIR) approach that provided a snapshot on expenditures and institutional architecture for climate change. Countries like Bangladesh, Cambodia, Nepal have taken considerable steps to embed climate change into their development budgetary and planning processes. Bangladesh and Indonesia are also making efforts to mainstream climate change at the local level and are also making necessary adjustment in the budget tagging system to capture the expenditure information at the sub-national/local level. In Indonesia, the Ministry of Finance has guided the development of climate public expenditure report at subnational level and implementation of climate budget tagging (CBT) mechanism at national level starting in 2016. The sub national budget tagging system is now in place in number of countries. Indonesia also issued its 3 year climate finance report in 2021.

The nature of assignment of responsibilities of local governments make it expedient that the local level planning is made more resilient by taking all risk including climate and disaster into consideration. The resource base also needs to be analysed via the need for resilient planning and financing.

However, the data on public expenditure on DRR is scarce in most countries. This is because countries' standard budget description are not organized in a way that can help countries understand how the descriptions in their budget lines are relevant to and support DRR. Likewise, the development interventions with appropriate public budgets by the government may be counted differently and not necessarily as DRR interventions. For example, construction of a dam is likely to be considered as a capital investment while it is likely to be a DRR expenditure considering that it might be contributing to a reduction in floods downstream. The focus thus needs to shift to risk-resilient investments made now that reduce the impacts of future disasters can avoid costs in the long run. Indonesia is one of the most advanced countries on disaster-related data, with such data is available at the district level. Disaster-related data can be accessed at Indonesian Disaster Data and Information (DIBI) and at InaRISK, the

national digital geospatial platform which was developed with support from the BRH DRT.

A methodology for Disaster Risk Management Public Expenditure and Institutional Review (DRM-PEIR) was adapted from the CPEIR and was piloted in few countries in Asia Pacific, i.e., Lao PDR, Cambodia, and Thailand.¹ But there is a lack of a systematic well-tested methodology which has been applied to derive useful analysis that can feed into policy planning and draw policymakers' attention to increase investment for reducing losses and damages from disasters. Recognizing that climate budget tagging initiatives vary depending on country circumstances, methodology adopted and the granularity and design of their budgetary systems and public financial management (PFM) processes, the approach will draw on lessons and experiences from different countries and allow for adaptation.² There is substantial evidence that climate and disasters have a disproportionate impact on women and poor. This includes the physical dislocation, livelihood opportunities, asset base for example livestock etc. While they are impacted positively and negatively by the development policies and plans at the central and provincial level but the impact of local governments is more pronounced. It is thus very important to address the vulnerability and risks at the local level and to adopt a more holistic and integrated approach to identification and tackling of multidimensional vulnerabilities and risks.³

It should be noted that UNDP is currently supporting pilot countries implement Social Innovation Platforms - SIP (at the sub-national level) that use systems approach for portfolios of integrated development solutions that are codesigned by local stakeholders and particularly most vulnerable populations. These SIPs help to test and develop new forms of collaboration between communities, local authorities and the private sector and attract public and private investments for socio-economic transformations at the sub-national level. The SIPs provide the opportunity to identify and promote inclusive risk informed investments in local infrastructure, services, livelihoods etc. by considering qualitative community-based assessment methods and quantitative technical risk assessments in parallel and the consideration of socio-economic well-being/resilience driven approaches.

Currently the UNDP is supporting Indonesia at the national level in improving the effectiveness of climate finance. As the climate finance work transitions to the sub national level it will be important to look at climate expenditures in conjunction with the disasters related expenditures and costs of disasters. Such analysis will help in improving the value of investments that the sub national governments make with their limited resources.

¹ UNDP (2018) [DRM CPEIR for Lao PDR, Thailand, Viet Nam](#)

² E.g., [ADB \(2018\) conference report on Risk-Informed Development using Disaster Risk Information for Resilience](#) points out that for Nicaragua, this includes specific guidelines for sector projects (road infrastructure, energy, water and sanitation, and housing). Other countries, such as Mexico, have developed tools to analyze disaster risk within specific projects to determine cost benefit. There are also advances in creating budget classifiers for DRR and CCA spending, including in Nicaragua and Peru. The [World Bank \(2021\) "Climate Change Budget Tagging: A Review of International Experience"](#) [EFI Insight-Governance](#) provides additional information. Most developing countries' tagging methodologies cover both adaptation and mitigation, though with much greater emphasis on adaptation, and DRR is considered differently. E.g., Honduras tags disaster risk reduction expenditures as a distinct category separate from adaptation, whereas Nicaragua has a separate tag for expenditures associated with climate- induced losses and damages, following the definition used by the UNFCCC Warsaw International Mechanism.

³ See UNDP (2016) [Risk Governance: Building Blocks for Resilient Development in the Pacific](#) which points out that the approach of adding risk issues to current development plans, policies and projects in order to 'risk proof' using a climate or risk lens, whilst valuable, does not always help strengthen the existing development system or question the social inequalities or vulnerabilities (i.e. root causes) that contribute to the risks. There is also concern that these approaches can fail to incorporate the experiences, perceptions and concerns of communities or other target audiences and in particular, their development priorities. Secondly, [Brian Walsh Stephane Hallegatte \(2019\) Measuring Natural Risks in the Philippines Socioeconomic Resilience and Wellbeing Losses](#) demonstrate how the three components conventionally considered (i.e., hazard, exposure, and vulnerability) predict asset losses, but not the capacity of affected populations to cope with and recover from these losses and promotes the use of a fourth component called socioeconomic resilience (the ratio of expected asset losses to wellbeing losses) which considers this.

II. SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES

Scope of Work

Under the direct supervision of the Disaster Risk Reduction and Recovery for Building Resilience Team (DRT), the SDG Finance Team, and the Local Governance Team (all under the BRH), the consultant will work closely with the international consultant to undertake the following:

1. Collection and collation of time-series disaster loss and damage data and DRR and climate-related budget allocations and actual expenditures.
2. Provide analysis of time series data on disasters and climate change.
3. Collect data on two select service delivery sources like health, water and sanitation, education to enable the international consultant to undertake an analysis of the impact of climate change and disasters on service delivery. Support the international consultant in the analysis of data.
4. Provide technical support at local government level to review and analyse findings from the application of the methodology in Indonesia, and develop a final report which includes: estimates of disaster losses, estimation/simulation of savings from the adoption of risk-informed development approaches, the analysis of expenditures across the five elements of an integrated disaster risk management framework (i.e. prevention, preparedness, response, recovery and risk transfer) if possible, and analysis of the impacts on service delivery, the identification of financing mechanisms, and recommendations for the project countries.
5. Apply the methodology, lessons, and findings from the implementation through a knowledge sharing event in Indonesia.

Final Product:

The consultant will deliver the following final products, as relevant and agreed to prior to commencement of any task as below details:

Expected deliverables

Deliverables/Outputs	Target Due Dates	Review and approval	No. of days
<p>1st payment will be made upon report submission and approval by UNDP describing the following deliverables:</p> <ul style="list-style-type: none">• Submission of analysis report on DRR efforts and financing gaps in Indonesia, including data analysis on the disaster loss and damage, DRR and climate related budget allocations and expenditure at selected provinces.	January 2022	Head of Innovative Financing Lab	20 days
<p>2nd payment will be made upon report submission and approval by UNDP describing the following deliverables:</p> <ul style="list-style-type: none">• Submission of report on methodology application and analysis of gaps and recommendation for selected local governments.	March 2022	Head of Innovative Financing Lab	25 days

III. WORKING ARRANGEMENTS

Institutional Arrangement

The Individual Contractor will work under direct supervision of the Disaster Risk Reduction and Recovery for Building Resilience Team (DRT), the SDG Finance Team, and the Local Governance Team (all under the BRH). She/ He will work in close coordination with Regional Consultant on Public Finance Management and Disaster Risk Management and will seek guidance from UNDP Country Offices (COs) in Indonesia in delivering outputs under this assignment.

Duration of the Work

December 2021 – March 2022 (45 Workdays)

Duty Station

Homebased

Travel Plan

Below is an indicative travel plan for the duration of the assignment. The Consultant will be required to travel to the below indicated destinations and include the relevant costs into the proposal. There may be also unforeseen travel that will come up during the execution of the contract which will be agreed on ad-hoc basis.

No	Destination	Frequency	Duration/days
	N/A	N/A	N/A

Price Proposal and Schedule of Payments

Consultant must send a financial proposal based on lump sum fee. Consultant shall quote an all-inclusive lump sum fee for the contract period. The term “all-inclusive” implies that all costs (professional fees, communications, consumables, etc.) that could be incurred by the IC in completing the assignment are already factored into the fee submitted in the proposal. If applicable, travel or daily allowance cost (if any work is to be done outside the IC’s duty station) should be identified separately.

In general, UNDP shall not accept travel costs exceeding those of an economy class ticket. Should the IC 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 at actual documented cost.

Travel costs shall be reimbursed at actual but not exceeding the quotation from UNDP approved travel agent. The provided living allowance will not be exceeding UNDP DSA rates.

Schedule of Payment

The payment shall be made in the deliverable basis. All deliverables must be approved and based on satisfactory by BRH DRR team.

Deliverables/Outputs	Target Due Dates	Review and approval	No. of days
1st payment will be made upon report submission and approval by UNDP describing the following deliverables:	03 January 2022	Head of Innovative Financing Lab	20 Days

<ul style="list-style-type: none"> Submission of analysis report on DRR efforts and financing gaps in Indonesia, including data analysis on the disaster loss and damage, DRR and climate related budget allocations and expenditure at selected provinces. 			
<p>2nd payment will be made upon report submission and approval by UNDP describing the following deliverables:</p> <ul style="list-style-type: none"> Submission of report on methodology application and analysis of gaps and recommendation for selected local governments. 	10 February 2022	Head of Innovative Financing Lab	25 days

IV. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Academic Qualifications:

A Masters' Degree in public finance management, disaster risk management, climate change adaptation, environmental science, economics, public and business administration.

Experience:

- Minimum 4 years of combined professional experience in conducting research and/or implementing projects on public finance management in Indonesia.
- Experienced in analyzing Disaster Risk Management and climate-related policy and providing advisory support to government stakeholders in developing countries, preferably in Indonesia.
- Experienced on the public and private partnership and financing analysis at the sub-national level in Indonesia.
- Experienced related to policy and programmes in disaster risk management and climate change in Indonesia.
- Experienced in working with local government in Indonesia.

Competencies:

- Fluency in English, spoken and written
- Familiarity with Disaster Risk Management
- Familiarity with Climate Change issue.
- Excellent presentation.

V. EVALUATION METHOD AND CRITERIA

Individual consultants will be evaluated based on the following methodology:

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%

Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.

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

Criteria	Weight	Maximum Point
<u>Technical (Maximum 100 points)</u>		
<i>Criteria A: qualification requirements as per TOR:</i>	70%	
<ul style="list-style-type: none"> A Masters' Degree in public finance management, disaster risk management, climate change adaptation, environmental science, economics, public and business administration. 		10
<ul style="list-style-type: none"> Minimum 4 years of combined professional experience in conducting research and/or implementing projects on public finance management in Indonesia. 		15
<ul style="list-style-type: none"> Experienced in analyzing Disaster Risk Management and climate-related policy and providing advisory support to government stakeholders in developing countries, preferably in Indonesia 		15
<ul style="list-style-type: none"> Experienced on the public and private partnership and financing analysis at the sub-national level in Indonesia 		10
<ul style="list-style-type: none"> Experienced related to policy and programmes in disaster risk management and climate change in Indonesia 		10
<ul style="list-style-type: none"> Experienced in working with local government in Indonesia 		10
<i>Criteria B: Brief Description of Approach to Assignment</i>	30%	
<ul style="list-style-type: none"> Understands the task and applies a methodology appropriate for the task 		10
<ul style="list-style-type: none"> Important aspects of the task addressed clearly and in sufficient detail 		10
<ul style="list-style-type: none"> Logical, realistic planning for efficient project implementation. 		10

Documentation required

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.

Incomplete proposals may not be considered.

Annexes

- I - [Individual IC General Terms and Conditions](#)
- II – Offeror's Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template

For any clarification regarding this assignment please write to sri.hastutiningsih@undp.org