

TERMS OF REFERENCE

Long Term Agreement: Macroeconomic Consultants

1. Assignment Information

Assignment Title:	Macroeconomic Consultants (Open for International and National Consultants – up to four consultants)
Cluster/Project:	Policy and Innovation Unit (PIH)
Post Level:	Senior Specialist
Contract Type:	Long Term Agreement (LTA) – up to four LTAs
Duty Station:	Home-Based and Phnom Penh, Cambodia (if required)
Expected Place of Travel:	Phnom Penh, Cambodia (if required)
Contract Duration:	Initial contract is from September 2022 to August 2023, for up to 90 working days per year for each LTA with possible extension up to 2 years

2. Background

The United Nations Development Programme (UNDP) is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP Cambodia Country Office works in partnership with the Royal Government of Cambodia (RGC), non-government organizations, civil society organizations, community-based organizations, multilateral aid agencies, bilateral donors and private sector to support the progress towards the Cambodia Sustainable Development Goals (CSDGs) and priorities set in the National Strategic Development Plan 2019-2023.

With the goal to transition to upper middle-income status in 2030, Cambodia has been rapidly modernizing, and its economy continues to transition from agriculture to industry and services. The Government has supported this transition through sound macroeconomic management, increasing foreign direct investment (FDI), high labour force participation, growing domestic resource mobilization and improved public services. This is a time of dynamism and opportunity, but also one of turbulence, dislocation and vulnerability - and these changes bring risks as well as opportunities.

Specific questions can be raised about the quality of the growth process. There are two dimensions to these concerns. The first relates to inclusiveness of the economic model. While there have been large reductions in poverty, a persistent proportion of Cambodians still live in extreme poverty, and a larger proportion of the population are vulnerable to shocks. The second set of issues concern slow structural change, including sluggish efficiency gains. Overall, productivity improvement has been weak, expansion is driven by extensive as opposed to intensive growth, and there has been significant environmental impacts. In addition, more pressing in the near term are the ongoing impacts of the global crisis, COVID-19 and the impact of the war in Ukraine. The global inflation in major commodity market and energy and food crisis are adding pressure on the national economic recovery and stability and are affecting Cambodia's vulnerable population disproportionately.

UNDP is working to support the RGC on its socio-economic policy agenda and provide capacity building. This Terms of Reference (TOR) refers to a set of assignments to address the above challenges.

3. Scope of work and deliverables

The LTA holders will work as part of UNDP's programme to develop research evidence and strengthen data gathering systems and analytical capacity within the government ministries. Assignments will be designed under seven headings:

- a) **Deliver a TA facility for socio-economic policy responses** – conducting the impact assessment and projection and providing evidence-based policy analysis to the RGC and the Ministry of Economy and Finance (MEF) generally to better leverage opportunities and mitigate risks, combat the economic/ socioeconomic impacts of the pandemic and war in Ukraine. Specifically in designing, calibrating and implementing stimulus and other measures, linking to analysis to support the *Strategic Framework and Program for Economic Recovery of Cambodia in the Context of Living with COVID-19 in A New Normal* being implemented by MEF with particular emphasis on the at-risk and vulnerable population.
- b) **Provide macroeconomic modelling training and capacity building to MEF** – this would include further developing MEF staff capacities apply to dynamic General Equilibrium (GE) and other macroeconomic models via formal training, but also mentoring and tutoring; and developing a core expert group. In addition to designing and delivering sessions, the supply of written teaching materials will be required.
- c) **Assist the National Institute of Statistics (NIS), the Ministry of Planning (MOP)** – with capacity building and TA in two areas. This is firstly in respect of improving Cambodia's System of National Accounts (SNA) to enable GDP revaluation; and second in relation to compilation and analysis of environmental-economic statistics and capacity building for the System of Environmental Economic Accounting (SEEA).
- d) **Develop a Gendered and New Social Accounting Matrix (SAM) for Cambodia** – the current Cambodia SAM was developed for 2014. The new SAM should include gender representation via the labour classification and household classification. Subsequently it may be extended to include environment or what is known as ESAM for environment policy simulations. The tasks may include: (i) review of data; (ii) classification of labour and household account to represent gender, (iii) compilation of data into the SAM framework; and (iv) construction of a balanced SAM for Cambodia.
- e) **Deliver a TA facility for social protection responses** – with reference to the National Social Protection Policy Framework and other policy measures. This includes (1) macroeconomic and microsimulation analysis and advice of key social protection schemes such as IDPoor programme, COVID-19 cash transfer programme, old age allowance, disability allowance, and poverty graduation model, and (2) capacity building to government counterparts.
- f) **Deliver a TA facility on relevant national planning, human development, poverty and inequality analysis and initiatives as initiated by UNDP or as per request of the government counterparts** – these initiatives include, but not limited to, poverty risk analysis, multi-dimensional vulnerability/poverty index, graduation-based social protection, IDPoor recalibration, human development index, Cambodia SDGs and the National Strategic Development Plan.
- g) **Develop project proposal and/or concept note on social and economic issues** but not limited to: poverty, trade, LDC graduation, SMEs, skill development – these include conducting background analysis through a desk review of relevant documents and policies and stakeholder consultations as part of project preparation, identifying project activities and opportunity to leverage UNDP's programmes, and leading the development of project proposal/concept note result framework, theory of change, project strategy and M&E framework and project budget.

Separate summary TORs will be developed for specific assignments (within the scope of the overall LTA and the categories above). Specific deliverables of each assignment will be based on an

agreed sub-ToR and PO issuance. All property – tangible and intellectual – produced during assignments/ LTA would remain the property of UNDP. The consultants should also ensure confidentiality of all the information received during assignments.

4. Institutional Arrangement

The Consultant(s) will work under direct supervision of the Country Economist but overseen by the Assistant Resident Representative for the Policy and Innovation Unit (PIU). Efforts will also be made to consult with and report to the government ministry clients noted above – the MEF and MoP. Further specific arrangements will be defined in the sub-TOR for each assignment.

5. Duration of the Work

The equivalent number of person work-days for the LTA is 90 days per year, over a 12-month period from September 2022 to August 2023 with possibility extension up to 2 years (24 months), the agreed proposed professional fee should remain valid for the whole period (2years).

6. Duty Station

The duty stations for this assignment are home country (for international consultants) and Phnom Penh (for national consultants). Given COVID-19 travel restrictions, virtual delivery would be the norm, however. In the event that travel is required, subsistence and accommodation expenses, travel, and all other related costs will be covered by the project, prior to each separate assignment taking place. The reimbursement of the associated costs will be made through an F-10 reimbursement form.

Selected individual contractor(s) expected to travel to the Country Office (CO) in country (Cambodia) is (are) required to undertake the *UNDSS BSafe* training package (available at this link: <https://training.dss.un.org/course/category/6>) prior to travelling.

7. Minimum Qualifications and Criteria for Evaluation of the Individual Contractor

	Technical Evaluation Criteria
Education:	Master's degree in economics, with specialism in development, macroeconomics and/ or econometrics (including advanced training on modelling and System of National Accounts (SNA) estimation). PhD is preferable.
Experience:	<ul style="list-style-type: none"> At least 7 years of relevant work experience with conducting research and training in macroeconomics and economic development Extensive knowledge and experience of Cambodia's social and economic development including application of techniques (e.g. econometric approaches, statistical analysis, poverty analysis, and/or general equilibrium modeling such as General Equilibrium [GE] and Global Trade Analysis Project [GTAP]). Experience of SNA, and related tools – Supply/ Use and Input/ Output tables, and construction of SAM and SEEA in developing country contexts.
Competencies:	<ul style="list-style-type: none"> Capacity to engage with senior decision/ policy makers, and to synthesize and present complex arguments in easily understood terms. Superior written/ oral communication skills, with the ability to convey complex development concepts and recommendations. Positive and results-oriented attitude, able to meet targets/deadline.

Languages:	Fluency in written and spoken English
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8. Criteria for Evaluation of Level of Technical Compliance of Individual Contractor

Technical Evaluation Criteria	Obtainable Score
Master's degree in economics, with specialism in development, macroeconomics and/ or econometrics (including advanced training on modelling and SNA estimation). PhD is preferable.	15
At least 7 years of relevant work experience with conducting research and training in macroeconomics and economic development	15
Extensive knowledge and experience of Cambodia's social and economic development including application of techniques (e.g. econometric approaches, statistical analysis, poverty analysis, and/or general equilibrium modeling such as General Equilibrium [GE] and Global Trade Analysis Project [GTAP]).	25
Experience of SNA, and related tools – Supply/ Use and Input/ Output tables, and construction of Social Accounting Matrix (SAM) and System of Environmental Economic Accounting (SEEA) in developing country contexts.	15
Experience in engaging with senior decision/ policymakers, and ability to synthesize and present complex arguments in easily understood terms. With special emphasis on working with Cambodian institutions and policymakers.	15
Superior written communication skills, with the ability to convey complex development concepts and recommendations (<i>assessed by a sample of work provided</i>)	15
Total Obtainable Score:	100

9. Payment Milestones

The payment will be made based on the actual number of days for each assignment agreed prior to each taking place multiplied by the pre-agreed IC daily rate (excluding DSA, air-ticket, and terminal costs). The amounts and deliverables will also be specified within individual assignment TORs. The contractor will be paid on a lump sum basis of deliverable-based as per agreed per assignment/TOR.

While selection will be initiated by acceptance of the LTA, the contractor can begin working only after a **purchase order (PO)** is issued to him/her each time a service is required and following discussion and agreement between the contractor and the Country Office. The contractor will take his/her own responsibility for performing any service which is out of the scope of this ToR.

Full payment amount will be paid within 30 days after satisfactorily completion of work and receipt of original invoice/CoP. Each payment is subject to acceptance of work, receipt of Certification for Payment, and performance evaluation duly completed (for last payment) and signed by the head of the respective unit requesting the service. If additional work is needed due to the assignment not meeting the requirements, this will be at no cost to UNDP.

Offerors should quote a single daily professional fee, and this rate shall be inclusive (excepting DSA terminal and travel costs). This will be fixed during the contract period. Offerors should also provide details of their skills and experience (on a CV) and confirm their approximate availability for the specified period by completing offeror letter.