Terms of Reference

National Consultant to support an economic appraisal for the implementation of PNG’s National REDD+ Finance and Investment Plan

Project Title: REDD+ Readiness project – Forest Carbon Partnership Facility
Type of Contract: Individual Contract
Duration: 60 days over the period of 7 months starting in July 2017
Location: Port Moresby, with travel to Madang and East New Britain Provinces
Application Deadline: June 21, 2017

Please note that UNDP is not in the position to accept incomplete applications - please make sure that your application contains all details as specified below in this notice.

1. PROJECT DESCRIPTION

Papua New Guinea (PNG) has been one of the fastest growing economies globally this century with average growth rates above 6%\(^1\). This rapid growth has been driven primarily by the expansion of foreign investment within the natural gas sector and high prices for PNG’s central exports many of which are transported to rapidly growing Asian economies. This growth has built on a long history of natural resources being at the centre of the PNG economy with exports and employment dominated by mining, natural gas, logging and agriculture. While this rapid growth has delivered significant changes in PNG’s main urban areas and those communities benefiting directly from foreign investment, the country still faces significant challenges in meeting the objectives of Vision 2050 and in providing development opportunities for all while also maintaining its natural environment.

Over 85% of the nation’s 7.3m population are based in rural areas and rely primarily on subsistence agriculture for survival and have limited access to health centres, education or broader development opportunities. Falling commodity prices since 2012 have also left the country facing significant economic challenges despite ongoing growth.

Since 2005, PNG has been at the forefront of intergovernmental negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) to develop an international mechanism to compensate developing countries for reducing emissions from deforestation and forest

degradation (REDD+). To be eligible to receive results-based finance for REDD+ results-based actions under the UNFCCC, PNG will have to develop the following elements:

- A National Strategy or Action Plan;
- A national forest reference emission level and/or forest reference level;
- A robust and transparent national forest monitoring system for the monitoring and reporting of the REDD+ activities;
- A system for providing information on how the safeguards on local community and forest biodiversity are being addressed and respected throughout the implementation of the REDD+ activities while respecting sovereignty.

In 2016-2017, with the support of UNDP/FCPF project, a National REDD+ Strategy (NRS) was developed and submitted to the Government of PNG for review and endorsement. The NRS marks a major milestone in PNG’s transition from the REDD+ Readiness Phase to REDD+ implementation.

While the NRS marks a critical step in the nation’s REDD+ development process further action is needed to ensure that the NRS is effectively financed, that proposed policies and measures are developed and tested, and that long term sustainable financing and management systems are in place.

To achieve this the NRS will be supported by a REDD+ Finance and Investment Plan (RFIP), which will provide a detailed breakdown of activities to be undertaken in the coming five years, including clear budgets and approaches to financing.

In the PNG’s National REDD+ Strategy different REDD+ options of where and how to implement REDD+ activities involve different costs and bring different combinations of carbon stocks, biodiversity benefits and other ecosystem services. These benefits can have high economic values attached to them through their role in underpinning the production of goods and services that are valued by humans and that underpin local livelihoods and national economies. But often their values are not visible as these benefits do not directly enter markets and thus do not have a financial value (as defined by a market price) attached to them. Valuing forest benefits can help to understand the overall economic importance of REDD+ options and to assess economic trade-offs with other land use options. It is a means to mainstream forest benefits besides carbon into REDD+ strategy and RFIP and wider land use planning.

Thus, the current economic assessment led by International Consultant will help move forward to identify the costs of implementing all the actions in the RFIP as well as informing REDD+ planning for future interventions in PNG.

2. SCOPE OF WORK

Under overall guidance of International Consultant to conduct economic appraisal for the implementation of PNG’s National REDD+ Finance and Investment Plan and in close collaboration with the team of experts, a National Consultant will be responsible to mapping out the existing and potential sources for economic assessment and support to develop economic scenarios within the context of PNG.

The proposed assignment requires close collaboration with the team of international and national consultants on the development of RFIP and Green Climate Fund (GCF) proposal as well as REDD+
Financial Assessment and will be carried out through a combination of desk research, data mining, discussions with experts as well as consultations with key stakeholders in PNG, especially the financial institutions such as the Bank of PNG, Department of Treasury, Department of Finance, Department of National Planning and Monitoring and private sector representatives.

The key elements of the assessment will include:

- Prepare an inception report (including a workplan), outlining key issues to be covered, the methodology and a consultation plan. The report must include a description of specific methodologies and a guiding note on mapping out the economic assessment at the national and sub-national levels;
- Liaise with Provincial Administration and other relevant stakeholders in Port Moresby, Madang and East New Britain to collect data for economic appraisal;
- Support identification of costs and revenues of selected REDD+ Policies and Measures (PAMs), specifically:
  a. Reduction of deforestation
  b. Reduction of forest degradation
  c. Enhancement of forest carbon stocks
- Identify and develop specific scenarios for estimating the costs and revenues resulting from future changes in values and prices (lower, middle and upper scenario);
- Identify risks and uncertainties associated with those scenarios;
- Provide support to International Consultant to assess distributional socio-economic and environmental impacts at to local, regional and national levels;
- Prepare notes and minutes on key findings during the stakeholders’ meetings and national stakeholder validation workshop;
- Produce a final report, taking on board comments received during consultations and the validation workshop.

3. **EXPECTED OUTPUTS/DELIVERABLES**

The National Consultant will deliver the following outputs:

<table>
<thead>
<tr>
<th>Deliverables/ Outputs</th>
<th>Estimated Duration to Complete</th>
<th>Target Due Dates</th>
<th>Certifying/ Authorizing officer</th>
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<tr>
<td>• Payment upon acceptance and certification of an Inception report (15-20 pages) summarizing initial findings and approach to conduct the economic appraisal, including</td>
<td>15 days</td>
<td>July 20, 2017</td>
<td>FCPF CTA</td>
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timeline and workshops. The report must include a description of specific methodologies, guiding note on estimation of costs of implementing all RFIP actions at the national and sub-national levels (Madang and ENB) in PNG. This guiding note is expected to provide a basis for the replication of the study in other regions of PNG or to deepen the study in other provinces.

- Payment upon receipt and certification of the economic related information from the sectors in PNG. This includes economic associated data sheets in Excel format.
  - 25 days
  - September 30, 2017
  - FCPF CTA

- Payment upon receipt and certification of the minutes of stakeholders’ meetings and national workshops;
  - 5 days
  - September 30, 2017
  - FCPF CTA

- Payment upon receipt and certification of the inputs to Policy Brief on REDD+ Economic Appraisal in PNG;
  - 10 days
  - November 30, 2017
  - FCPF CTA

- Payment upon receipt and certification of the final report bringing together findings from all tasks, with executive summary and final visual representation of results.
  - 5 days
  - December 31, 2017
  - FCPF CTA

4. INSTITUTIONAL ARRANGEMENTS

The study will be conducted as a partnership and under the co-supervision of the Climate Change and Development Authority (CCDA) and Department of National Planning and Monitoring (DNPM) and in close collaboration with relevant ministries at national and provincial levels, in particular PNG Forest Authority, the Department of Agriculture and Livestock, Conservation and Environmental Protection Authority (CEPA), Department of Finance, Department of Treasury, Provincial Government of Madang, Provincial Government of ENB.

The FCPF REDD+ Project will provide facilitation and technical backstopping, in connection with other related processes particularly the REDD+ investment planning and the formulation of a REDD+ GCF funding proposal.

The National Consultant will perform his/her duties under overall guidance of International Consultant and overall supervision of PNG’s FCPF REDD+ Chief Technical Advisor, in close collaboration with
national experts and ensure that the work builds on the economic data collected at national level through the work on the REDD+ investment framework, as well as on previous economic studies looking at climate and land-use expenditures such as the CPEIR in 2015.

The FCPF REDD+ Project Management Unit (PMU) in consultation with UNDP Regional Hub will provide technical advice on the methodological approach throughout the study based on its experience in supporting other countries mapping their financial flows.

The study will be carried out in parallel with the drafting of the National REDD+ Investment Plan. The National Consultant will seek to maximize integration and complementarity with that parallel processes in the work it does to ensure the study outputs can strengthen the REDD+ Investment Plan and offer a useful case study for mainstreaming climate objectives into PNG master planning.

All data is collected, results and outputs of the study, including the financial and economic database and produced infographics, will be transferred to CCDA and PNGFA and other government partners.

Following the drafting of an inception report the National Consultant will meet with relevant stakeholders and gather data and information for the assignment. The National Consultant with support of International Consultant towards the end of the assignment will present findings, and in doing so raise the awareness of stakeholders on the economic situation and possible scenarios.

The FCPF PMU will provide support to the National Consultant with regard to logistics, including introductions to key stakeholders and organization and financing of workshops.

5. DURATION OF THE ASSIGNMENT

The work will be undertaken over a period of up to 7 months, starting in July 2017. In accordance with expected outputs and deliverables, the International Consultant submits reports to FCPF REDD+ Project Chief Technical Advisor for reviewing outputs, comments, and certifying approval/acceptance of works afterwards. In case of any delays to achieve the expected outputs, the National Consultant should notify the FCPF REDD+ Chief Technical Advisor in advance to take necessary steps.

6. DUTY STATION

The duty station for this assignment is Port Moresby, with 3 (three) 5-days’ missions to Madang and ENB provinces, Papua New Guinea.

7. DEGREE OF EXPERTISE AND QUALIFICATIONS

Education
University degree (MSc) in forestry, natural resources economics, development economics, finance, or closely related field. Post-graduate is an advantage.

Work experience

- A minimum of 10 years progressive experience in environmental conservation and land-use planning, natural resource economics and management or a related field;
- Good knowledge of forestry, development and land use planning in developing country contexts;
- Relevant experience and training in environmental economics and experience of costing government strategies; Capacity to work with multiple stakeholders across a wide range of disciplines
- Strong understanding of land use dynamics, in particular in areas concerning economics and financing;
- Strong inter-personal skills, in particular, demonstrated team leadership qualities and excellent oral communication skills.
- Experience with REDD+ in PNG or the Pacific region an advantage.

Language requirements

- Fluency in written and spoken English.

8. SCOPE OF PRICE PROPOSAL AND SCHEDULE OF PAYMENTS

In accordance with UNDP IC guidelines, the proposal must include “Lump Sum Amount” approach which is closely linked to deliverables. It must be “all-inclusive” and shall take into account various expenses incurred by the National Consultant during the contract period (e.g. fee, health insurance, vaccination, office costs and any other relevant expenses related to the performance of services.

All envisaged travel costs must be included in the financial proposal. If duty travels are expected, UNDP will provide the National Consultant with the UN’s Daily Subsistence Allowance (DSA) rates prevailing at the time of sourcing, for the duty station and all other cities indicated in the TOR as part of duty travel destinations. This will give the National Consultant an indication of the cost of living in a duty station/destination, to aid their determination of the appropriate fees and financial proposal amount, but it does not imply that Offerors are entitled to DSA payment2.

The initial payment shall include the actual cost of the IC’s travel to arrive at the designated Duty Station. Such cases therefore imply that the completion of the journey can be considered as one of the deliverables payable upon arrival.

Payments will be made only upon confirmation of UNDP on delivering on the contract obligations in a satisfactory manner.

The National Consultant is responsible for ensuring they have vaccinations/inoculations when travelling to certain countries, as designated by the UN Medical Director. The National Consultant is also required to comply with the UN security directives set forth under dss.un.org

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2 Individuals on IC are not UN staff are therefore not entitled to DSAs. All living allowances required to perform the demands of the TOR must be incorporated in the financial proposal, whether the fees are expressed as daily fees or lump sum amount.
9. APPLICATION PROCEDURES

Qualified candidates are requested to apply by **June 21, 2017** by sending their application packages to [registry.pg@undp.org](mailto:registry.pg@undp.org) with the subject line **“National Consultant to support an economic appraisal for the implementation of PNG’s National REDD+ Finance and Investment Plan”**.

The application should contain:

- **Cover letter** explaining why you are the most suitable candidate for the advertised position and a brief methodology on how you will approach and conduct the work (if applicable). Please paste the letter into the “Resume and Motivation” section of the electronic application.

- **Filled P11 form** including past experience in similar projects and contact details of referees, please upload the P11 instead of your CV.

- **Financial Proposal** - specifying a total lump sum amount for the tasks specified in this announcement. The financial proposal shall include a breakdown of this lump sum amount (number of anticipated working days – in home office and on mission, travel – international and local, per diems and any other possible costs). For more details, please see Section 8. “Scope of Price Proposal and Schedule of Payments”.

**Note: Incomplete applications will not be considered. Please make sure you have provided all requested materials.**

10. EVALUATION OF APPLICANTS

Applicants will be evaluated based upon the offer which gives the best value for money based on the Lump Sum proposal submitted, selected by the UNDP PNG Country Office in consultation with the UNDP Bangkok Regional Hub Technical Advisor.

The Technical and the Financial Proposal submitted to by the International Consultant will be evaluated on the basis of the weight of the technical criteria [70] and of the financial proposal [30].

The evaluation will be performed in two stages:

- **Stage One (Technical Evaluation of Proposals).** All Individual Contractors proposals comprising the information/documentation provided will be evaluated to ascertain the suitability of the individual contractors to carry out the assignment. Candidates who obtain the minimum of 49 points of the full mark (70 points) will be considered technically compliant and their financial evaluations will be evaluated thereafter.

- **Stage Two (Financial Evaluation).** The financial proposals of all the individual contractors who pass stage one will be evaluated. The maximum 30 points will be allotted to the lowest financial bid, and all other bids shall receive points in inverse proportion to the lowest fee e.g. [30 Points] x [USD lowest] / [USD other] = points for other proposer’s fees

The award of contract shall be based on the individual contractor who receives the highest cumulative score.
Technical criteria
The following criteria will be used to evaluate the individual contractors’ technical proposals:

Education – 10 points
- University degree (MSc) in forestry, natural resources economics, development economics, finance, or closely related field. Post-graduate is an advantage.

Experience – 50 points
- A minimum of 10 years progressive experience in environmental conservation and land-use planning, natural resource economics and management or a related field;
- Good knowledge of forestry, development and land use planning in developing country contexts;
- Relevant experience and training in environmental economics and experience of costing government strategies; Capacity to work with multiple stakeholders across a wide range of disciplines
- Strong understanding of land use dynamics, in particular in areas concerning economics and financing;
- Strong inter-personal skills, in particular, demonstrated team leadership qualities and excellent oral communication skills.
- Experience with REDD+ in PNG or the Pacific region an advantage.

Language Requirements – 10 points
- Fluency in written and spoken English.

Prepared by:
Mirzohaydar Isoev, FCPF REDD+ CTA, June 07, 2017

Approved by: ____________
Gwen Maru, Programme Analyst, UNDP PNG Country Office