

TERMS OF REFERENCE FOR CONDUCTING A BUDGET ANALYSES

PART I	
Title of Assignment	Consultancy to develop budget analyses for the SDG Joint Program (Namibia)
Section	SDG Fund Joint Program
Location	In-Country, Virtually
Duration	60 working days over a period of 5 months

1. Background and Justification

To address the challenges of sustainable development financing, the Government of the Republic of Namibia (GRN) will need to develop new, more effective and integrated approaches to mobilizing and managing public and private finance. Under the leadership of the Government of the Republic of Namibia, with the support of United Nations Namibia (UNN), the joint program “*Strengthening Namibia’s Financing Architecture for Enhanced Quality & Scale of Financing for SDGs*,” will be implemented to create the right conditions and capacities for the alignment of public and private capital to the SDGs and the longer-term enhancement of the quality and scale of financing.

The participating UN organizations (PUNOs) (comprised of UNDP, UNICEF, UNFPA and ILO), will support the Government in the operationalization of the Joint Programme through evidence generation, advocacy and policy advice, technical assistance, capacity development, partnerships and systems strengthening. The range of activities will include: development of Integrated National Financing Frameworks (INFFs); holding multi-stakeholder dialogues, alliances and networks with the Government, development banks, financial sector and investors; strengthening of capacities of public authorities and the ecosystem that can lead to a pipeline of impact-driven investments; conducting feasibility studies required to design gender-sensitive innovative solutions and products that can unlock public and private capital for the SDGs.

Towards this end, UNN seeks to collaborate with GRN’s implementing counterparts to undertake a detailed analysis of the 2021/22 National Budget to assess the extent to which it is gender and employment responsive while maximising investments in key social sectors most notably health (including sexual and reproductive health and rights), WASH, education, and sustainable development considerations including poverty and inequality alleviation. Findings from the analysis will be developed in a main analytical report and then packaged in the form of dedicated budget briefs, which will be used as advocacy tools to influence future spending patterns. The analysis will offer insights about adequacy, efficiency, equity and transparency of spending. The main objective of producing budget briefs is to synthesize complex budget information so that it is easily understood by stakeholders and to put forth practical recommendations that can inform and make financial decision-making processes better respond to the needs / targets as outlined in relevant national policy frameworks.

Within this context, and building on the implementation experience in the region, the budget analysis serves three main purposes:

- Analyse and monitor budget allocations to sectors and key strategic areas that are important for sustainable development and fast recovery from COVID-19 in the current fiscal year;
- Assess the adequacy and efficiency of past spending to the extent possible, and
- Identify concrete gaps, needs and opportunities for improving social, economic and environmental spending to achieve Sustainable Development Goals (SDGs) and ultimately the national development priorities.

The budget analysis will cover seven thematic areas:

1. Gender (stand alone brief, scope of which to be agreed upon by the PUNOs; gender perspectives will also be mainstreamed in the other analyses to the extent possible)
2. Employment
3. Health
4. Sexual Reproductive Health and Rights (SRHR)
5. Education (pre-primary to tertiary)
6. Water, sanitation and hygiene (WASH)
7. Poverty and inequality alleviation outcomes

In addition to the analysis on gender as a stand alone theme, the inception report should include the indicators against which the gender responsiveness of each of the sectors/areas will be assessed. The SRHR analysis will review expenditure contained within the Health and Education sectors, and other relevant sectors and programmes. Making use of demography data, a demographic lens should be applied to all SRHR expenditure, measuring how people-centered the expenditure is; capturing any considerations on age structure, sex and spatial dimensions.

Due to the multi-sectoral nature of employment creation programs, the proposed analysis will focus on sectors and interventions that are of particular relevance for employment creation to be agreed upon with the GRN and the relevant PUNOs. These should be guided by national plans and strategies such as NEP2, NDP5 and HPP2. The programs should be selected from the following sectors:

- Agriculture
- Industry and manufacturing
- Tourism
- Natural resources & (renewable) energy
- Public works
- Infrastructure development
- Education and skills development

The analysis will also consider the extent to which the fiscal budget is responsive to addressing poverty and inequality in a drive to ensure that no one is left behind.

The scope of analysis under each sector should be agreed to following a consultative process involving relevant government departments and stakeholders.

2. Objectives, Deliverables and Work Plan

Objectives

The main objective of the exercise is to analyse spending patterns on key social, economic, and environmental sectors to achieve SDGs, ultimately the national development priorities. The main focus will be on size, composition, equity, efficiency and financing of select sectors and programs. The analysis will be based on data from annual expenditure reports and approved national budgets. The analysis should cover the latest available 5-year period where data are available.

Deliverables

The consultants will be required to deliver the following:

- 1) Inception report on the assignment which provides an interpretation of the TOR, a proposed methodology and workplan, as well as an annotated outline for each of the 6 thematic budget analyses.
- 2) An overall draft analytical report and six draft budget briefs (maximum 20 pages, font 11) on the below themes, with the other six including a section on gender responsiveness.

- a. Gender
- b. Employment
- c. Health
- d. SRHR
- e. Education
- f. WASH
- g. Poverty and inequality alleviation outcomes

- 3) Final analytical report and seven budget briefs that include inputs and feedback by the respective lead agency as well as their respective Namibian government partners;
- 4) Excel workbook with cleaned background data for each budget brief.
- 5) Seven advocacy plans for each brief that summarises the recommendations of the budget analysis, and sets forth a plan for their implementation and advocacy. These should be based on [this template](#)

Deliverables	Duration (# of days)	Deadline
1. Inception report, including a detailed workplan for stakeholder engagement (5 pages max)	5	26 July 2021
2. Draft analytical report and seven Draft Briefs containing key messages and recommendations, spending trends, composition of spending for the respective sector, discussion on budget credibility and execution, decentralization and education spending, equity of education spending, financing, as well as highlights on key policy and PFM issues to be addressed.	30	30 August 2021
3. Final analytical report and seven Final Briefs with the same features as contained in the draft version of the seven briefs above	10	10 September 2021
4. Excel Workbook containing all data and graphs used for the seven briefs	5	17 September 2021
5. Seven advocacy plans (one for each brief – 2 pages max) that define a pathway of change for implementing the main recommendations based on this template (the asks from the brief, expected results, target audience, partners, actions and progress)	10	1 October 2021
	60	

The analytical report should spell out all the budget analysis’s findings in detail, ensuring that each focus area is covered. An appropriate structure for the analytical report is to be provided as part of the inception report which should also propose the final selection of focus sectors to be assessed as part of the employment analysis.

Below is a suggested structure for each budget brief

Key messages and recommendations (1/2 page)

- Summarise key findings and recommendations in order of priority.

Introduction (1/2 page)

- Highlight the rationale of the budget brief, methodology for the budget analysis, caveats and limitations.

Section 1. Overview (2 page max)

- Provide an overview of relevant national policies, strategies, and plans on the select thematic issue, key statistics/ indicators, and institutional framework, including coordination mechanisms.

Section 2. Size and Trends in Spending (2-3 pages max)

- Present total spending in nominal and real terms in a fiscal year for the thematic issue and as a percentage of GDP and of annual government budget and trends over time. Also provide per capita spending and spending in relation to other areas and countries.

Section 3. Composition of Spending (2-3 pages max)

- Disaggregate total spending according to program, theme, institution and economic classification.

Section 4. Financing (2 pages max)

- Provide an overview of sources of financing, key donors, and additional financing options.

Section 5. Budget Credibility and Execution (2 pages max)

- Discuss any budget credibility, and budget execution issues depending on availability of data

Section 6. Equity and Decentralisation of Spending (2 pages max)

- Discuss equity and decentralization, focusing on challenges and opportunities for improved financing .

Section 7. Policy and Other Structural Issues (1 page)

- Highlight key policy and PFM issues and other challenges to increase volume and improve quality of spending.

The briefs should also reflect information and analyses provided in the set of [budget brief guidelines](#).

3. Recommended Steps in conducting a thematic budget analysis

Step 1: Initiate the process and define the scope

Step 2: Identify finance laws, policies, strategies/plans and interventions

Step 3: Map relevant Offices, Ministries and Agencies (OMAs) and budget documents

Step 4: Collect budget data and other information

Step 5: Organize and analyze the data, and develop preliminary findings

Step 6: Organize and conduct a consultative workshop to solicit feedback on the preliminary findings

Step 7: Compile the budget analysis, and developing the report and budget briefs

Step 8: Organize and participate in the validation of the above outputs

Step 9: Finalize the report, action/advocacy plan, and budget briefs

Steps 1-3 are the foundational preparatory steps for each budet brief. The order in which they are applied is flexible and the steps tend to overlap. If a comprehensive PFM forum is in place, and stakeholders have an existing working relationship, agreeing on a scope of analysis and setting up management arrangements should be the Step 1. However, if these are not in place, the relevant agency/ies may want to begin by mapping OMAs budget, planning and policy documents and discussing the scope at a later stage.

4. Payment Schedule

The Service Provider will be paid upon receipt of satisfactory deliverables as outlined above in meeting the PUNOs' quality standards and according to the following schedule:

- 1) First payment (30%) upon delivery and acceptance of the inception report.
- 2) Second payment (30%) upon delivery and acceptance of the first draft budget analysis and briefs.
- 3) Third payment (30%) upon delivery and acceptance of the final budget analysis and budget briefs, suitably incorporating all feedback received.
- 4) Final payment (10%) upon delivery of Excel Workbook and Seven Advocacy Plans

5. Conditions

The contract will be established for 60 working days over a period of five (5) months. The consultancy is open to both local and international consultancy firms and or consortium of experts with a clear appointed team leader as the Service Provider(s). In the case of international consultancy firms and consortium of experts, demonstrated involvement of local expertise is expected as part of the Budget Analysis Team.

As per broader UN financial and administrative policies, payment is made against approved deliverables. No advance payment is allowed unless in exceptional circumstances against bank guarantee, subject to a maximum of 30 per cent of the total contract value in cases where advance purchases, for example for supplies or travel, may be necessary. The Service Provider(s) selected will be governed by and subject to UNFPA's General Terms and Conditions for individual consultants.

6. Desired competencies, technical background and experience

The nature of budget analyses requires expert skills and understanding of economics, social development, social policy, gender and budgeting. Members of the Budget Analysis team need to be able to locate, identify, interpret and analyse a broad range of policy, statistical and budget data. The primary skills, knowledge and experience required range from understanding of the PFM landscape to social sector budget analysis to measure size, composition, and equity of spending. The team is also expected to have expertise in health, gender labour economics, employment promotion, education, WASH and poverty and inequality issues. PFM knowledge and experience includes a working knowledge of the mechanisms of local and national budgeting systems.

7. Selection Criteria

Service Providers will be evaluated based on a cumulative analysis:

When using this weighted scoring method, the award of the contract will be made to the Service Provider 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 50 points in the technical evaluation would be considered for the Financial Evaluation

Evaluation Criteria	Maximum Points	Weight %
Technical		
(a) Team Leader: Education, knowledge and experience		
Advanced university degree in economics, public financial management or related area	10	10%
Proven experience with government social sector budget analysis at national and decentralized level;	10	10%
Solid knowledge of PFM systems in developing countries (ideally Namibian context) is a major asset;	10	10%
Demonstrated ability to produce quality research and policy reports/briefs in English	5	5%
(b) Team Members (max:4): Education, Knowledge and experience		
At least half of the team members are domiciled in Namibia with a demonstrated knowledge of the local budgeting context	5	5%
Each member to have at least eight (8) years' experience working on a thematic area	10	10%
Demonstrated expertise in: <ul style="list-style-type: none"> - Labour/employment - Gender - WASH - Health - SRHR - Education - Poverty and inequality issues 	15	15%
Experience with collecting and working with complex financial data sets and have advanced data analysis skills	5	5%
Total Technical	70	70%
Financial Proposal	30	30%
Total Proposal	100	100%

8. Supervision

The Program Officer will coordinate reporting and progress updates and will provide the necessary support to achieve the objectives of the work, as well as remain aware of any upcoming issues related to the performance and quality of the work.

The Service Provider(s) will be jointly supervised across the thematic areas under analysis as follows:

- Health, Education and WASH – Social Policy Manager (UNICEF)
- SRHR – Health Economics Specialist (UNFPA)
- Gender responsiveness – Gender Specialist (UNFPA)
- Employment responsiveness – Employment Specialist, as well as an international expert (ILO)
- Poverty and inequality alleviation outcomes (UNDP)

9. Institutional Arrangement

The Participating UN Organizations on the Joint Program will:

- Provide the Consultant with relevant documents,
- Provide the Consultant with full support in any further analysis of the data where necessary,
- Facilitate communication with the relevant stakeholders,
- Give feedback to the draft, final reports and all other deliverables prepared by the Service Provider.

All documents and data provided to the consultant are confidential and cannot be used for any other purposes or shared with a third party without any written approval from the Resident Coordinator's Office.

10. Risks

The primary risk is that the production of the different deliverables is delayed and/or of unsatisfactory quality. To mitigate this risk, the Program Officer will work closely with the Service Provider, ensuring that timelines are being closely adhered to and the different products are fit for purpose and of strong quality.

11. Application process

The Service Provider is expected to provide the following:

- Cover letter (must indicate availability to assume duty)
- Curriculum Vitae
- Brief methodology clearly describing the interpretation of these Terms of Reference and a recommended methodological approach
- Financial offer in USD expressed as lump sum for the delivery of outputs as per above description. The financial proposal shall include a breakdown of this lump sum amount (consultancy fee per number of anticipated working days, and any other possible costs).
- The joint program will cover all travel costs, where necessary, including DSA, so these costs should not be factored into the daily rate.

Applications should be send to namibia-procurement@unfpa.org with the subject line "Development of a Budget Analysis" by 17h00 Central Africa Time (CAT) on 13 July 2021.

Applications submitted without this information will not be considered.