

Annex: A – Terms of Reference – DFA Consultant

Background

This narrative provides an example from Armenia.

After the “velvet revolution” in Armenia in 2018, 30+ new sectoral strategies have been designed, with eight already approved, including the Public Finance Management (PFM) Strategy. And an overall national development strategy – the Armenia Transformation Strategy (ATS) 2050 was launched by the Prime Minister on 21st September 2020. However, the ATS risks remaining a vision rather than becoming a vehicle for change if associated strategies and policies are not properly cost and aligned with integrated financing frameworks.

Armenia registered its first COVID-19 case on 2nd March, followed by the declaration of a State of Emergency from April to September. This included strict containment measures, such as a full national lock-down (in April), school closures, travel bans on foreign citizens from high-risk countries and imposed fines to those who violate isolation orders during the state of emergency. The health crisis shock of the pandemic and imposed restrictions resulted in business disruption, income loss and income insecurity at the household level, as well as a deterioration of the population’s health and social well-being.

In response, the government developed a National COVID-19 Strategic Management Plan and rolled out 25 support packages to smooth the economic and social effects of COVID-19 with a headline amount of \$300 million (2% of GDP). The fiscal measures fall into three broad categories:

- Subsidised 2-3-year loans to provide short-term support to affected businesses and SMEs;
- Direct subsidies to SMEs and businesses to help maintain their employees;
- Grants to entrepreneurs and firms;
- Lump-sum transfers to the vulnerable, including individuals who were unemployed after the COVID-19 outbreak, families with or expecting children, micro-businesses, the general population who needed help with utility bills, and temporary part-time employment.

Severe fighting in and around Nagorno-Karabakh (NK) broke out on 27th September 2020. An agreement on a cessation of hostilities was announced in the joint statement of the President of Azerbaijan, the Prime Minister of Armenia, and the President of the Russian Federation on 9th November. The conflict has left thousands of deceased and wounded servicemen, spurred a displacement crisis from NK to Armenia, added stress on institutions and their capacities to address essential health, social and livelihood needs and triggered political instability.

After the escalation of the conflict in NK, the exchange rate started to fluctuate, posing foreign exchange risks to macro-economic stability. On 15th December, the CBA increased the policy rate by 1 to 5.25 percent and made a declaration that they would start to make transactions in the foreign exchange market to safeguard the country’s price and financial stability.

Overall, the COVID-19 crisis and the escalation of the conflict in NK bring too many risks to the political system and economy, social and health care sectors in Armenia. Large increases in military expenses and losses in household and business incomes should be addressed properly and effectively by the Government of Armenia to minimise dangerous effects on the economic situation in the near future.

Project Overview

Insert details about the overall SDG Financing support project, and how this assessment fits within that context. The Armenia example is provided below:

The financial landscape for both public and private sources is rapidly changing in Armenia. Armenia is a developing country and there is not one established framework that will address the relevant sources of financing to the right situations or problems. Moreover, the COVID-19 crisis and the escalation of the conflict in NK increased the existing problematic financing landscape issues and created uncertainty and risks for adequate financing policy from the government. This is why the development of a reliable framework is becoming crucial. This framework could both facilitate the design of financial instruments and enable the use of different sources of development financing to respond and recover from the compound crisis.

The project document “Making Finance work for transformative change in Armenia: UN-locking Finance for Armenia 2030” was agreed on by UNDP, UNICEF, WFP, the Deputy Prime Minister’s office and the Ministry of Finance of Armenia. According to the document, a fully-fledged Development Finance Assessment (DFA) should be implemented in line with the Project’s proposed INFF roadmap.

Presently, it is urgent to both use innovative financial instruments and the DFA tool increases to support the government, allowing them to properly respond to COVID-19 and the conflict in NK, and establish a DFA framework to finance the agenda of building forward better with greater sustainability, resilience and inclusivity.

Development Finance Assessment (DFA)

The DFA is a tool to help countries to shape the inception phase of operationalising an INFF, supporting financing for building back better.

The DFA offers a comprehensive analysis of the public and private financing outlook, financing policies and institutional structures, and opportunities to build a more integrated approach to financing. It is a tool designed to aggregate analysis and build collaboration among actors. Alongside the new analysis that it undertakes, the DFA draws together information from a wide range of sources and assessments that focus on finance flows or policy areas. DFA process will be implemented in two phases:

Phase 1. DFA initial analysis and consultation phase

UNDP team should engage with government officials and other national stakeholders to collect relevant data, policy documentation and analysis to perform the preliminary DFA analysis. In this phase, the DFA initial analysis will be implemented on policy and financing context to summarise the existing structures, ongoing reforms and arrangements.

A line of meetings and missions will be organised with all the governmental stakeholders and oversight committee to have the project objectives aligned with their views and priorities.

Based on the results of Phase 1, the UNDP team should come up with agreements focusing on DFA, purpose, scope, oversight structures of DFA and INFF and roles for partners supporting the government.

Phase 2. Facilitating Financing Dialogue toward the INFF Roadmap, articulating and agreeing on the INFF Roadmap

A series of financing dialogues forming the backbone of the DFA process should be organised under the guidance of the UNDP team. The DFA brings together government officials, the private sector and other stakeholders to facilitate discussion on how to operationalise a more integrated approach to financing through an INFF. The DFA facilitates discussions on the challenges and opportunities across public and private financing and aims to build consensus on ways forward.

The outcome of the DFA is an INFF Roadmap, which lays out the steps that will be taken to operationalise an INFF. The INFF Roadmap will be developed under the UNDP team's leadership and capture the steps agreed through the DFA process about how each of the INFF building blocks will be brought together and operationalised within the Armenian context.[3]

In this way, the DFA can shape the inception phase of operationalising an INFF in Armenia to support socio-economic recovery that builds back better. It offers a process through which government can build the buy-in, complete the analysis, and build the consensus needed for decisions about how an INFF will support financing for building back better.

Based on the results of Phase 2, the UNDP team should develop an agreement regarding financing dialogues, the DFA report and INFF roadmap.

Duties and Responsibilities

Scope of work:

The National Expert will support the DFA process, analysis and dialogue under the supervision of the Lead INFF Expert and alongside the UNDP Country Office and Oversight Committee. This will lead to the articulation and agreement of an INFF Roadmap for Armenia.

The National expert is responsible for collecting data, policy documents and analysis and for liaising with government officials and other national stakeholders. They will support the Lead Expert in completing the process of analysis, consultation and dialogue throughout the DFA in accordance with the approach outlined in the DFA Guidebook.

Duties and responsibilities:

The responsibilities of the National Expert will include but is not limited to the following activities through each phase of the DFA:

Phase 1. DFA initial analysis and consultation phase

- Engage with government officials and other national stakeholders to collect relevant data, policy documentation and analysis to inform the DFA analysis.
- Support the Lead Expert to undertake analysis of the financing context and outlook, existing structures, ongoing reforms and opportunities to strengthen financing policies and institutional structures related to the building blocks of an INFF.
- Support the Lead expert and country office to plan missions, consultations and Financing Dialogues as needed, including arranging logistics and reaching out to stakeholders.
- Support, and lead where necessary, consultations with stakeholders across the financing landscape to: (i) collect data, information and analysis, (ii) engage stakeholders in the DFA process and (iii) share, socialise and refine initial emerging findings and ideas for recommendations to be developed.
- Support technical discussions in the initial Financing Dialogue.

- Phase 2. Facilitating Financing Dialogue toward the INFF Roadmap and articulating and agreeing on the INFF Roadmap
- Support ongoing analysis as priorities are identified and potential recommendations identified.
- Support Lead Expert to prepare first draft DFA report.
- Support Lead Expert to conduct technical discussions through a series of Financing Dialogues.
- Support dedicated working groups as needed.
- Support Lead Expert to draft the INFF Roadmap.
- Support Lead Expert working with the Oversight Committee and relevant stakeholders to refine and develop actionable recommendations
- Support the process of finalising the INFF Roadmap as needed.

A substantive analysis will be carried out throughout the process and facilitate discussion through the Financing Dialogues. These will follow the approach detailed in the DFA Guidebook (version 3.0). It collates and analyses data and information concerning the four building blocks of an INFF. The key analyses include:

INFF building block 1: assessment and diagnostics

- Collating existing estimates of financing needs and costs associated with realising national development priorities.
- Undertaking a comprehensive analysis of historic trends, the current context and future outlook across the financing landscape considering public, private, domestic and international financing resources, flows and instruments.
- Mapping and analysing various risks that can affect financing needs, trends and availability of financing for the sustainable development priorities, drawing from available literature and analysis.
- Developing simple scenarios of future financing trajectories based on assumptions about factors such as COVID-19 recovery, future risks and progress toward financing policy targets.
- Analysing the strengths and opportunities to strengthen national institutions' capacity to effectively deliver public and private financing policies.

INFF building block 2: financing strategy

- Reviewing existing policies and ongoing reforms for the governance of public and private financing. Considering alignment with national sustainable development priorities, coherence across financing policies and impact in terms of mobilising and promoting investments that advance national priorities.
- Analysing opportunities for mobilising new sources of finance and strengthening the alignment of public and private financing with national priorities.

- Working with the UNDP and other stakeholders to develop solutions and recommendations for reforms to public and private finance policies, institutional structures and capacity to support an integrated public finance approach to building back better and financing the national development plan.

INFF building block 3: monitoring and review

- Assessing the financing monitoring, tracking and reporting systems in place, the institutional statistical capacity for monitoring public and private finance, their contributions to sustainable development outcomes, and the effects of the COVID-19 pandemic on financing trends. Consider issues such as the availability and comprehensiveness of real-time data.
- Working with the UNDP and other stakeholders to develop solutions and recommendations for building capacity and bringing together and strengthening monitoring frameworks for the INFF

INFF building block 4: governance and coordination

- Analysing the institutional frameworks and mechanisms in place through which the government manages policies towards different types of financing in line with the national development plan and the COVID-19 response and recovery priorities.
- Analysing mechanisms for coordination across financing policies within the government, regarding issues such as synergies and trade-offs between financing policy areas and coordinated implementation of policy priorities.
- Analysing existing platforms and mechanisms (e.g., forums, working groups, and committees) for coordination and dialogue with external actors such as the private sector, civil society organisations (CSOs), think tanks, international financial institutions (IFIs) and development partners to identify opportunities to strengthen coordination of financing policy and dialogue with external partners.
- Working with the UNDP and other stakeholders to develop recommendations for strengthening the institutional structures and capacity for more integrated management of financing policies and stronger public-private dialogue on financing.

INFF Roadmap

- Working with the UNDP and other stakeholders to support the articulation, refinement and agreement of the INFF Roadmap.

Annex: B – Terms of Reference – INFF Consultant

Background

Insert the background to the consultancy. This narrative provides an example from the Bangkok Regional Hub.

To address the challenges of sustainable development financing, countries will need to develop new, more effective, and integrated approaches to managing public and private finance. The Addis Ababa Action Agenda assumes that countries will use their own national development strategies and plans to respond to the SDGs and calls for the adoption of Integrated National Financing Frameworks (INFFs). These frameworks should provide a structure for governments to form and implement a strategic, holistic, results-driven approach to financing their development objectives. This approach should help countries set a strategy to effectively mobilise the investments they need and provide a structure that supports coherence across government in channelling resources to the areas they are most suited to.

UNDP's Bangkok Regional Hub and the Asia-Pacific Development Effectiveness Facility (AP-DEF) have developed the Development Finance Assessment (DFA), a tool to respond to the growing demand from countries in the region to establish evidence and analysis and introduce policy and institutional reforms for managing the increasing complexity of domestic and international sources of finance for development. DFAs were introduced as the first development finance studies of their kind, seeking to bring together the fragmented approaches to using the different funding sources that may not all be primarily dedicated to address development challenges. By the end of 2019, more than 35 countries have undertaken DFAs, with demand growing among other countries globally.

The DFA offers support for governments and their partners in identifying and building consensus around solutions to address financing challenges. It makes finance issues accessible to policy and decision-makers beyond the technical specialists in ministries of finance. It follows a process of multi-stakeholder consultation, informed by accessible analysis on finance policy issues and what they mean for a wide range of actors, and builds an agreed roadmap that can support progress across a range of areas, including:

- Strengthening the link between planning and finance policy functions, for example, by: strengthening the governance mechanisms that align policies and annual budgets to the national development plan; estimating the cost of national development plans, and developing holistic strategies for mobilising the public and private resources that will be needed to realise the objectives of a national plan;
- Strengthening multi-stakeholder dialogue on financing, for example, by: supporting multi-stakeholder SDG platforms at the country level; incorporating public and private finance into regular progress reporting, and enhancing multi-stakeholder participation in policy processes;
- Solutions and reforms for mobilising resources, for example, by: strengthening policy and capacity to attract sustainable, inclusive private investment, and accessing untapped sources of international finance;
- Effectively managing finance for results, for example, by: achieving better development outcomes with public finance, developing outcome-based incentives for private investment, broadening the mandate of revenue authorities, more effectively targeting vulnerable or excluded populations, strengthening parliamentary scrutiny over finance and enhancing data collection systems.

The DFA is structured as a government-led process, with an oversight team led by a key ministry to guide the DFA process. The DFA builds consensus for reform in the areas above under the leadership of the oversight team and through consultations that engender participation in reforms from a wide spectrum of actors at the national level. It aims to demystify technical

debate on public and private finance and bring together decision-makers from across government, the private sector, International Financial Institutions (IFIs), NGOs, development partners and other actors. By engaging this wide group of actors and making financing dialogue more accessible, the DFA aims to build a broader base of support for reform agendas and identify innovative solutions to the challenges of financing the SDGs.

The DFA analyses these dimensions, considering key aspects of each and using them to build a picture about a government's approach towards integrated financing for sustainable development. It highlights the strengths of current systems and identifies opportunities to further enhance the ability of the government and its partners to finance sustainable development. These form the basis of the DFA roadmap. Further details can be found in the DFA guidebook.

The changing landscape of finance and governments' demand for integrated solutions to financing national priorities are opportunities for UNDP. Having been identified to support country platforms for SDG integration, UNDP country offices are now uniquely placed to offer strategic services based on an integrated and holistic approach to mapping, managing, mobilising and channelling financing for SDGs in the public and private sectors.

To support governments in the region to take initial steps and plan sequenced strategies for mobilising and aligning public and private resources to the 2030 Agenda, UNDP Bangkok Regional Hub has established the Financing the SDGs Team. At the global level, UNDP has established the Finance Sector Hub, which brings together a corporate approach to offering services across public and private finance to countries around the world and to support countries to design and implement INFFs.

The consultants engaged in this Long-Term Agreement are to support the implementation of Development Finance Assessments and Integrated National Financing Frameworks, including support to INFF design and proposal development and support to Ministries of Finance on specific INFF follow-up action areas.

Duties and Responsibilities

- To support the Development Finance Assessment
- Map the financing landscape, covering all types of finance
- Assess the government's existing financing strategies, policies and institutional structures to establish a baseline for the building blocks of an INFF

Support the research phase:

- Compile and analyse data and policy literature to build an understanding of financing trends and the current policy and institutional landscape, following the DFA analytical framework
- Oversee national consultants in data collection, analysis and outreach to national stakeholders
- Actively participate in planning for the research mission with the country office, including determining the schedule and objectives for the collection of data/information and engaging the participation of key stakeholders in the process
- Undertake research mission to: (i) collect data and information, (ii) engage key stakeholders in the DFA process and (iii) share, socialise and refine initial emerging findings and ideas for recommendations to be developed

- Support technical discussions at a multi-stakeholder consultation workshop
- Engage closely with the oversight team to ensure the process remains in line with their guidance and objectives for the process
- Prepare first draft DFA report

Lead consultation phase:

- Engage in substantive dialogue with the oversight team to refine the draft report
- Develop draft DFA roadmap
- Engage in the dialogue around the DFA roadmap to refine recommendations, clarify responsibilities and build buy-in
- Undertake second mission including validation workshops: (i) with the oversight team and (ii) with the wider group of stakeholders engaged in the DFA process
- Finalise the DFA report and roadmap under the guidance of the oversight team
- Draft/feed into terms of references for priority recommendations to be taken forward and implemented in follow up to the DFA

Support launch as required (e.g., preparation of presentations)

Propose a roadmap for implementation for establishing an INFF, including areas where UNDP can support DFA follow-up

Technical assistance for countries operationalising integrated national financing frameworks

- Work with country offices and government counterparts to develop national INFF roadmaps, building on global INFF methodology as it is developed
- Provide analysis and facilitate dialogue among national stakeholders as part of the INFF operationalisation process
- Support the development of national SDG financing strategies
- Support the creation of institutional tools, such as monitoring frameworks, that will be used to operate an INFF
- Provide technical assistance to countries in support of the establishment or strengthening of specific INFF building blocks or SDG financing strategies following on areas of interest and recommendations from the DFA, i.e., SDG costing/financing needs, financing strategies, budgeting for SDGs, research and analysis, proposal development, and support as needed to INFF roadmap implementation
- Support the development of INFF proposals to development partners.

Annex: C – Terms of Reference – SDG Budgeting Coding and Tagging Consultant

Background:

Meeting the 2030 Agenda across regions will require unprecedented investments from different sources of finance (public, private, domestic and international) and ambitious strategies and public reforms needed to increase efficiencies and value for money. Indeed, the challenge for governments will be to ensure that resources are raised, channelled to, and translated into concrete and measurable development results on the ground, to meet the Sustainable Development Goals (SDGs).

In that context, the United Nations Development Programme (UNDP) aims at responding to the growing demand of countries who are not only seeking more, but also better financing for the SDGs, in order to accelerate and fulfil their commitments made during the 2015 International Conference on Financing for Development, which resulted in the Addis Ababa Action Agenda (AAAA).

Countries are also facing an extra layer of complexity due to the increased diversity and sophistication of financing sources and instruments available. It is now particularly difficult for a country to understand how to maximize current financial flows, mobilize new resources and use innovative financing mechanisms to support interconnected public policy measures towards SDG implementation. Coupled with the on-going Covid19 pandemic, a volatile macroeconomic, financial and political international environment, the capacity of governments to mobilize, sequence and make efficient and effective use of the extended offer of financing sources and instruments is more than ever at the centre of the debate on SDG achievement.

It is in this context that UNDP has developed a unique and integrated approach to financing the SDGs and the related expertise and focus on linking financing, planning and good governance. UNDP's comparative advantage and positioning on financing for development is particularly built through its role as SDG integrator in the UN system, and capacity to facilitate country's exchanges and replicate successful experiences thanks to its global presence.

More specifically, through the establishment of the SDG Finance Sector Hub, UNDP has increased its offer in seven financing strategic areas, each considered as critical to putting the SDGs at the heart of the financial system. The offers are mixed and tailored across development setting to the specific regional and country contexts as UNDP regional and country offices design and implement their engagements with their partners.

UNDP has specifically developed a step-by-step approach to address the specific financing challenges, providing a unique package to countries who wish to use finance more efficiently and effectively to support SDG objectives.

UNDP's analyses and activities have highlighted one main challenge on the financing front in the region: the need to build a better understanding of financial flows, and how they contribute to the SDGs through a development planning angle, in order to inform governments in various regions on the necessary Public Financial Management (PFM) measures or reforms needed to better manage and align finance with inclusive growth and sustainable development objectives to support SDG progress.

These challenges are often rooted in, or made more difficult by, a misalignment between the planning and finance policy functions of governments, lesser focus on efficiency and equity, as well as the participation of only a narrow group of stakeholders in the dialogue and decisions on public finance.

In view of the above, UNDP will support governments in SDG oriented budget and policy analysis of public finance through PFM frameworks reviews and analysis. UNDP will also continue its overall methodology support and backstopping to Country Offices in all regions on integrating SDGs into public financial management systems and processes.

Duties and Responsibilities:

The SDG budget coding and tracking expert shall undertake the following key activities:

- Prepare a concept note on the existing budget classification, context of PFM systems, and system of accounting
- Review the existing budget coding and tracking system, if already applicable

- Recommend high level technical brief on the proposed coding and tracking system based on various options and consultations with government authorities
- Prepare methodology note for SDG budget and expenditure identification
- Undertake mapping and tagging exercise together with key stakeholders and build ownership
- Develop manuals for government officials to operate and maintain the system
- Undertake training of key staff on methodology and approach
- Propose functional specifications for configuring the government's IFMIS system.

The consultant shall have prior experience of government PFM systemic reforms including coding of the chart of accounts and budget and expenditure management reforms. He/she should have some degree of social sector, climate change/disaster management sector understanding.

Annex: D – Terms of Reference – Subnational SDG Budgeting

Background

The 2030 Agenda for Sustainable Development (2030 Agenda) presents an ambitious, complex and interconnected vision that countries around the world have committed to working towards. Realizing this vision will require mobilizing a diverse range of public and private resources to contribute to sustainable development outcomes. The Addis Ababa Action Agenda, which outlines a framework for financing the 2030 Agenda, calls for integrated approaches to finance that are driven at the national level. An integrated national financing framework (INFF) is the system of policies and institutional structures that government uses to mobilize the investments necessary to achieve the national sustainable development strategy.

Subnational governments play important role in almost all areas of sustainable development. Local and regional governments are critical actors in integrated policy design, in financing SDGs, they influence innovation in development and the local-regional factors are important in measuring progress. Sustainable development goals cover wide range of local public services, such as water management and sanitation, education, health care, access to energy, combatting climate change. There are other more complex goals, which also need orchestrated local actions (poverty reduction, food security, gender equality, resilient infrastructure, inclusive and safe cities, etc.).

Subnational governments are not only implementing units of national programs, but they contribute to sustainable development through their own policies and actions. Local and regional governments' most important role is to support the integrated SDG design and implementation in the physical space. They also offer opportunities to integrate public resources between central-local government tiers and horizontally, among neighboring localities and with the private sector.

Local and regional governments do not operate in isolation, they are parts of the multi-tier government structure. Localization of SDGs also depends on the public financial management system. Beyond the level of local autonomy, the financing rules, budgeting practices, monitoring and audit system, local accountability mechanisms are all important conditions for successful SDG implementation

Operationalizing the concept of an INFF and bringing its building blocks together can help governments to strengthen integration between local development aspirations and SDGs, and the policies governing each individual area of public and private finance. Integration of SDGs into local budgeting provides mechanisms for deepening the alignment between a country's long-term sustainable development aspirations and the resources over which government has most direct control, i.e. the budget. This is critical because of the importance and scale of public finance. Within government finances and public sector financial management enhancing the integration of the budget with the SDGs at subnational level is therefore a key part of the objectives of an INFF.

Objectives of the assignment

The *overall objective* of the Project is to strengthen the governance of public finances for sustainable development, and effective responses to and recovery from unforeseen disruptions like Covid-19 that are undermining the SDG-aligned development progress in the country.

Specific objectives of the Project are to support subnational public financial management and budgeting for sustainable development. Within this framework the Project aims to design the possible instruments and interventions in financial planning for sustainable development. The proposed improvements should target those budgeting related public financial management methods, which are in accordance with the local and regional government system of the country.

The "Budgeting for SDGs at subnational governments" in Country X. Project focuses on the critical elements of public financial management along the main stages of the budget cycle. They are the (i) mid-term strategy and annual budget planning and approval methods; (ii) key elements of budget implementation (intergovernmental finances, financial management, supervision, monitoring and audit); (iii) balanced local administrative and social accountability mechanisms (through openness, informing the public). The

proposed budgeting tools for SDGs should be in accordance with subnational government framework. These governance modalities are administrative-territorial structure, subnational functions and competencies, the local public service management practices.

Scope of Work

The specific tasks of the IC on B4SDG for SDGs at subnational governments are grouped along the following five steps:

1. Assessment of the subnational government system

The governance context analysis should focus on the subnational governments' key components (structures, functions, service management). Assessment and review of the legal-administrative environment should respond – among others - on the following questions:

(i) subnational government functions, size

- What is the constitutional status of subnational governments?
- How local bodies are established; is the local leadership elected or appointed?
- What are the legal forms and competencies of sub-municipal (community level) entities?
- How developed are the inter-municipal cooperation arrangements?

(ii) local government powers

- What are the subnational governments' mandatory and optional functions?
- What are the powers of higher (national, second tier) government over the lower (municipality) tier?
- How autonomous are the elected subnational governments in their decisions on human resource management, in planning service networks, setting service standards, selecting the form of service organizations and funding the service organizations?
- What are national government's supervisory, control and audit practices over the local governments and their service entities?

(iii) local service management

- What are the organizational and management options in the case of subnational mandatory and voluntary services and functions?
- How are different types of subnational governments able to cooperate with non-governmental and private sector organizations?
- How subnational governments are involved in sectoral policy planning, regulation design?
- What type of support and technical assistance subnational government receive in local service management from the national level?

2. Public Financial Management system review

The PFM review focuses on intergovernmental fiscal relations, budgeting and the subsequent planning activities of monitoring, reporting, audit and supervision. Main basic budgeting tools and financial planning methods should be evaluated along the following questions:

- (i) financing subnational governments
 - How does the system of intergovernmental fiscal relations support local government autonomy?
 - Which intergovernmental transfer and revenue sharing techniques help targeting local activities towards SDGs?
 - What are the major subnational government authorities over the locally raised revenues?
 - How developed are the subnational debt instruments? What are the key regulatory techniques over local borrowing and debt management?
- (ii) strategic planning
 - Are local governments obliged to prepare Medium Term Expenditure/Budget Framework?
 - How subnational MTEF/MTBF's content and design methods are regulated?
 - How MTEF is harmonized with other strategies and long term plans at local governments?
 - Do subnational governments prepare CIPs where SDGs can be integrated?
 - What is the influence of MTEF on the annual budget planning (fixed framework or flexible path)?
- (iii) budgeting technique and process
 - What are the major regulations over the local government fiscal planning methods?
 - How restricted the subnational governments are in adapting them to the local conditions?
 - Are subnational government budget and actual fiscal data available publicly at a centralized information base for planning, benchmarking purposes?
 - Is there a standard regulated timetable for government budgeting? If yes, is it followed?
 - How openness of local fiscal planning is regulated?
- (iv) monitoring, audit and supervision
 - How sectoral supervision and comprehensive audit systems target subnational governments?
 - What is the role of elected councils in monitoring local service provision and finances?
 - Is internal audit mandatory at subnational governments?
 - Do specific controlling mechanisms support local leadership in service monitoring and evaluation?
 - Are comparable fiscal data by subnational governments publicly available in a timely manner?
 - How autonomous are the local governments in managing their transactions, revenues?
 - How do non-state actors take part in monitoring subnational government activities and finances?
- (v) administrative and social accountability
 - Which elements of budget accountability are regulated the most at subnational governments:
 - How do social mechanisms supplement administrative accountability?
 - How developed are the active citizen information techniques in local finances?

Subnational governance system analysis and the PFM review should be based on – but not limited to – the following objective assessments and benchmarking techniques:

- National reports on public administration and local governments (e.g. UCLG)
- Government at a glance, OECD
- Public Expenditure Reviews
- Public Expenditure and Financial Accountability (PEFA); local government PEFA

- Public Investment Management Assessment, IMF
- Local Finance Benchmarking, CoE Toolkit
- BOOST Portal
- Benchmarking of local services (e.g. public education, water management)
- Report on the Observance of Standards and Codes; Fiscal Transparency Module (IMF)
- Open Budget Survey (International Budget Partnership)

3. Institutional analysis: stakeholders and entry points of budgeting

Based on the governance and PFM context analysis role of the main stakeholders in local budgeting should be identified. This institutional analysis is combined with the selection of the possible entry points of improved budgeting for SDGs at subnational level.

4. Proposed budgeting methods

The governance and financial management modalities combined with the defined key stakeholders and possible entry points lead to modelling the budgeting options along the main stages of the budget cycle. They are the budgeting techniques, the specific elements of budget implementation, the SDG related expenditure and revenue monitoring system and the accountability mechanisms at local-regional governments.

5. Roadmap design

The technical design is supplemented by a proposed roadmap for introducing the recommended budgeting techniques. The feasible action should be adjusted to country public finance and governance reform programs. The possible intervention range from policy advice, through assistance in institutional development and introduction of budgeting techniques to capacity development of various types.

Deliverables

Main deliverables prepared by the IC are, as follows:

1. Inception report

Interpretation of the ToR with comments and proposals on the scope and focus of the tasks to be completed. Preliminary outline of the context analysis and PFM review reports, highlighting the major areas of assessment. Identification of the main sources of information and evaluation methods. Workplan for the assessment, stakeholder analysis and roadmap design.

2. Assessment and review

Analysis of the subnational governments structure and the Public Financial Management system with the focus in budgeting and financial planning. The comprehensive analysis is combined with the identification of stakeholders and the proposed entry points. First draft report is discussed with the client and the local counterparts at a validating workshop.

3. Proposed budgeting methods and roadmap design

Recommendation on specific financial planning techniques and the pre-requisites of their introductions are presented along the six major stages of the budget cycle (strategic planning, budget formulation, approval, implementation, monitoring, audit). The roadmap should separate short term and strategic actions, their logical sequence, the projected time needed for implementation together with the responsible lead entity.

4. Final report

Summary and evaluation of the completed project activities. Lessons learned for improving decentralization, local PFM and financing SDGs. Options for cooperation with key stakeholders on developing budgeting methods for SDGs at subnational level.

Institutional Arrangement

The IC will work under the close management of the UNDP Country Office with technical guidance from the UNDP Financial System Hub. On a daily basis the IC will work closely with an assigned focal point from the Ministry of Finance and a local budgeting expert/other members of the consultancy team.

Duration of the Work

The expected duration of this assignment is [X] days with a start date of [Month] 2020, and planned to be completed within [X] months. The timeframe and expected deliverables are shown in above.

Required competencies, qualifications and experience

Academic Qualifications: Master's degree in the field of Public Finance, Economics or other relevant fields.

Experiences:

- At least 5 years of experience in the field of governance and public finance management reform at country level, in particular, on integrating SDGs in budgeting processes, fiscal decentralization, results- or program-based budgeting, performance monitoring & evaluation and reporting of budgeting.
- Research experience in the areas of public administration and management, public finance, budget review and public expenditure review are required.
- Demonstrated ability to engage in strategic analysis, in-depth governance and sectoral analysis.
- Excellent writing skills required, as demonstrated by previous high-quality research/analytical reports on relevant topics.
- Ability to lead consultations with senior officials from ministries of local government and finance, line ministries, supreme audit institutions, local governments and their associations required.
- A specific experience in [field of expertise] is mandatory/an advantage.
- Previous experience of work in [Country] or countries of similar context, especially with a development partner or government is a very strong advantage.

Language requirement:

- Fluency in English (written and spoken), and an ability to summarise and present information.

Competencies:

- Demonstrating/safeguarding ethics and integrity.
- Demonstrate corporate knowledge and sound judgment.
- Self-development, initiative-taking.
- Acting as a team leader and player and facilitating team work.
- Facilitating and encouraging open communication in the team, communicating effectively
- Creating synergies through self-control.
- Managing conflict.
- Learning and sharing knowledge and encourage the learning of others. Promoting learning and knowledge management/sharing is the responsibility of each staff member.
- Informed and transparent decision making.