



SDF Secretariat



Terms of Reference for Experts to conduct Feasibility Study and develop Full Proposal for the proposed SDF2 Funded Project “Support to Core Public Resource Management Systems” submitted by the Ministry of Planning and National Development of Somaliland – P101-033 and P101-035

1. Background to SDF2

The Somaliland Development Fund (SDF) was established in 2012 to provide a single vehicle through which development partners could support Somaliland's development goals. The first phase of the SDF was implemented in 2013-2017 and supported the Government of Somaliland (GoSL) filling a critical gap through funding projects that are fully aligned to the National Development Plan (NDP) while at the same time recognizing the role of GoSL in the delivery of basic services.

The Somaliland Development Fund – Phase 2 (SDF2) covers the period 2018 – 2023. SDF2 is conceived as an inclusive economic development programme. It supports the GoSL in delivering infrastructure that is relevant for inclusive economic development. It focuses on sustainable investments that spur job creation and fast growth, while at the same time laying the foundation for long-term resilience and development, leading to a more stable and peaceful Somaliland. SDF2's ambitions are fully aligned with the NDP2 and reflect the priorities set out in Somaliland Vision 2030. Like in SDF1, all support will be aligned with government priorities as defined in Somaliland's second National Development Plan (NDP2) 2017-2022. BMB Mott MacDonald, is contracted by DFID as the Fund Manager. The Fund Manager is responsible for the day-to-day management and administration of the Fund.

The objectives of the SDF2 are threefold:

- Support increased inclusive economic growth through investment in productive, strategic infrastructure to enhance economic growth and revenue generation.
- Strengthen and maintain the capabilities of the government of Somaliland to prioritise and manage the sustainable and equitable development of Somaliland's infrastructure.
- Support strong government ownership of development priorities aligned with the National Development Plan.

2. National Public Finance Management in Somaliland

The GoSL approved in 2013 the Somaliland Public Financial Management Reform Strategy establishing a PFM Reform Unit in the Ministry of Finance. The mission of the PFM Reform Program is to “achieve the highest possible Efficiency, Transparency and Accountability in the allocation, management and use of public finances to meet the Somaliland Government's Development and Economic growth priorities”.

Somaliland has also launched its second National Development Plan (NDP II) in July 2017, which for the first time includes a Result Based Management framework with 223 outcomes and 321 outcome indicators for 9 sectors and 3 cross-cutting themes, a prerequisite in bringing plans, budgets and results together.

Developing planning, budgeting and M&E systems, if done in a transparent, coherent and integrated way and supported by appropriate instruments and tools, can provide important lessons to improve informed decision-making and evidence-based resource allocation at the higher-level decision-making bodies of Government (Cabinet, Budget Policy Commission, National Planning Committee)

Currently, to the extent that planning, budgeting and M&E processes do occur in government institutions, they often happen in a disjointed way so that important learning opportunities are lost. The proposed project will address this by investing in regulatory frameworks, instruments and tools in planning, budgeting and M&E that will form the basis for improved decision-making and evidence-based resource allocation at the higher echelons of Government.

3. Proposed project

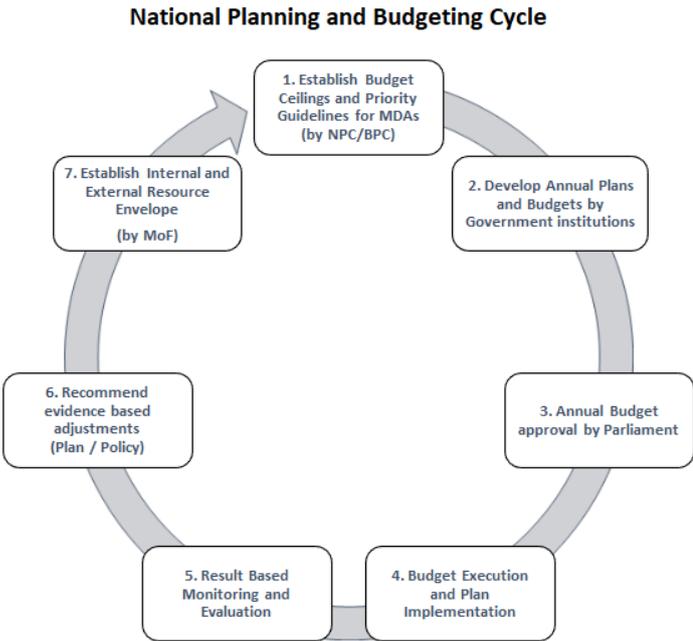
The Project Objective is:

Build capacity in government institutions to improve public resource management and governance for long term National Development Planning

The project will:

- 1. Develop and promote the effective use of improved public resource management instruments (plans, budgets, performance through M&E)
- 2. Build institutional capacity in line ministries and government bodies with a leading role in informed decision-making and evidence-based resource allocation (NPC/BPC),
- 3. Contribute to a more transparent environment regarding the governance of public resources through proper communication to stakeholders and the general public.

Public resource management and governance processes typically occur along a recurring cycle, in the context of this PCN referred to as the National Planning and Budgeting Cycle:



In order to achieve the above, the project will concentrate its interventions on the following 4 components:

- A. Integrated planning and budgeting
- B. M&E for Result Based Management of the National Development Plans
- C. Management of the National Planning and Budgeting Cycle
- D. Institutional and staff capacity building (in support of components A, B and C)

In principle, the project will take a national multi-sector view in the development of concepts, methods, tools and training materials but focus on SDF-priority sectors, when making resources available for operationalizing and implementing them. Strategic partnerships will be sought with lead donors in other sectors to promote national coverage of successfully piloted interventions. The existing aid architecture (Sector Coordination Forums, Inter-sector Coordination Forum, National Planning Commission and High-Level Aid Coordination Forum) will play an important role in ensuring a harmonized approach in all sectors.

A more detailed description of major current challenges and proposed project interventions for each of the 4 components can be found in the JSC approved Project Concept Note (PCN).

4. Scope of work

The SDF2 implementation framework requires that all projects submitted for SDF2 funding should be identified, designed, and developed by the respective line ministries and agencies of the Government of Somaliland (GoSL) in line with their sector strategies and aligned to the second National Development Plan (NDP2) 2018 - 2021. In this regard, the MoPND has developed a Project Concept Note (PCN) in line with the sector priorities that have been approved by the SDF2 Joint Steering Committee (JSC) of the 2nd of July 2019. The next step in the process is the development of a full project proposal.

The SDF Secretariat is therefore seeking the services of two (2) Public Resource Management Short-Term Experts (STE) with experience in government led integrated planning, budgeting and M&E systems, to support the MoPND in conducting the necessary preliminary consultations and assessments, as well as the development of a full project proposal as per the SDF approved proposal format. The STEs should not replace government capacities, but instead reinforce existing ones. As part of the assignment, the STE will therefore be expected to involve relevant MoPND staff in writing the proposal as a part of on the job training.

5. Joint Steering Committee comments on the approved PCN

The PCN was approved in the 37th SDF Joint Steering Committee (JSC) meeting on the 2nd of July 2019, but mentioned issues that would have to be addressed and further clarified during the Project Design stage, mainly regarding:

1. The **institutional arrangements**, which are crucial for the successful implementation of the project. This should lead to the description of jointly agreed institutional arrangements and a clear description of different institutional responsibilities that are properly aligned with the respective institutional mandates.
2. High-level commitment by the Government of Somaliland regarding the **revision of key legislative and regulatory instruments**, that will form the backbone of the project.

3. Measures that address the **financial and institutional sustainability** of the project after the project closes.
4. A **realistic alignment of project outputs and results** in the context of the complexity of the processes it aims to reform vis-à-vis the relatively short implementation period (3 years).
5. A thorough **analysis of the project's risk matrix** and the proposed mitigation measures.

Annex 1 lists in more detail all issues identified by the JSC that need to be addressed in the development of the Final Project Proposal.

6. Key tasks

Making reference to the SDF2 Project Proposal template, Guidance note and Project Cycle Manual, in close collaboration with MoPND, the STEs shall accomplish the following tasks:

Feasibility review

- Review the MoPND Concept Note, NDP2, Relevant Sector Priority Framework, the Final Draft of the National M&E policy, and relevant documentation regarding the on-going Public Finance Reform.
- Assess the current on-going interventions from a systemic point of view regarding planning, budgeting and M&E in the public sector, in the context of both internal and external financing sources, i.e. the national budget as well as externally financed projects and programs.
- Assess key institutional strengths and weaknesses in the context of current challenges and achieving the proposed project's objectives and outcome.
- In relation to the proposed project components A, B, and C, undertake detailed structured joint meetings with the relevant staff in the Ministry of Planning and National Development, the Ministry of Finance Development (MoFD) and the Public Finance Reform Unit (PFRU), and assess the project's potential to contribute to current proposals and ambitions in both ministries regarding improved planning, budgeting and M&E.
- Undertake detailed structured joint meetings between the Civil Service Commission (CSC), the Civil Service Institute (CSI), the Civil Service Strengthening Project and the institutions mentioned in the previous paragraph (MoPND, MoFD, PFRU) to discuss the capacity building component D and assess the viability of involving the CSI in its implementation as proposed in the Project Concept Note.
- Assessment of the proposed institutional changes to manage the "National Planning and Budgeting Cycle" by a high-level cabinet appointed management body, possibly by joining the current National Planning Commission and the Budget Policy Committee.
- Assessment of the relevant current legal and regulatory framework in the context of the project's interventions, defining gaps that need to be addressed during project implementation
- Validate the findings with MoPND, MoFD and CSI before using them in the development of the project proposal.
- Make a thorough analysis of the project's risk matrix as included in the Project Concept Note.
- Propose a realistic scope that the project should focus on for the JSC validation before commencing with the proposal writing.

Full proposal development

- Working with the MoPND team to develop a coherent project intervention logic based on which the project proposal shall be based.
- Guided by the SDF2 full project proposal development guidelines, develop a project log-frame coherent with project objectives thoroughly defining impact, outcome, output, activities, and indicators.
- Describe the project strategic context with a strong focus on sectorial context and project compliance with government development policies and regulations.
- Describe the institutional arrangements that are crucial for the successful implementation of the project, based on jointly agreed institutional responsibilities that are properly aligned with the respective institutional mandates.
- Include a realistic assessment of project outputs and results in the context of the complexity of the processes it aims to reform vis-à-vis the relatively short implementation period (3 years).
- Describe how the project is going to address the main cross-cutting issues with a strong focus on:
 - ✓ Institutional sustainability, i.e. who is going to manage the output after project completion?
 - ✓ Operational sustainability, i.e. how the project will be managed after completion?
 - ✓ Financial sustainability, i.e. how much will it cost managing the output after project completion?
 - ✓ Obtain inputs of the Environment, Gender and Conflict Analysis short term experts (engaged separately) for the environmental sustainability, gender and social inclusion and sensitive conflict programming components of the proposal.
- Assess the technical feasibility of the project providing draft technical solutions and options and future expansion prospects.
- Develop a cost-based project implementation plan detailed at the activity level.
- Develop a realistic project work plan detailed at the activity level.
- Develop a reliable project budget detailed at the activity level following SDF format.
- Develop a reliable procurement plan at activity level.
- Develop a risk analysis and risk mitigation strategy.
- Any other issues named in Annex 1 (37th JSC Communication 4).

7. Duration, Location and deliverables

7.1 Timing and duration

The expected input for each of the two experts is 42 working days (7 working weeks).

A consulting week will run from Saturday to Thursday (6 working days).

7.2 Location

The two experts will work from Hargeisa.

7.3 Deliverables

Activity	By who	When (working day)
Inception report	STE – Team Leader	6 th day
Draft feasibility review report (not more than 15 pages)	STE– Team leader	12 th day
Review and consolidated comments on draft feasibility report	SDF Team + MoPND	15 th day
Incorporating Comments	STE – Team Leader	17 th day
Final feasibility study report	STE – Team Leader	18 th day
Draft full project proposal	STE	36 th day
Proposed one week break optional (to be discussed)		
Review and comments on draft Proposal	SDF Team + MDA	39 th day
Incorporating Comments	STE – Team Leader	41 st day
Final full project proposal	STE – Team Leader	42 nd day

8. Required Qualifications/Skills

The consultancy team will consist of a senior (international) and a national expert:

Senior Public Resources Management Systems Expert (Team Leader)

Qualifications and skills

- Master’s Degree or equivalent in Public Resource Management, or similar
- Demonstrated excellent command of spoken and written English; and
- Excellent interpersonal and diplomatic skills.

General professional experience

- Extensive previous experience (minimum 12 years) in the design and implementation of government led planning, budgeting, and/or M&E systems;
- Proven understanding of Project Cycle Management (PCM), Logical Framework Approach (LFA); and
- Demonstrated experience in conducting feasibility appraisal and design of instruments and tools for public resource management systems (planning, budgeting, M&E);

Specific professional experience

- At least 8 years’ experience in designing and/or supervising/managing projects related to public resource management in similar countries;
- Designed and wrote proposal for a government led planning, budgeting, and/or M&E system at least once in the last 3 years; and
- Conducted at least one feasibility or prefeasibility study for a government led planning, budgeting, and/or M&E system in the last 3 years.

National Public Resources Management Expert:

Qualifications and skills

- Bachelor’s Degree or equivalent in Public Resource Management, or similar
- Demonstrated excellent command of spoken and written English; and
- Excellent interpersonal and diplomatic skills.

General professional experience

- Extensive previous working experience (minimum 8 years) in Somaliland Public Institutions;
- Proven understanding of currently on-going Public Finance Reform processes; and
- Demonstrated experience in conducting feasibility appraisal and/or design of instruments and tools for public resource management systems (planning, budgeting, M&E);

Specific professional experience

- At least 3 years' experience in the context of public finance reform processes in Somaliland;
- Participated in the design and proposal writing in the context of government led planning, budgeting, and/or M&E systems; and
- Participated in at least one feasibility or prefeasibility study in the context of government led planning, budgeting, and/or M&E systems.

9. Supervision

The Expert will work under the overall guidance of the SDF2 Team Leader/ Fund Manager and on day to day supervision of the SDF2 Deputy Team Leader for Projects and the Director General or Designate of the MoPND.

10. Payment

- Fees will be paid as follows:
 - ✓ 20% payment on approved inception report
 - ✓ 30% on completion and approval of feasibility study report
 - ✓ 50% on completion and approval of the final full project proposal;
- The SDF2 Secretariat will organize and pay for Expert accommodation and DSA as per SDF2 guidelines.

11. Duty of Care

- The Expert will work under the overall SDF2 Secretariat Health, Safety and Security protocols;
- The Expert will be expected to provide own insurance for health care, accidents, and other risks associated to the assignment. The SDF2 Fund Manager shall be free from any liabilities arising from the same;

12. Other provisions

- Travel: The SDF2 Fund Manager will facilitate the Experts' transport in Hargeisa and in the field.
- Meetings: The SDF2 Deputy Team Leader – Projects and the MoPND team shall organise all the required meetings;
- Relevant documents: The SDF2 Deputy Team Leader – Projects shall furnish all pertinent available data and information and give such assistance as shall be reasonably required by the Experts in carrying out the assignment;
- Tax compliance: All experts are required to provide proof of tax compliance in their domicile or exemption from the same before a contract is issued.

- Personal Computers: The Experts are responsible for the provision of his/her own personal computer.



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ANNEX 1: issues identified by the JSC that need to be addressed in the development of the Final Project Proposal

- Explore issues around ambition of the PCN and what can realistically be achieved in the time available
- Provide clarity on the sustainability of the project
- State actual ambitions for trade statistics
- Include realistic objectives and consider downscaling of certain topics to achievable outputs
- Include a clear timeframe and resource allocation
- Consider ownership by and between MoPND and Ministry of Finance Development and clarify where each component will be located and the mechanisms for linking them
- Be specific on the steps to take and the implications, for example on existing staff
- Clarify the link with the inclusive economic growth strategy
- Further elaborate on the steps/roadmap required for harmonizing of the National Planning Commission and the Budget Policy Committee.
- Involve line ministries in the design
- Elaborate on the capacity building component
- Include climate smartness into the design
- Create a project logframe
- Identify the contribution to Outcome indicator 1.4 and Output 1 of the Fund Logframe
- Synchronize the project proposal with high level planning and individual MDAs' capacity building