**TERMS OF REFERENCE FOR INDIVIDUAL CONSULTANTS**

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| **Title:****National Consultant for Integrated Sub-National Financing Framework (ISFF) for East Java** | **Duty Station:****Home-Based with travel to Surabaya as required** |
| **Purpose of Activity/Assignment:** UNICEF Indonesia seeks to hire an Individual Consultant to produce a report detailing untapped innovative financing opportunities at the sub-national level in East Java Province. The Consultant will work closely with the Social Policy Officer and Social Policy Specialist. |
| **Background:**Protecting children’s rights requires the fulfilment of development plans that acknowledge children’s concerns. At least eight of the seventeen Sustainable Development Goals (SDGs) are tied to the rights of children.[[1]](#footnote-2) Nevertheless, the identification of targets must be accompanied by sufficient budget to finance the agenda. The OECD estimates that the SDG financing gap increased by more than 50 per cent following the COVID-19 pandemic.[[2]](#footnote-3) As a country whose financing capabilities to meet its development plans are also under distress, the Indonesian Government has since prepared the Indonesia Integrated National Financing Framework (INFF). The INFF report covers an assessment and diagnostic of SDG financing needs, financing strategies, monitoring and review process, and governance and coordination.[[3]](#footnote-4) Although the INFF has identified alternative financing sources at national level, a subnational level financing framework is needed. Subnational Governments employ the 20-year development plan known as *Rencana Pembangunan Jangka Panjang Daerah* (RPJPD) in formulating its medium, five-year plan, known as *Rencana Pembangunan Jangka Menengah Daerah* (RPJMD). The 2025-2029 RPJMD will be the last to fall under the United Nations (UN)'s SDGs timeline, before it expires in 2030. It thus means that the 2025-2029 RPJMD carries the heaviest burden in meeting the SDGs target in the COVID-19 pandemic's aftermath.East Java is the second most populous province in Indonesia, with its population nearing 42 million, close to 9 million of which are children under 15 years of age.[[4]](#footnote-5) The province is considered to possess a good level of fiscal independence (*kemandirian fiskal),* meaning that it can finance its planned activities and expenses with its own revenue.[[5]](#footnote-6) However, when it comes to fiscal space, the province ought to expand its current ability to fully support development programmes in achieving SDG, mid-, and long-term development targets. The realized local revenue of East Java amounted to IDR 127.5 trillion, the majority of which was used for personnel expenditure (IDR 40.9 trillion) and goods and capital expenditure (IDR 38.5 trillion).[[6]](#footnote-7) The lack of fiscal space is especially problematic given that East Java is still behind in meeting the SDG targets. For instance, its poverty rate is at 10.35 per cent in 2023, whereas its stunting rate stands at 19.2 per cent in 2022.[[7]](#footnote-8) [[8]](#footnote-9)Realizing subnational development plans requires comprehensive financing strategies. While East Java also uses subnational financing to cover its deficits and finance extra activities, as with other provinces, it mainly comes from unspent funds at the end of the fiscal year (SiLPA). The Indonesian Government has issued several regulations that permit the utilization of alternative sources of financing to support development programmes and plans. To name a few, Law Number 1 Year 2022 concerning financial relations between national and subnational governments and Government Regulation Number 1 Year 2024 allow subnational Governments to utilize subnational loan, municipal bonds and municipal sukuk to finance development programmes. The said regulations also encourage the quality improvement of subnational spending. An assessment of Indonesia’s municipal bond landscape finds that East Java is eligible to be a pilot province for the issuance of municipal bond.[[9]](#footnote-10) The assessment is based on the financial, social, and environmental aspects of Indonesian provinces. Despite considerable interest from the Subnational Government, approval from DPRD is considered a bottleneck of the issuance of municipal bonds and other forms of alternative financing – especially regarding the payback requirements.In the faith-based financing realm, Law Number 23 Year 2011 regarding zakat management permits the Subnational Government to support the operational expenditures of zakat institutions (e.g., BAZNAS and LAZ) through subnational state budget (*Anggaran Pendapatan dan Belanja Daerah* (APBD). BAZNAS and LAZ as non-structural Government Institutions have the mandate to collect and disburse *zakat* to eligible beneficiaries. There is room for further analysis regarding zakat, subnational development plans, and children’s rights. How, for example, zakat could help reduce child poverty and increase school enrolment at the subnational level requires a comprehensive analysis regarding the applicable financing schemes.The Indonesian policy ecosystem through Presidential Regulation Number 38 the Year 2015 and BAPPENAS Ministerial Regulation Number 7 Year 2023 also permits the employment of public-private partnership (PPP), also known as *kerjasama pemerintah dengan Badan Usaha* (KPBU) to finance infrastructure projects. To date, three PPP projects have been implemented in East Java, two of which are infrastructure projects, and one is supporting drinking water.[[10]](#footnote-11) The above-mentioned forms of alternative financing strategies could potentially improve the fiscal space of East Java in meeting its 2025-2029 RPJMD. Moreover, they might help ensure the rights of children through increasing public facilities for children. UNICEF Indonesia acknowledges the imperative of assessing the subnational financing strategies, both from traditional and alternative sources, with specific consideration to be made regarding child-focused development programmes. In addition, UNICEF Indonesia aims to assist the Subnational Government of East Java in leveraging private sector support and other previously unidentified local, national, as well as regional sources of financing to help East Java in meeting its strategic development plans.In response to this, UNICEF Indonesia seeks to hire an Individual Consultant to develop an Integrated Subnational Financing Framework (ISFF) for East Java 2025-2029. The need for the ISFF for East Java can be summed up as follows:1. Whilst many regulations are supporting the utilization of alternative sources of financing, Government counterparts are yet to approve the implementation of such alternative financing strategies.
2. A comprehensive analysis of alternative sources of financing available and feasible to be utilized in East Java is non-existent.
3. A detailed model of implementation, with case studies that cater to the needs and rights of children in East Java, is non-existent.
4. The subnational mapping of SDGs and financing strategies based on the needs of children is non-existent.

**Scope of Work:**The Individual Consultant is expected to:1. **Produce the ISFF report** in Bahasa Indonesia, which contains the following:
2. The evaluation of East Java’s development planning landscape towards meeting SDGs 2030.
3. The financial needs assessment and macroeconomic analysis of East Java’s APBD.
4. The Identification of alternative financing opportunities in East Java Province for meeting RPJMD 2025-2029 and SDGs 2030, *with specific attention made to the unutilised and/or unidentified sources of alternative financing.*
5. The identification of alternative financing opportunities for child-focused development programmes in East Java Province in relation to meeting RPJMD 2025-2029 and SDGs 2030, *with specific attention made to i) the unutilised and/or unidentified sources of alternative financing and ii) the potential impact of such alternative financing opportunities in addressing gender disparities in child-focused development programmes.*
6. The investigation of the regulatory ecosystem of alternative financing in East Java.
7. The identification of monitoring and evaluation procedures.
8. The roadmap of ISFF.
9. **Hold Consultation Meetings** with Related Government Stakeholders and Private Sectors in East Java Province to produce the report.
10. **Present the Mid-Term Progress of the ISFF Report** to UNICEF and Related Government Stakeholders, with slide decks prepared in Bahasa Indonesia and English.
11. **Validate the Report** Through a validation meeting with UNICEF and related partners, with slide decks prepared in Bahasa Indonesia and English.
12. **Prepare Slide Decks** for Public Seminarto be held for policymakers and general audience to discuss ISFF-related findings and themes *(in Bahasa Indonesia and English).*
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| **Budget Year:****2024** | **Requesting Section/Issuing Office:****Social Policy** | **Reasons why consultancy cannot be done by staff:****The writing of the report requires a dedicated Consultant who specializes in development economics and finance with solid private sectors knowledge.** |
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| **Supervisor:** Social Policy Specialist | **Start Date:****1 July 2024** | **End Date:****31 December 2024 (60 working days)** |
| **Work Assignment Overview** |
| Tasks/Milestone | Deliverables/Outputs | Timeline | Estimated Days |
| Produce Inception Report and Hold Consultation Meetings. | 1. Inception Report is Completed *(in Bahasa Indonesia and English)* (4 days, completed by 5 July 2024)
2. Meetings are held and Meeting Outcomes are delivered to UNICEF (2 days, completed by 19 July 2024)
 | 16 August 2024 | 6 days |
| Produce Four ISFF (4) Chapters. | The following Chapters are completed:* Evaluation of East Java’s development planning landscape towards meeting SDGs 2030 (6 days, completed by 31 July 2024)
* Financial needs assessment and macroeconomic analysis of East Java’s APBD (6 days, completed by 09 August 2024)
* Identification of alternative financing opportunities in East Java Province (6 days, completed by 21 August 2024)
* The identification of alternative financing opportunities for child-focused development programmes in East Java Province in relation to meeting RPJMD 2025-2029 and SDGs 2030 (6 days, completed by 30 August 2024)
 | 30 September 2024 | 24 days |
| Hold Mid-Term Progress Report Meeting, Produce Three (3) ISFF Chapters. | 1. Meeting is held with UNICEF and Related Government Stakeholders to Present the Latest Progress on ISFF Report (1 day, completed by 13 September 2024)
2. The following Chapters are completed:
* Investigation of the regulatory ecosystem of alternative financing in East Java (6 days, completed by 23 September 2024)
* Identification of monitoring and evaluation procedures (4 days, completed by 30 September 2024)
* Roadmap of ISFF (4 days, completed by 7 October 2024)
 | 15 November 2024 | 15 days |
| Submission of Penultimate Draft, Hold Validation Meeting, Submission of Final Draft, and Slide Decks Preparation. | 1. Penultimate Draft is submitted (6 days, completed by 18 October 2024)
2. Meeting with UNICEF and related partners to validate the report is held (1 day, completed by 25 October 2024)
3. Final Draft is submitted (6 days, completed by 04 November)
4. Slide Decks for ISFF Public Seminar are submitted *(in Bahasa Indonesia and English)* (2 days, completed by 11 November 2024)
 | 31 December 2024 | 15 days |
| **Minimum Qualifications required:** [ ]  Bachelors [x]  Masters [ ]  PhD [ ]  OtherDisciplines: Economics, Finance, Public Policy, Social Policy, Related Social Science Fields | **Knowledge/Expertise/Skills required:*** Master’s degree in economics, Finance, Business, or related fields.
* Minimum seven years of academic/research/professional work experience in economics, finance, public policy, social policy, or related fields.
* Strong understanding of national and subnational government planning and budgeting.
* Familiarity with UNICEF programming and experience and working under UNICEF mandates *(preferred).*
* Strong experience in coordinating/collaborating with private sectors (*preferred).*
* Strong experience in coordinating and liaising with various local/city government offices *(preferred).*
* Exposure to Research and/or Community Development Organizations *(preferred)*.
* Familiarity with national and subnational government planning and budgeting.
* Excellent communication, writing, and speaking skills in Bahasa Indonesia and English.
* Computer skills, including internet navigation, teleconferencing, file sharing, and a variety of office applications.
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Individuals engaged under a consultancy or individual contract will not be considered “staff members” under the Staff Regulations and Rules of the United Nations and UNICEF’s policies and procedures and will not be entitled to benefits provided therein (such as leave entitlements and medical insurance coverage). Their conditions of service will be governed by their contract and the General Conditions of Contracts for the Services of Consultants and Individual Contractors. Consultants and individual contractors are responsible for determining their tax liabilities and for the payment of any taxes and/or duties, in accordance with local or other applicable laws.

The selected candidate is solely responsible to ensure that the visa (applicable) and health insurance required to perform the duties of the contract are valid for the entire period of the contract. Selected candidates are subject to confirmation of fully-vaccinated status against SARS-CoV-2 (Covid-19) with a World Health Organization (WHO)-endorsed vaccine, which must be met prior to taking up the assignment. It does not apply to consultants who will work remotely and are not expected to work on or visit UNICEF premises, programme delivery locations or directly interact with communities UNICEF works with, nor to travel to perform functions for UNICEF for the duration of their consultancy contracts.

UNICEF offers [reasonable accommodation](https://www.unicef.org/careers/unicef-provides-reasonable-accommodation-job-candidates-and-personnel-disabilities) for consultants with disabilities. This may include, for example, accessible software, travel assistance for missions or personal attendants. We encourage you to disclose your disability during your application in case you need reasonable accommodation during the selection process and afterwards in your assignment.

1. These include: SDGs 1 (Zero Poverty); 2 (Zero Hunger); 3 (Good Health and Wellbeing); 4 (Quality Education); 5 (Gender Equality); 6 (Clean Water and Sanitation); 13 (Climate Action); 16 (Peace, Justice, and Strong Institutions). [↑](#footnote-ref-2)
2. OECD (2023), Bottlenecks to Access Sustainable Development Goals Finance for Developing Countries, OECD, Paris, www.oecd.org/g20/oecd-g20-bottlenecks-sdg-finance-developing-countries.pdf [↑](#footnote-ref-3)
3. UNDP, United Nations Indonesia, and BAPPENAS (2022). (2022), Indonesia Integrated National Financing Framework, <https://www.undp.org/sites/g/files/zskgke326/files/2022-09/INFF%202022%20-%20250822_Final.pdf> [↑](#footnote-ref-4)
4. BPS (2023), Jumlah Penduduk Menurut Kelompok Umur dan Jenis Kelamin di Provinsi Jawa Timur Berdasarkan Proyeksi Penduduk Interim, BPS, <https://jatim.bps.go.id/statictable/2023/04/06/2639/jumlah-penduduk-menurut-kelompok-umur-dan-jenis-kelamin-di-provinsi-jawa-timur-jiwa-2022.html> [↑](#footnote-ref-5)
5. Badan Pemeriksa Keuangan (BPK) Republik Indonesia (2021). Laporan Hasil Reviu Atas Kemandirian Fiskal Pemerintah Daerah 2020. <https://www.bpk.go.id/assets/files/lkpp/2020/lkpp_2020_1624341245.pdf> [↑](#footnote-ref-6)
6. Based on the data published by DJPK, the Ministry of Finance, in 2022, <https://djpk.kemenkeu.go.id/portal/data/apbd> [↑](#footnote-ref-7)
7. BPS (2023). Persentase Penduduk Miskin Maret 2023 Turun Menjadi 10,35 Persen. <https://jatim.bps.go.id/pressrelease/2023/07/17/1381/persentase-penduduk-miskin-maret-2023-turun-menjadi-10-35-persen.html> [↑](#footnote-ref-8)
8. KataData (2023). Prevalensi Balita Stunting Provinsi Jawa Timur Menurut Kabupaten/Kota (2022). https://databoks.katadata.co.id/datapublish/2023/02/14/ini-rincian-angka-balita-stunting-di-wilayah-jawa-timur-pada-2022-kabupaten-jember-terbesar [↑](#footnote-ref-9)
9. UNDP Indonesia, UNICEF, Indonesia, Joint SDG Fund, Ministry of Finance of Republic of Indonesia. (2022). Assessment on Indonesia’s Municipal Bond Landscape. <https://www.unicef.org/indonesia/social-policy/reports/assessment-indonesias-municipal-bond-landscape> [↑](#footnote-ref-10)
10. Direktorat Pengelolaan Dukungan Pemerintah dan Pembiayaan Infrastruktur (PDPPI) & Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko, Kementerian Keuangan Republik Indonesia. (2023). Kerja Sama Pemerintah Dengan Badan Usaha. <https://kpbu.kemenkeu.go.id/proyek/proyeklist?sektor=-1&prov=-1&kota=-1&status=-1>
 [↑](#footnote-ref-11)