

Title	Type of engagement	Duty station
IFA Review Consultant	<input checked="" type="checkbox"/> Consultant <input type="checkbox"/> Individual Contractor Part-Time <input type="checkbox"/> Individual Contractor Full-Time	Lusaka, Zambia
<p>Purpose of Activity/Assignment: Support the Government of the Republic of Zambia in reviewing its inter-governmental fiscal architecture.</p>		
<p>Background</p> <p>The Government of the republic of Zambia recognizes the importance of decentralisation reforms as one way to improve local governance and service delivery. Since the first republic, the country has been implementing decentralisation reform programmes with the establishment of councils as an important pre-condition to the successful implementation of the reforms. Building on the successful operationalization of councils and many other reforms that have taken place over the years, the Government adopted the Intergovernmental Fiscal Architecture (IFA) in 2017, which is a framework for fiscal decentralisation as espoused in the National Decentralisation Policy of 2013. Following the expiration of the 2017 IFA, the development of this IFA was necessitated by the new developments that have occurred in the decentralisation landscape in the country including the finalisation of the new NDP, the launch of the 8NDP and the political will for a devolved system of governance exhibited by the New Dawn administration. Implementation of the IFA is backed by the Republican Constitution and also operationalized through various subsidiary legislations.</p> <p>The 2017 IFA had envisaged a fiscal framework which comprised of fiscal transfers, own source revenues and borrowing to provide the LAs with sustainable sources of financing their service delivery mandates. However, the actual practice of the IFA has shown several gaps and weaknesses. The DIP observes that “intergovernmental transfers have lacked allocative equity and clarity to respond to the current demands of decentralization and that high indebtedness, unsustainable management of debt and dwindling local own source revenues have equally affected operations of local authorities”. Therefore, this IFA will aid in the review and reforming of the existing fiscal framework for decentralization, such as the review of the intergovernmental resource allocation, and a review of the gaps in the existing policy and practice frameworks for local revenue collection and local debt management.</p> <p>Over the years, the Government has continued to transfer resources to subnational governments and has recently substantially increased the quantum of these resources. New intergovernmental financial mechanisms in the form of Matching Grant have also been put in place and other grants namely Sector Grants, Capital Grants and Performance Grants are earmarked to be introduced. Subnational planning and budgeting systems have been developed, harmonized and improved over time. These developments call for a responsive and robust intergovernmental fiscal architecture that will support the provision of effective and efficient service delivery necessary for the socio-economic development of the country.</p> <p>Fiscal decentralisation still remains unarguably one important element to the country’s successful realization of the national decentralisation programme. While a centralized model of public administration and public financial management was well suited to the development objectives of the country in the past, there is an urgent need to improve the Public Financial Management (PFM) systems and practices to fit the direction and pace of decentralisation reforms that have been embarked upon. The fiscal decentralisation reform strategy defines the overall framework of sub-national governance financing and aspires to establish a strong intergovernmental fiscal architecture. Recent attempts to clarify the roles and responsibilities among tiers of Government and to improve PFM systems are a part of this aspiration.</p> <p>With the transfer of functions and resources, critical gaps in the reform design and legal framework have also emerged. These include fundamental issues of autonomy, the distinction between the devolution and deconcentration models of decentralization, the mechanics of functional transfer process, the policy objective behind the current budget transfers</p>		

and the potential of sub-national own source revenue mobilization. COVID-19 pandemic has also created new challenges to the implementation of these reforms. First and foremost, it raised concerns about the cost of reforms and the availability of fiscal space to pursue them aggressively. But it also highlighted the need for an effective sub-national system during and post-pandemic periods.

That said, it will be paramount to have an Architecture that is coherent, robust, simple and responsive to enable the smooth implementation of fiscal decentralisation crucial for the overall success of the decentralisation programme in Zambia.

The Government of the Republic of Zambia has embarked on drafting a new architecture on the basis of lessons learned from the implementation of the 2017 framework. In order to benefit from international best practices and ensure an evidence based and state of the art approach for the next 7-year cycle, the Government has therefore requested UNICEF to support the process with an international expert.

Objectives

The objectives of the assignment are to:

1. Document the lessons learned in implementing the 2017 IFA in the context of international best practices on IF architecture
2. Support the finalisation of the draft of the 2023 to 2027 IFA

Specific Tasks

I. Inception report

- Background on the current IFA and cursory review of the draft IFA document that has already been produced
- Reflections on linking the IFA to the country's vision on decentralization in responding to the National Decentralization Policy, the National Development Plan, the SDGs and the vision 2030.
- cursory review of existing literature and proposal how to prioritise country examples for review under the desk review stage

II. Lessons Learning Documentation

- Desk Review of International Best practices:
The consultant will conduct a rapid review of international best practices and lessons learned relevant to the Zambian context based on existing literature and examples from other countries, with emphasis of other countries in the region and/or with similar governmental and economic context. Due to the limited time available, the consultant will proactively prioritise cases to be studied in consultation with the Ministry and UNICEF, ideally during inception phase. The following are areas of particular interest
 1. Public Finance:
How fiscal decentralisation has been implemented in other countries with regard to the attainment of the country's socio-economic objectives.
 2. Local Government Expenditure:
Standards of implementation of local level expenditures.
 3. Local Government Revenues:
Utilisation and enhancement of local level revenues to finance service provision.
 4. Intergovernmental Transfers:
Frameworks and principles of intergovernmental transfers and how best they can be structured.
 5. Local Level Borrowing and Debt Management:
Management of local level debt and borrowing with emphasis on leveraging subnational

borrowing as a financing mechanism.

- 5-day Stakeholder Lessons Learning Workshop

The consultant will present desk review findings to a 5 day stakeholder workshop organized in Lusaka and facilitate discussions and consultation of lessons learned during the implementation of the current IFA framework. **This workshop should be facilitated in person and require in country presence of the consultant.**

The lessons learning will focus on six priority areas as follows

1. extent to which the 2017 IFA achieved its overall objective as a framework for fiscal decentralisation towards a stable, transparent and predictable fiscal arrangement.
2. extent to which the four pillars of fiscal decentralisation i.e. revenue assignments, expenditure responsibilities, intergovernmental transfers and debt management and local level borrowing performed.
3. validity of maintaining the 4 pillars for fiscal decentralization, and recommend if there are any additional or subtract focus areas in order to actualize the Zambian fiscal decentralization agenda;
4. extent to which the 2017 IFA has contributed to creating sustainable partnerships and collaborations with central government, subnational governments and cooperating partners and the private sector in working together to actualize decentralisation.
5. extent of achievements of the 2017 IFA in relation to contribution to the goals of the National Decentralization policy (NDP), the National Development Plan (NDP), Sustainable Development Goals (SDGS) and the Vision 2030 and how these achievements can be sustained.
6. extent to which the 2017 IFA impacted on the decentralisation reforms in Zambia.

- Lessons Learning Workshop

The consultant will document the lessons learned as espoused during the consultation workshop in a document that conforms with international research standards and organized by the chapters of the IFA.

III. Finalisation of draft IFA document

- The consultant will review the draft IFA document, to enhance quality in terms of structure, flow, content, alignment with international best practices and reference of relevant literature, the documented lessons learned and other evidence as required. The consultant will draft additional sections or recast existing sections as the need may arise from the review and discussions with the Intergovernmental fiscal relations unit (IFRU) in the MOFNP.
- The consultant will facilitate a five day validation workshop to review the draft with key stakeholders. **The consultant facilitation is foreseen as remote-based** to minimize travel needs for the consultant. The Ministry and UNICEF will co-facilitate on the ground to ensure a smooth process.
- After the validation workshop, the consultant will finalise the draft and submit to the IFRU in MOFNP for onward consultation and submission for approval.

IV. Final report

- Conclusion:
The consultant will conclude the document and provide overall recommendations on the new IFA
- Annexes:
The consultant will include summaries of all stakeholder consultations and interviews, as well as any additional relevant material and information in the annexes. This assignment requires an advanced aptitude for analyzing complex information from different sources, identifying most essential insights, and articulating multi-faceted and cross-sectoral findings in a clear and concise manner. It will also

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require the ability to quickly acquire optimal understanding of a complicated country context and undertake high-quality research using both quantitative and qualitative methods

Child Safeguarding

Is this project/assignment considered as "[Elevated Risk Role](#)" from a child safeguarding perspective?

YES NO If YES, check all that apply:

Direct contact role YES NO

If yes, please indicate the number of hours/months of direct interpersonal contact with children, or work in their immediately physical proximity, with limited supervision by a more senior member of personnel:

Child data role YES NO

If yes, please indicate the number of hours/months of manipulating or transmitting personal-identifiable information of children (name, national ID, location data, photos):

More information is available in the [Child Safeguarding SharePoint](#) and [Child Safeguarding FAQs and Updates](#)

<p>Budget Year:</p> <p>2023</p>	<p>Requesting Section/Issuing Office:</p> <p>Social Policy</p>	<p>Reasons why consultancy cannot be done by staff:</p> <p>Requires dedicated time and highly specialised skillset for this exercise under tight timelines, which is not available from the Ministry or the country office</p>
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Included in Annual/Rolling Workplan: Yes No, please justify:

<p>Consultant sourcing:</p> <p><input type="checkbox"/> National <input checked="" type="checkbox"/> International <input type="checkbox"/> Both</p> <p>Consultant selection method:</p> <p><input type="checkbox"/> Competitive Selection (Roster)</p> <p><input checked="" type="checkbox"/> Competitive Selection (Advertisement/Desk Review/Interview)</p>	<p>Request for:</p> <p><input checked="" type="checkbox"/> New SSA – Individual Contract</p> <p><input type="checkbox"/> Extension/ Amendment</p>
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If Extension, Justification for extension:			
Supervisor: Social Policy Specialist	Start date: April 2023	End date: June 2023	Number of Working Days: 45
Work Assignment Overview Tasks/Milestone:	Deliverables/Outputs:	Estimated number of days	Timeline
Inception report	Inception Report	5 working days	April 14, 2023
Document the lessons learned in implementing the 2017 IFA in the context of international best practices on IF architecture	One 5-day Lessons Learned Workshop facilitated in person. Workshop envisaged for April 24-28 Lessons Learned and Desk Review Report	15 working days	May 5, 2023
Quality Assure and expand the existing draft of the 2023 to 2027 IFA for review by IFRU	<ul style="list-style-type: none"> • first zero draft (building on an existing draft) • review validation workshop on draft facilitated with IFRU (remote-based, no travel) • final zero draft IFA 	20 working days	June 6, 2023
Conclusion (finishing touches, final recommendations over and above inputs into IFA document)	<ul style="list-style-type: none"> • Final Report 	5 days	June 30, 2023
Estimated Consultancy fee	45 Days		
Travel International (if applicable)	Applicable, economy fare		
Travel Local (please include travel plan)	Not applicable		
DSA (if applicable)	7 days Lusaka rate (2 days travel, 5 days workshop)	212	

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Total estimated consultancy costsⁱ			
Minimum Qualifications required: <input type="checkbox"/> Bachelors <input checked="" type="checkbox"/> Masters <input type="checkbox"/> PhD <input type="checkbox"/> Other Enter Disciplines: Advanced university degree in Economics/Finance or related field	Knowledge/Expertise/Skills required: <ul style="list-style-type: none"> • An advanced university degree in economics/finance, public administration or related field. • At least 10 years of professional experience in public financial management • Successful track-record on supporting fiscal architectures in unitarian governments with existing or evolving fiscal evolution • Familiarity with the context of developing (Low and Lower Middle Income) countries • Familiarity with the Zambian context is an asset • Excellent research, drafting and reporting skills. Fluency in English and demonstrated ability to produce reports in English 		
Administrative details: Visa assistance required: <input type="checkbox"/> Transportation arranged by the office: <input type="checkbox"/>	<input checked="" type="checkbox"/> Home Based <input checked="" type="checkbox"/> In Country Mission for 10 days: If office based, seating arrangement identified: <input type="checkbox"/> IT and Communication equipment required: <input type="checkbox"/> Internet access required: <input type="checkbox"/>		

ⁱ Costs indicated are estimated. Final rate shall follow the “best value for money” principle, i.e., achieving the desired outcome at the lowest possible fee. Consultants will be asked to stipulate all-inclusive fees, including lump sum travel and subsistence costs, as applicable.

Payment of professional fees will be based on submission of agreed deliverables. UNICEF reserves the right to withhold payment in case the deliverables submitted are not up to the required standard or in case of delays in submitting the deliverables on the part of the consultant

Text to be added to all TORs:

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.