



## TERMS OF REFERENCE

### Consultancy

#### Socio-economic and Financial Implications of Climate Change in Jamaica

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#### Background

The Commonwealth Secretariat is a member and implementing partner of the NDC Partnership which is an organisation that is open to countries and international institutions committed to the implementation of Nationally Determined Contributions (NDCs) and the achievement of the 2030 Sustainable Development Goals.

The NDC Partnership works directly with countries to fast-track climate and development activities through several approaches covering country engagement, knowledge and information sharing, and access to finance, including through its new Climate Action Enhancement Programme (CAEP).

The CAEP is a demand-driven and impact-focused initiative to deliver targeted support to countries for the enhancement and implementation of their NDCs, including the provision of in-country technical expertise and capacity building. The CAEP aims to assist member countries of the NDC Partnership in achieving the following overarching objectives:

- Objective 1 – Enhance NDCs through revision and raising ambition, as part of the Paris Agreement NDC update process
- Objective 2 – Fast-track implementation of NDCs through the provision of in-country technical expertise and capacity building.

In 2019, the NDC Partnership invited developing country members to submit requests for support and issued a further call for supplementary requests in January 2020. Through this programme, the Government of Jamaica has requested support for ***"Socio-economic and financial implications (past and projected) of climate change (including severe weather events/cyclones/drought) on Jamaica through the development of climate expenditure analyses and modelling"***.

Jamaica faces multiple climate challenges and in response has designed and implemented a proactive programme of action in dealing and addressing the adverse impacts of climate change. In the past, the country faced many climate-induced disasters, as well as ongoing impacts from slow and onset events from climate change that have affected all key sectors of the economy. Consequently, socio-economic and financial implications due to these climate change-related events, potentially have been severe and likely to continue in the future. Against this background, this assignment is aimed at undertaking the climate expenditure analysis through the collection of information and data and modelling exercise.



The Commonwealth Secretariat has responded to the CAEP request from Jamaica and will provide technical assistance through its Commonwealth Climate Finance Access Hub (CCFAH). The CCFAH supports member countries in accessing international and regional sources of climate finance from both the public and private sector to meet their priority adaptation and mitigation needs and realize their sustainable development goals.

In addition, the CCFAH builds member countries capacity to plan for, access and effectively utilise climate finance. Therefore, an important aspect of the support provided by the CCAFH will be to focus on getting the full and active involvement of key ministry officials in all assessments, review exercises and strategy development to be undertaken. This will support the transfer of knowledge and expertise to those officials that they may be able to conduct future exercises of a similar nature going forward.

The CCAFH seeks to offer a short-term contract to undertake the assessment, climate expenditure analysis and modelling to support the introduction of climate change budgeting in Jamaica. This work will be set within the context of Jamaica's national policy and institutional arrangements for managing the response to climate change in the country. The work will also determine how climate-related expenditures are mapped and integrated into national budgetary processes.

## Assignment Objectives

The overall objective of this assignment is to assess socio-economic and financial implications (past and projected) of climate change (including severe weather events/cyclones/drought) on Jamaica through the development of climate expenditure analyses and modelling.

The specific objectives of this assignment within the national context include:

- i. The identification of key stakeholders within the ministries, departments and agencies (MDAs) of the Government of Jamaica involved in the development of climate policy, implementation of projects and programmes that have an impact on climate action and/or climate national targets; and economic and fiscal management including the national budgeting process;
- ii. An examination of key climate-induced extreme and slow onset events of the past and their socio-economic and fiscal implications through review of literature and assessment of studies undertaken by national, regional and international institutions;
- iii. Development of an analytical framework for the collection of relevant data (both budget and climate-related data - ideally within the last ten years where available) and information from the wide range of stakeholders. Such data will focus on (a) climate change natural disasters faced by the country, (b) data and information on damages and losses and their socio-economic and financial implications on different sectors and segments of the society, (c) data and information on government climate change related expenditures through the national budget and (d) flow of climate finance and development assistance focused on climate change-related issues; and



- iv. Identification and use of the most appropriate methodological and modelling approach for undertaking the analysis in the specific context of Jamaica.

## Scope of Work

The scope of work for this consultancy assignment includes understanding the climatic variabilities of the country in terms of extreme weather events, its socio-economic and financial implications and review of policy development, institutional structures and financial management.

It will include but not be limited to the following:

- i. Initial consultation and discussions with the identified Government counterparts, in particular, Climate Change Division of the Ministry of Economic Growth and Job Creation, Commonwealth Secretariat and Climate Finance Access Hub to agree on assignment objectives, deliverables and processes including government owner(s), data available for analysis, list of key stakeholders, amongst other matters;
- ii. Engagement with stakeholders from the key line ministries, such as the Ministry of Economic Growth and Job creation, Finance, Tourism, various departments and agencies such as the Planning Institute of Jamaica (PIOJ), along with stakeholders identified from civil society, the private sector and other development partners;
- iii. Information and data collection through best available information, desktop studies and stakeholder engagement including interviews and workshops.

The following key activities will be carried out by the consultant:

### Institutional and policy analysis

The reviews and analysis under this section will focus on the financial aspects.

- a. Review Jamaica's existing climate- related policies, strategies and sectoral plans (including those under development) and associated monitoring frameworks;
- b. Review the climatic variabilities of the country in terms of past and future extreme and slow onset events and their socio-economic and financial implications;
- c. Analyse the roles and responsibilities of government institutions and their capacities in formulating, implementing and coordinating the national climate response;
- d. Examine the options for separating environment and climate change expenditure from being the same line item in the national budget, given current realities.

### Climate-related expenditure analysis

- a. Review the existing institutional arrangements in Jamaica for promoting the integration of climate change policy and strategy priorities into the national budget process as well as expenditure management;
- b. Review current climate change-related expenditures incurred by the country and flow of climate finance (if any), from different sources;

- c. Assess the integration of climate change objectives within the governments budgeting and planning process;
- d. Identify and justify the most suited methodological and modelling approach for the analysis;
- e. Identify the financing gap(s) to the implementation of climate change adaptation and mitigation projects and programme.

## Assessment and Recommendations

- a. Assess the current financing arrangements, climate change-related expenditures incurred by the country and provide recommendations to strengthen current framework;
- b. Assess the financing needs compared to the climate action programme, in particular, NDC implementation;
- c. Propose a set of recommendations in dealing with long-term financing needs as well as dealing with socio-economic and financial implications, in collaboration with other CAEP international partners;
- d. Propose recommendations for the separation of climate change-related expenditure from environment-related expenditure in national budgetary process.

## Expected Deliverables

- i. **Inception Report:** Delineating the Expert's understanding of the scope of the analysis, including activity planning and request for information and documents not publicly available.
- ii. **Draft Analysis Report:** Preparation of the draft analysis report based on the data and information, consultations and discussions with national and international stakeholders as well as regional and international studies and best practices. The draft report will include the following:
  - Scope of analysis to be undertaken including any limitations;
  - A brief overview of climate change variabilities of the country and climate-induced natural disasters of the past and future threats;
  - The institutional arrangement established in the country for dealing and implementing climate action programmes;
  - Explanation and application of the appropriate methodological and modelling approach for carrying out the socio-economic and financial implications of climate change;
  - An illustration of socio-economic and financial implications borne by the country through a review of national budgetary processes;
  - A review of future implications due to ongoing and forecasted future climate changes and threats.



- iii. **Final Analysis Report:** Preparation of a Final Analysis Report including a Briefing Paper taking into consideration the inputs, feedback provided by Climate Change Division of the Ministry of Economic Growth and Job Creation, Ministries, Departments and Agencies and other stakeholders, Commonwealth Secretariat and other partners of the NDCP CAEP programme.

## Indicative Timeframe and Budget

The indicative timeframe of the assignment is from September 2020 to February 2021.

The total amount payable under this contract is £27,500 and scheduled as follows:

- The first tranche of £5,500 will be paid on the submission of the Inception Report
- The second tranche of £11,000 will be paid on the submission of the Draft Analysis Report
- The third and final tranche of £11,000 will be paid on the submission of the Final Report.

Depending on the COVID-19 situation and only where no self-quarantine measures are in place, the selected Consultant may be expected to travel to Jamaica on one occasion and engage with all the relevant key stakeholders, as part of the assignment delivery. The travel costs will be covered separately.

## Location and Reporting

This consultancy assignment will be home-based. The consultant will be responsible for their computer equipment, applications and internet connection.

The overall coordination of this assignment will be led by the Climate Change Section, Economic, Youth and Sustainable Development Directorate of the Secretariat, which includes the CCFAH. The consultant will report to the Commonwealth National Climate Finance Adviser for Jamaica with oversight from the CCFAH General Manager.

## Qualification and Requirements

- Minimum of a Master's degree in a relevant field such as Climate Change, Environment, Economics, Finance, or any other closely related field, along with at least 8 years relevant work experience in environment and climate change;
- Demonstrated understanding of government budgetary systems, issues related to public expenditure and institutional review on climate change;
- Proven record of accomplishment on policy dialogue and cross-institutional collaboration at the highest level, including with representatives of government and non-government partners;
- Ability to interact with senior government officials and a wide range of stakeholders including the private sector, and to facilitate discovery and planning processes;

- Experience in developing countries strongly desired, experience in the Caribbean region and/or Small Island Developing States will be an advantage;
- Strong analytical and quantitative skills, alongside strong conceptual, synthesis and strategic thinking skills;
- Experience in conducting expenditure analysis would be an asset.
- High degree of initiative and strong record of performance with low supervisory requirements to function effectively;
- Strong organizational skills, with the ability to deliver results on time;
- Strong inter-personal skills and commitment to work in a team-oriented and multicultural environment;
- Competence in the use of Microsoft Office applications (Word, Excel, Access, PowerPoint);
- Excellent command of English (both written and oral).