

TERMS OF REFERENCE FOR CONSULTANTS

A. BACKGROUND

1. In 1950, only 20% of Mongolians were living in urban areas. Since then, Mongolia has experienced rapid rural–urban migration, especially after the transition from central planning to a market-based economy in 1991. Today, the urban population represents 70% of the 3 million country population (the average urbanization ratio in Asia is 50%). Except for the cities of Darkhan and Erdenet (each with around 80,000 people), most of the *aimag* (province) capitals and towns have a population below 25,000. Rural migrations have formed substandard peri-urban settlements around Mongolian cities, called *ger* areas, which have spread and expanded through successive migration waves driven by losses of livestock and general loss of livestock productivity caused by poor pasture management and overgrazing, poor veterinary services, and extreme climate events such as droughts and severe winter conditions (called *dzuds*).

2. While families have moved to the larger urban centers like Ulaanbaatar, *aimag* centers, and other *soums* (subdistricts), the provision of adequate urban services has lagged. The outdated urban planning system is not conducive to the uptake and introduction of more inclusive city planning models, innovative and more sustainable technologies, and application of greener construction methods. Residents of *ger* areas (i) use inefficient individual stove to burn low quality coal, and live in low energy efficient shelters, making *ger* areas a hot-spot for carbon dioxide and other air pollution emissions; (ii) rely on open pit latrines which create severe soil pollution impacting residents' health especially when temperature rises; and (iii) have limited access to water supplied by water kiosks. The absence of green buffer zone and drainage, and its extensive muddy road system make *ger* areas highly prone to flood events in summer.

3. In its Sustainable Development Vision 2030, the Government of Mongolia pledged to “provide greater independence to urban areas and settlements, build roads and transportation, and engineering infrastructure, create a healthy, safe and comfortable living environment for citizens, and improve urban planning in line with world-class green development model”. Under this objective (Objective 6), Phase I - (2016–2020) of the Sustainable Development Vision 2030 the Government of Mongolia committed to “develop the green development standards for urban development, build infrastructure that meets the green development model, and redevelop Ulaanbaatar city and other urban areas and settlements, and reduce heat loss in buildings by 20%”.

4. This goal cannot be achieved with the current urban planning codes, norms and standards which were lastly updated in 2004. These codes are linked to a development strategy which, at that time, strived to achieve the Millennium Development Goals, i.e. economic development and poverty reduction, without the emphasis on green development of the Sustainable Development Goals (SDGs), especially SDG-11: ‘Make cities and human settlements inclusive, safe, resilient, and sustainable’, and SDG-13: Strengthen resilience and adaptive capacity to climate related hazards and natural disasters promote the improvement of urban development planning approaches and develop standards that will reduce usage of resources and energy, while improving climate resilience and the overall quality of life for local urban residents.

B. THE PROPOSED PROJECT

5. The TA (technical assistance) will provide critical support in upgrading the core planning codes for cities in Mongolia. It will apply the first green urban planning in cities and centers other than the capital city, to facilitate urban development models which distribute population and productivity evenly in the country, while maximizing the use of and preserving local natural resources.

6. The expected **TA outcome** is: green urban planning for *aimag* centers in Mongolia strengthened. This will be achieved through the following **three outputs**.

7. Output 1: **Good practices for green urban planning reviewed.** International good practices for green urban development planning, with an emphasis on those aspects that are related to the harsh climate in Mongolia, will be reviewed and summarized through (i) desk review of green urban planning codes suitable for Mongolia's climate; and (ii) international roundtable discussion on green urban planning, which will also serve as capacity building for relevant agencies and offices. The review and roundtable discussion and recommendations will form the basis for subsequent updating of the Ministry of Construction and Urban Development regulations and guidelines.

8. Output 2: **Green urban planning process updated.** This output will have two components: (i) an assessment of priority regulations and guidelines that would require revisions; and (ii) the preparation of the actual recommendations and/or updated documents (planning codes, norms, and standards) that would facilitate the transition to a greener urban planning process. The update will be based on the experiences and feedback compiled under Output 1. Digital publication of the resulting recommendations and updated regulations will be shared with the government for discussion.

9. Output 3: **Green urban plans prepared and disseminated.** This output will demonstrate the application of the updated and greener codes and regulations to an existing urban development masterplan. It is envisaged that the TA can support the preparation of plans for one *aimag* center and 1–3 *soums*. The output has three components: (i) drafting of the green urban development plans; (ii) conduct of consultation workshops to present and discuss the draft plans; and (iii) preparation of final recommendations and awareness raising materials to promote green urban development planning for urban centers in Mongolia.

C. OBJECTIVE OF CONSULTING ASSIGNMENT

10. The objective of the consulting assignment is to assist in the delivery of outputs to achieve the TA outcome, based upon international best practice and principles.

11. The firm is required to (i) lead the technical design of the TA outputs; (ii) conduct surveys and consultations to guide the output design; (iii) develop the capacity of the Ministry of Construction and Urban Development (MCUD) and other stakeholders on green urban planning; and (iv) prepare final recommendations and awareness raising materials to promote green urban planning in Mongolia.

12. To implement the TA, the Asian Development Bank (ADB), in close consultation with the Government of Mongolia, will select and engage a consulting firm in accordance with the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. The quality- and cost-based selection method using simplified technical proposals (with a quality–cost ratio of 90:10) will be followed. Output-based proposals are requested from shortlisted consultants. Under this approach, firms will select the types and number of international and national experts and skills required to achieve the consultancy deliverables, except for a list of “key experts” included in the terms of reference (Section F), which all applicants are required to include in their proposals. Through this approach, ADB expects a stronger use of in-house expertise from consulting firms and greater innovation and originality in the proposals to achieve the deliverables. The estimated maximum budget for the assignment, including contingencies, is \$0.537 million.

D. CONSULTANT DELIVERABLES

13. Under the supervision of ADB and working closely with the executing and implementing agencies (*aimag* and *soum* governments), and other stakeholders, the firm will deliver capacity building and prepare a range of written outputs, as listed in Table 1. Deliverables to be provided in English and Mongolian languages are identified in Table 1.

Table 1. Summary of Consultant Deliverables

No.	Deliverables ^a
1	Inception report
1.1	International best practices (draft)
1.2	stakeholder and sector assessment (draft)
2	International roundtable
3	Interim report
3.1	Roundtable proceedings
3.2	Assessment of priority regulations and guidelines that would require revisions
3.3	Actual recommendations and/or updated documents
3.4	Pilot demonstration plan
4	Final draft report
	Draft plans for one <i>aimag</i> center and 1–3 <i>soums</i>
	Consultation workshops
	Dissemination plan
5	Final report (including final recommendations and awareness raising materials)

^a To be submitted in English and Mongolian languages.

14. The draft inception report will be submitted to ADB and the government **two months after mobilization of the consulting firm**, and before the inception mission. Within this period, the consultants will:

- i. familiarize themselves with the sector, key issues, key stakeholders;
- ii. conduct preliminary discussions with stakeholders; and
- iii. review and summarize the international best practices for green urban planning relevant for Mongolia.

15. The roundtable will be organized **within four months after mobilization of the consulting firm**. It will convene key stakeholders, present preliminary results of the international best practices review, and collect inputs from key stakeholders on gaps and needs for Mongolia's green planning future. International renowned urban planning specialists may be invited as resource persons. Prospect pilot *aimags'* representatives should participate as per advise of MCUD in consultation with the Ministry of Finance.

16. A draft interim report will be submitted to ADB and the government about **six months after mobilization of the consulting firm** and before the interim mission. The interim report will contain (i) international best practice review and lessons relevant to Mongolia; (ii) list of gaps and key building codes and other urban planning instruments to be updated; (iii) draft recommendations, or where critical, actual draft updated documents; and (iv) rationale for selected pilots for demonstrating the application of upgraded urban planning instruments.

17. A draft final report will be submitted to ADB and the government about 10 months after mobilization of the consultant firm, and before the TA final review mission. Within this period, all the draft deliverables will be completed.

E. PREPARATION OF THE CONSULTANT DELIVERABLES

18. The consultant deliverables will demonstrate assessment of, and compliance with, the following requirements and conditions, as relevant.

- Coordination with past or on-going TA by ADB or other international donors in the urban sector as relevant to the TA scope, and with all relevant stakeholders in Mongolia (i.e. Ministry of Environment and Tourism (MET), Ministry of Energy (MOE), *aimags*, *soums*, among others).
- International best practice principals and designs, including lessons learned, from similar project conditions in Mongolia and elsewhere.
- Replication and scaling-up from the results of the Japan Fund for Poverty Reduction grant.
- Innovation – both in contents, in the process and in the dissemination approach.
- Compliance of recommendations and other inputs with national technical standards, regulations, and laws.
- Compliance with ADB regulations and guidelines.
- Endorsement of the project outputs by ADB and the Government of Mongolia, including MET, *aimag* government, and other domestic agencies as needed (i.e. MOE).

F. KEY EXPERTS

19. Proposing entities will determine the number and the nature of experts they will require to achieve the consultancy outputs, work schedule, and deliverables, in accordance with their proposed approach and methodology. However, ADB requires a minimum of two key experts, as follows.

20. **Urban planner/team leader** (international, minimum 7 person-months). The specialist has: (i) a postgraduate degree in urban planning or related field; (ii) at least 10 years applied experience leading the design and/or management of urban plans, including demonstrated experience to develop multi-disciplinary, holistic projects which integrate efficiency and natural resources conservation, and address social benefits and environmental sustainability; (iii) experience with urban planning in very cold climates, and the site-specific considerations this entails; (iv) at least 10 years team leadership experience, including demonstrated ability to lead a large team, prepare reports, and work with the government and private sector, communities, and civil society organizations; (v) excellent facilitator of meetings and negotiations for a wide range of stakeholders, especially governments, private sector, and communities; and (vi) excellent command of English, including the ability to conduct oral presentations and to produce written reports of high quality. Tasks of the specialist will include the following.

- Overall responsible for team coordination, scheduling, and the delivery of the TA outputs.
- Lead in delivering a holistic and integrated project design, and which provides a strong rationale for all outputs.
- Lead the preparation of key deliverables, including the sector, institutional analysis, development coordination, and stakeholder capacity building.
- Coordinate the development of the project outputs.
- Application of best practice principles for urban green planning, including: lessons learned from similar sites and conditions elsewhere; building on the achievements of ADB, Japan Fund for Poverty Reduction and other donor efforts.

21. **Lead civil engineer/deputy team leader** (national, minimum 8 person-months). The

specialist has: (i) a postgraduate degree in civil and/or environmental engineering, specialized in water, and/or transport and/or power distribution; (ii) at least 15 years applied experience in the design, construction, and operation and maintenance of urban infrastructure; (iii) at least 10 years team leadership experience, including demonstrated ability to lead teams, prepare reports, and work with the government, private sector, communities, and civil society organizations; (iv) excellent facilitator of meetings and negotiations for a wide range of stakeholders; and (v) excellent command of spoken and written Mongolian, and, strong command of English, including the ability to conduct oral presentations and to produce written reports of high quality. Previous experience with ADB projects and familiarity with the ADB documentation requirements is highly preferred. Tasks of the specialist will include the following.

- Support the team leader in all required tasks for project coordination, the preparation of project deliverables, and quality control of team member deliverables.
- Ensure clear, timely, and effective coordination between MCUD, Ministry of Finance, MET, MOE, *aimag* and *soum* governments, and the TA team.
- Responsible for overall quality control for all project engineering deliverables and ensuring compliance of designs with domestic standards and certifications.
- Provide written and technical inputs to all other project outputs and deliverables as needed.

22. In addition to the above required key experts, the proposing entity will also include in their technical proposal, personnel work plan, and financial proposal, all other “non-key experts” required in accordance with their proposed approach and methodology. The proposing entity must also determine and indicate the number of person-months required for each key or non-key expert. All experts engaged under the contract, whether key or non-key experts, must be citizens of ADB member countries.

G. WORK SCHEDULE AND LOCATION

23. The duration of the assignment is about 18 months (about October 2018 to March 2020). The assignment of the TA experts is intermittent in nature. If needed, the terms will be revised, based on consultations between the parties involved in the assignment according to changes and/or additional requirements identified during implementation.

24. Most of the TA firm’s field work will be in Ulaanbaatar. Brief visits to Bulgan (the *aimag* capital) and other *aimags* and *soums* may be needed as part of assessing and/or applying green urban planning codes developed under the TA. The consultant firm will propose the work schedule.

25. For the TA inception, interim, and final reports, and all written sub-deliverables within these, a draft report will first be provided to ADB and the government for review. Deliverables will be high quality, print-ready, and provided in required formats agreed in advance with ADB. All deliverables will be prepared in English and Mongolian language. Final drafts will be submitted which address the review comments. Payment milestones will be subject to final endorsement of the deliverables by ADB.

26. During the entire duration of the TA, the consultants will demonstrate commitment to build counterpart capacity and facilitate knowledge transfer between TA experts and counterpart staff. All experts will make themselves available for the full duration of the assignment.

H. COORDINATION WITH ADB AND THE GOVERNMENT

27. For overall progress, issues, and planning, the consultant firm will report through the

assigned team leader to the ADB project officer. For daily working activities, individual TA specialists will work directly with counterparts in the government, and other stakeholders. About three TA missions (inception, interim, final review) will be conducted by ADB during the TA, and will include trilateral meetings between the government, TA firm, and ADB. The need for close coordination and communication by the TA firm with the government, other stakeholders, and ADB, is strongly emphasized.

I. COUNTERPART SUPPORT

28. Counterpart support to the TA firm will be provided by MCUD, Bulgan *aimag* government, and pilot local *soum* governments. Counterpart support will include (i) government participation in meetings and workshops; (ii) provision of existing urban planning documents; (iii) facilitation of introductions with local stakeholders as needed; (iv) sharing of other data, as feasible and needed, to achieve the deliverables; (v) review and input to the project designs; (vi) counterpart staff salaries; (vii) logistic support in arranging workshops and field visits; and (viii) fully functional office space for consultants.

J. PREPARATION OF APPLICANT'S PROPOSAL

29. Proposing entities are required to prepare a simplified technical proposal to apply for this consultancy. The proposal will include a detailed description of how they propose to deliver the project outputs and deliverables, in a section of the proposal called "Approach and Methodology". In this narrative, entities should be explicit in explaining how they will achieve the outputs and deliverables, the data sources and/or baseline assessments that will be used to inform their proposed approach, and the details of what staff will comprise the project team. Entities must also describe their relevant professional experience in Mongolia, ability to operate in Mongolian language, as well as relevant experience elsewhere.

30. Only one curriculum vitae (CV) must be submitted for each key and non-key expert included in the proposal. Only the CVs of key experts will be scored as part of the technical evaluation of proposals. The CVs of non-key experts will not be scored, however ADB will review and individually approve or reject each CV for each non-key expert position in the proposal, based on assessment of the relevance of the expert's qualifications and experience against the expert's roles and responsibilities stated in the "Approach and Methodology". The credentials of non-key experts as well as the design of the team as a whole (including appropriateness of the level of inputs (home, field, total) will be taken into account in the evaluation of Quality of Approach and Work Plan and Personnel Schedule criteria.

31. Proposing entities that suggest innovative and/or original approaches to achieving the project outcome and project outputs 1–3, and, additional opportunities for training and/or knowledge products, will be regarded favorably.

32. The bidder's financial proposal shall include all costs to deliver the expected outputs. Bidders' financial proposals will be assumed to include (i) all key and non-key experts, in accordance with the person-month allocation for each as defined by the proposing entity; (ii) mobilization and travel costs of all experts, including travel, accommodation, per diems, among others; (iii) all field work, surveys, and stakeholder workshops; (iv) costs for sub-consultants (where necessary) including national engineers and environment specialists for preparation and approval of domestic engineering documents and environmental impact assessment(s); and (v) corporate overheads including insurances.

33. Bidders are advised that the total budget is \$0.537 million.