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Date: 6 September 2012

INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

for individual consultants and individual consultants assigned by consulting firms/institutions

Country:	Viet Nam
Description of the assignment:	01 International consultant - international inputs to development and application of the Stress Test for the banking system in Vietnam
Project name:	Project 59714 - Support for enhancing the capacity in advising, examining and overseeing macroeconomic policies.
Period of assignment/services (if applicable):	Quarter IV/2012

1. Submissions should be sent by email to: nguyen.thi.hoang.yen@undp.org no later than: **17.00 hrs., 17 September 2012 (Hanoi time)**.

With subject line: International consultant – Stress test

Submission received after that date or submission not in conformity with the requirements specified this document will not be considered.

Any request for clarification must be sent in writing, or by standard electronic communication to the address or e-mail indicated above. Procurement Unit – UNDP Viet Nam will respond in writing or by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all consultants.

2. Please find attached the relevant documents:

- [Terms of Reference \(TOR\)](#)..... (Annex I)
- [Individual Contract & General Conditions](#)..... (Annex II)
- [Reimbursable Loan Agreement](#) (for a consultant assigned by a firm) & [General Conditions](#) (Annex III)
- [Insurance Coverage Table](#)..... (Annex IV)
- [Vendor Form](#) (Annex V)
- [Guidelines for CV preparation](#)..... (Annex VI)
- [Format of financial proposal](#)..... (Annex VII)

3. Interested individual consultants must submit the following documents/information to demonstrate their qualifications:

a. Technical component:

- Curriculum vitae
- Expression of interest, explaining why he/she is the most suitable for the work.
- Copy of 1-3 publications/writing samples.
- Contact reference of past 4 clients for whom you have rendered preferably the similar service

b. Financial proposal:

- The financial proposal shall specify a total lump sum amount in **US Dollar** including consultancy fees and all associated costs i.e. airfares, travel cost, meal, accommodation, tax, insurance etc. – see format of financial offer in Annex VII.
- Please note that the cost of preparing a proposal and of negotiating a contract, including any related travel, is not reimbursable as a direct cost of the assignment.
- If quoted in other currency, prices shall be converted to US Dollar at UN Exchange Rate at the submission deadline.

Please note: For the consultancy firm/institution/organization, please provide the above information **of the assigned consultant (only ONE) for this service**, not the experience and information of **YOUR firm**. The documents must be submitted by the assigned consultant.

4. Evaluation:

The technical component will be evaluated using the following criteria:

Consultant's experiences/qualification related to the services		
	Criteria	Maximum Points
1	A PhD's degree or equivalent in Economics and/or Finance and Banking, with at least 10 year experience of doing macroeconomic research and training and/or working experience as specialist/advisor/practitioner in the field of banking/financial sector management/supervision	200
2	Possession of publications on finance/banking sector management and oversight in internationally recognized journals is an advantage.	100
3	Practical experience of working as a specialist/advisor/ practitioner in developing and using stress test model	100
4	At least 3 years of experience in designing and acting as trainers in short economics/banking/financial management courses, preferably in developing countries	100
5	Working experience with Vietnam's government or UNDP in Vietnam	100
6	Demonstrable, excellent data collection, analysis and report writing and presentation skills (supported by reports/publications if any)	200
7	Profound understanding of Vietnamese economic and political systems and the current state of Vietnam's economy and its current efforts to reform the economy, including key economic issues related to growth and developments models, economic reform, and upcoming challenges	100
8	Good command of written in Vietnamese and/or English (supported by reports/publications if any)	100
	TOTAL	1000

A two-stage procedure is utilized in evaluating the submissions, with evaluation of the technical components being completed prior to any price proposals being opened and compared. The price proposal will be opened only for submissions that passed the minimum technical score of 70% of the obtainable score of 1000 points in the evaluation of the technical component.

The technical component is evaluated on the basis of its responsiveness to the Term of Reference (TOR).

Maximum 1000 points will be given to the lowest offer and the other financial proposals will receive the points inversely proportional to their financial offers. i.e. $S_f = 1000 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the submission under consideration.

The weight of technical points is 70% and financial points is 30%.

Submission obtaining the highest weighted points (technical points + financial points) will be selected.

An interview with the candidate given the highest combined score may be held before contract awarding, if deemed necessary.

8. Contract

“Lump-sum” Individual Contract will be applied for freelance consultant (Annex II)

“Lump-sum” RLA will be applied for consultant assigned by firm/institution/organization (Annex III)

Documents required before contract signing:

- Personal History
- International consultant whose work involves travel is required to complete the course on Basic Security in the Field and submit certificate to UNDP before contract issuance.

Note: The Basic Security in the Field Certificate can be obtained from website: <http://training.dss.un.org>. The training course takes around 3-4 hours to complete. The certificate is valid for 3 years.

- Full medical examination and Statement of Fitness to work for consultants from and above 62 years of age and involve travel. (This is not a requirement for RLA contracts).
- Release letter in case the selected consultant is government official.

9. Payment

UNDP shall effect payments to the consultant (by bank transfer to the consultant’s bank account provided in the vendor form (Annex V) upon acceptance by UNDP of the deliverables specified the TOR.

1st payment: 20% of total contract value will be paid upon submission and UNDP’s acceptance of the detailed training programme and outline of the presentation to be delivered at the policy workshop

2nd payment: 40% of total contract value will be paid upon UNDP’s acceptance of the deliverables (including the presentation at the workshop and all training materials) before the training and workshop.

3rd and final payment: 40% of total contract value will be paid upon UNDP’s satisfactory acceptance of the delivery of the course, the workshop and the training assessment report.

If two currencies exist, UNDP exchange rate will be applied at the day UNDP instructs the bank to effect the payment.

10. Your proposals are received on the basis that you fully understand and accept these terms and conditions.



TERMS OF REFERENCE (TOR)

PROJECT:	Support for enhancing the capacity in advising, examining and overseeing macroeconomic policies.
TITLE OF ASSIGNMENT:	International inputs to development and application of the Stress Test for the banking system in Vietnam
DURATION	4 days for home-based preparation in Quarter IV/2012 plus 4 days for training and workshop
DUTY STATION	Homebased and Hanoi, Vietnam

1) GENERAL BACKGROUND

The global economic crisis 2008-2010 led to the collapse of a series of banks and financial institutions in the world, the scope and impact the growing number of collapsing banks and financial institutions in the world keeps increasing. In Vietnam, high inflation, tightened monetary policies, production and business sector are facing many difficulties. This strongly affects the banking sector: rising non-performing debt and liquidity problems while mobilized capital increases slowly. On the other hand, in the last 10 years, Vietnam's banking system has developed rapidly, many joint-stock rural banks have been converted into urban joint stock banks in a short time, while they not well-prepared on the resources for the bigger system, which eventually leads to the development of financial institutions weakened in both financial and human resources.

Therefore, it is sorely essential to develop and carry out a stress test program for credit institutions in Vietnam, to provide an overview of the system, the strength and resilience to risk of banks in the worst situations and sudden shock. This program will also serve effectively and efficiently for the project/process of restructuring the financial and banking system, which are currently being implemented.

In fact, there is still no precedented test model application in management and policy making on the banking system/sector in Vietnam. The reasons include such as: (i) the need of stress test models are not visible to policy makers; therefore (ii) lack of determination and organization / mechanism to apply such test, (iii) limited technical capacity and lack of access to information needed for developing and applying stress tests. To address these, the National Financial Supervisory Committee plans to organize a policy advocacy workshop and a training course. The policy advocacy workshop aims at providing relevant national policy makers with updated knowledge on stress test as a tool for managing, and policy making on, banking sector; and the training aims at providing relevant technical staff with in-depth technical understandings and skills necessary for applying/conducting stress tests (please see the attached TORs for these two activities for more details).

The project, therefore, is seeking for international consultant to provide technical inputs (in terms of international experiences on the application model and provide practical recommendations on the application of stress test in Vietnam) to the above two activities.

2) OBJECTIVES OF THE ASSIGNMENT

The overall objective of this assignment is to support strengthening national capacity for macroeconomic management and oversight through provision of inputs to the workshop and training on stress test:

- Provide inputs to help Vietnam develop and apply stress test as a tool for policy monitoring and management systems of banks and credit institutions by providing methods and techniques necessary for the policy advisory and policy making bodies to monitor the banking system in Vietnam
- Introduce to all participants (i) a feasible model stress test applications; (ii) the stress tests used in the

world and recommend specific effective stress test model to be applied in Vietnam, and (iii) detailed proposal/recommendations/roadmap of how to use the above model in practice.

3) EXPECTED TASKS AND OUTPUTS

- A presentation (backed up by a policy paper of at least 10 pages with clear facts/evidences, sound analyses and practical recommendations) and active participation in the policy advocacy workshop to provide: an overview of stress test models being applied in other countries, the main objectives/purposes, functions and contents of stress test, the application and administration of stress tests, international experiences/success and failure stories and lessons learned on the development and application of stress tests as tools for managing and policy making on banking/financial sectors, and practical recommendations on policy and actions for Viet Nam to develop/apply a suitable stress test model.
- Provide material/deliverables for the training course as stated in the TOR for the training course, including:
 - Outline of the training course (4 weeks before the training)
 - All lectures/readings used in the training course (2 weeks before the training)
 - The material (including presentation) used in the training (1 week before the training)
 - Assessment report on the training with feedbacks from participants (3 weeks after the training)
- Act as the trainer in the training as specified in the attached TOR for the training on stress tests (Annex I-a). The training (3 days) and workshop (half day) are expected to be held in Hanoi for 4 days in Quarter IV/2012

4) DEGREE OF EXPERTISE AND QUALIFICATIONS

- A PhD's degree or equivalent in Economics and/or Finance and Banking, with at least 10 year experience of doing macroeconomic research and training and/or working experience as specialist/advisor/practitioner in the field of banking/financial sector management/ supervision.
- Practical experience in developing and using stress test model
- Possession of publications on finance/banking sector management and oversight in internationally recognized journals is an advantage;
- At least 3 years of experience in designing and acting as trainers in short economics/banking/financial management courses, preferably in developing countries
- Profound understanding of Vietnamese economic and political systems and the current state of Vietnam's economy and its current efforts to reform the economy, including key economic issues related to growth and developments models, economic reform, and upcoming challenges, is an asset.
- Excellent data collection, analysis and report writing and presentation skills
- Working experience in developing countries, especially Vietnam and UNDP is an advantage;

5) DEGREE OF EXPERTISE AND QUALIFICATIONS

The consultant will work home-based and in Hanoi.

It is expected that the assignment will need 4 days for home-based preparation plus 4 days for training and workshop in Quarter IV/2012 in Hanoi, Vietnam.

6) PAYMENT TERM

Payment shall be settled by UNDP following the below milestones:

1st payment: 20% of total contract value will be paid upon submission and UNDP's acceptance of the detailed training programme and outline of the presentation to be delivered at the policy workshop

2nd payment: 40% of total contract value will be paid upon UNDP's acceptance of the deliverables (including the presentation at the workshop and all training materials) before the training and workshop.

3rd and final payment: 40% of total contract value will be paid upon UNDP's satisfactory acceptance of the delivery of the course, the workshop and the training assessment report.

7) ADMIN SUPPORT AND REFERENCE DOCUMENTS

UNDP and the Project will provide necessary reference documents based on the actual need of the contractor and the supplying capability of UNDP and the Project.

In case the training is delivered in English, the project will provide interpretation depending on the need of the audience. The Project will also provide admin support in organizing the training, including support in finding training venue and transportation for participants. Cost for training and workshop venue, all materials, administrative cost, translation cost, etc will be borne by the project.

8) MONITORING AND PROGRESS CONTROL

The Project Management Board, the direct beneficiaries and UNDP will work closely with the contractor to ensure the quality of the deliverables and final outputs. The Contractor must closely report to the Project and beneficiaries on the implementation of the training course and the deliverables.

Quality control from the Project and beneficiaries of the detailed training programme and the expected deliverables. UNDP, the beneficiaries and the Project will revise and approve all the material and programme for the training.

9) COPYRIGHT

All intellectual property and proprietary rights, including rights to documents and any other materials produced during this assignment will become the sole property of UNDP, who will have the sole right to publish the same in whole or in part and adapt and use them as may seem desirable, and to authorize all translations and quotations from them. The contractor may not publish or use any of this material without prior permission UNDP.

Annex VI

GUIDELINES FOR PREPARING CV

WE REQUEST THAT YOU USE THE FOLLOWING CHECKLIST WHEN PREPARING YOUR CV:

Limit the CV to 3 or 4 pages

NAME (First, Middle Initial, Family Name)

Address:

City, Region/State, Province, Postal Code

Country:

Telephone, Facsimile and other numbers

Internet Address:

Sex, Date of Birth, Nationality, Other Citizenship, Marital Status

Company associated with (if applicable, include company name, contact person and phone number)

SUMMARY OF EXPERTISE

Field(s) of expertise (be as specific as possible)

Particular development competencies-thematic (e.g. Women in Development, NGOs, Privatization, Sustainable Development) or technical (e.g. project design/evaluation)

Credentials/education/training, relevant to the expertise

LANGUAGES

Mother Tongue:

Indicate written and verbal proficiency of your English:

SUMMARY OF RELEVANT WORK EXPERIENCE

Provide an overview of work history in reverse chronological order. Provide dates, your function/title, the area of work and the major accomplishments include honorarium/salary. References (name and contact email address) must be provided for each assignment undertaken by the consultant that UNDP may contact.

UN SYSTEM EXPERIENCE

If applicable, provide details of work done for the UN System including WB. Provide names and email address of UN staff who were your main contacts. Include honorarium/salary.

UNIVERSITY DEGREES

List the degree(s) and major area of study. Indicate the date (in reverse chronological order) and the name of the institution where the degree was obtained.

PUBLICATIONS

Provide total number of Publications and list the titles of 5 major publications (if any)

MISCELLANEOUS

Indicate the minimum and maximum time you would be available for consultancies and any other factors, including impediments or restrictions that should be taken into account in connection with your work with this assignment.

Please ensure the following statement is included in the resume and that it is signed and dated:

I CERTIFY THAT ALL INFORMATION STATED IN THIS RESUME IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I AUTHORIZE UNDP/UNOPS OR ITS AGENT TO VERIFY THE INFORMATION PROVIDED IN THIS RESUME.

(Signature)

