



**ASEAN-AUSTRALIA DEVELOPMENT COOPERATION PROGRAM (AADCP)
PHASE II**

**TERMS OF REFERENCE
FOR
Study to Advance Sustainable Urbanisation in ASEAN**

The ASEAN Secretariat and the Australian Government, through AADCP II, invite applications from consultants for the above-referenced project.

I. Background

In 2014, 36 percent of ASEAN's population was urban¹. An additional 90 million people are forecast to move to cities in ASEAN by 2030 and bring the urban share to almost 45 percent of the population. Urbanisation is a crucial driver of economic growth and no country has climbed from low-income to middle-income status without a significant population shift into cities. The underlying causes of this include the scale benefits to economies from larger cities, as well as the higher wages that people typically receive as they shift from farming to urban manufacturing and services.

The immediate need for cities in ASEAN is to provide adequate urban infrastructure to meet the increasing pace of urbanisation. In the process of meeting infrastructure demands, smart urbanisation applications can provide a way for such cities to achieve leapfrogging in technology and facilitate the optimal use of existing infrastructure.

However, urbanisation also poses a series of challenges to inclusiveness (e.g. housing), the environment due to climate change (exposure to rising sea levels and intensifying storms where there are concentrations of people in low-lying urban areas), economic efficiency (unplanned, unstructured urban expansion, with low densities and high rates of car use, which increases the land requirements of cities and adds to congestion), health (air pollution, and access to clean water and sanitation) and cultural heritage (deterioration of cultural heritage in cities). While presenting opportunities for women and girls often unavailable in rural settings, urbanisation can also lead to many women seeking work in the informal sector, contributing to gendered income disparity and increased risk including from violent crime.

With continued urbanisation, those challenges need to be addressed properly. Cities need to come up with strategies to sustain the provision of economic activities, housing, healthcare, education, energy services, ability to mitigate impacts of climate change, etc. In other words, cities will require sustainable urbanisation practices.

¹ "Urban" is defined as population living in cities with a population greater than 200,000.

The [Master Plan on ASEAN Connectivity \(MPAC\) 2025](#) aims to advance sustainable urbanisation and scale up the sharing of smart urbanisation models across cities in ASEAN Member States. There are already several examples of sustainable urbanisation efforts from across ASEAN, including the proposed establishment of an ASEAN Smart Cities Network, as well as activities carried out by ASEAN Working Group on Environmentally Sustainable Cities, Singapore's Centre for Liveable Cities (CLC), the IMT-GT Green Cities initiative, the ASEAN-German Technical Cooperation Programme on Cities, Environment and Transport, and the ASEAN Mayors Forum. ASEAN Member States have also participated in various fora on urban development or cities such as World Cities Summit, World Urban Forum, and United Cities and Local Governments (UCLG).

Given the various efforts and available expertise, it is important to exchange expertise and best practice on developing cities in a liveable and sustainable way in order to disseminate the knowledge of sustainable urbanisation and have it adopted by cities. It is also important to ensure that the wide range of stakeholders reach a common understanding and have an agreement on ASEAN's sustainable urbanisation initiative. These stakeholders may include the ASEAN Connectivity Coordinating Committee (ACCC), National Coordinators, Lead Implementing Body for the Strategic Area of Sustainable Infrastructure (once established), urbanisation authority, planning agencies, ASEAN Working Group on Environmentally Sustainable City (AWGESC), Senior Transport Officials Meeting (STOM), Senior Officials Meeting on Energy (SOME), Telecommunications Senior Officials Meeting (TELSOM), ASEAN Committee on Disaster Management (ACDM), ASEAN Committee on Science and Technology (COST), city level authorities, sub-regional arrangements and relevant international organisations, such as United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Asian Development Bank (ADB), Asian Infrastructure Investment Bank (AIIB), the World Bank and the Economic Research Institute for ASEAN and East Asia (ERIA).

This project responds to the above needs by developing an ASEAN Sustainable Urbanisation Strategy. The Strategy will guide AMS in setting up priorities for promoting sustainable urbanisation in their respective countries. The development of the Strategy will require two steps. The first is to define and undertake scoping of cooperation for sustainable urbanisation in ASEAN, specifically identifying prioritised areas of work related to sustainable urbanisation (e.g., in transport, environment, energy, urban planning, smart cities, etc.) that can quickly yield an agreed regional outcome ("low-hanging fruit"). In order to do this, there is a need to take stock of various initiatives, and share results and lessons learned from relevant past and current regional, national and sub-national initiatives. Once a common understanding is reached with priority area(s) identified, a roadmap describing time-specific targeted actions or activities can be identified.

In order to measure achievement of this outcome, the next step is to develop initial indicators of sustainable urbanisation performance, as a baseline for future measurement, or make reference to existing indicators developed by various organisations, such as Economic Intelligence Unit's Global Liveability Ranking,

Green City Development Toolkit by ADB to assess cities in Asia, Emerging and Sustainable Cities Initiative (ESCI) by IDB to assess cities in Latin America, and ISO 37120 Sustainable Development of Communities by World Council on City Data to assess global cities.

II. Needs and Objectives

The goal of the project is to promote more sustainable urbanisation in ASEAN. As a result of this project, it is expected that the stakeholders and beneficiaries mentioned above will have a better understanding of the scope of actions required, and the approaches to be taken towards promoting sustainable infrastructure in prioritised ASEAN cities in a strategic and measurable, pragmatic, and comprehensive manner.

III. Outputs

This project will produce an ASEAN Sustainable Urbanisation Strategy containing definitions, priority areas, roadmap and the corresponding indicators.

In addition, the consultant will be required to produce the following reports:

- i) Project Inception Report
- ii) Workshop Report(s)
- iii) Project Completion Report

Activities to be undertaken for the production of outputs and reporting may include the following:

- Drafting of an Inception Report outlining the overall approach, conceptual framework, work plan, management plan and budget.
- Stocktake of existing frameworks or strategies or initiatives for urbanisation in ASEAN and ASEAN Member States. This will support the identification of drivers and development of strategies and activities on urbanisation, including the planned ASEAN Smart Cities Network, which could potentially be considered under this MPAC 2025 initiative, taking into account existing urbanisation efforts in the region. There should also be a brief analysis of global and regional trends on urbanisation, as well as the role of regional action in developing policy and practical responses to the challenges of urbanisation in ASEAN. This will also include sharing of knowledge and good practices by city-level policymakers and practitioners involved in past and current initiatives, which could be conducted through existing or new networks / forums, among others.
- Identification of focused areas or components of urbanisation and size of cities for assessment. Develop an approach or criteria to identify focused areas. Focused areas for consideration could include smart mobility / transport, energy efficiency, smart buildings, smart digital infrastructure, smart health,

integrated waste management, governance, social infrastructure, etc. Broader concepts of smart cities and urban planning could also be considered. For the size of cities, the focus could be middleweight cities and/or megacities. In identifying and prioritising these areas, interviews will be conducted with sub-national or city-level authorities, officials from relevant ministries, relevant ASEAN Sectoral bodies, relevant international organisations, private sector, etc.

- Development of a roadmap of initial activities for each focused areas. Develop a roadmap of initial activities to implement each of the identified focused areas through cost effective solutions that can provide benefits to stakeholders, enhancing resilience of urban areas or cities to changes and leveraging challenges into opportunities for the peoples of ASEAN. The initial activities should be practical and can be translated into projects for implementation, which could include collaborative research, policy studies, implementation arrangements, creation of networks, stakeholder engagement plan, pilot projects, etc. Implementation of the roadmaps would require an effective delivery mechanism that addresses key challenges (skills gaps, lack of finance) and put in place appropriate policy instruments.
- Conducting a Forum on Sustainable Urbanisation. A forum would be convened to discuss the preliminary outcomes of the study, review the opportunities and challenges of sustainable urbanisation, and deliberate on policy recommendations on sustainable urbanisation in ASEAN.
- Drafting of the Final Report “Sustainable Urbanisation Strategy” summarising the main insights from the study, including identified focused areas and roadmap for initial activities of the focused areas.
- Drafting of a Project Completion Report.

IV. Tasks/Activities

The following activities will need to be undertaken to achieve the outputs presented above. The bidder should provide details on its approach to each activity in its bid and is free to recommend additional activities.

	Output	Activity	Person working weeks*	Completion Date	Person(s) responsible
1	Inception Report	Development of conceptual framework, overall approach to the review, work plan, management plan and budget	4 person weeks	2 weeks after signing of a Special Services Agreement (SSA)	Consultants to draft the report, with inputs from ASEC and AADCP II
		Circulation and revision of the Inception Report based on feedback, if any			
<i>Approval of Output 1: Inception Report by ACCC/ASEC (4 working weeks)</i>					
2	Interim Report	Review of existing frameworks or strategies or initiatives for urbanisation in ASEAN	95 person weeks	Week 14	Consultants to lead and arrange for reviews and consultations, facilitated by ASEC
		Analysis of global and regional trends on urbanisation, as well as regional mechanisms in policy development and practical responses to the challenges of urbanisation			
		Development of an approach or criteria to identify key focused areas for Sustainable Urbanisation in ASEAN			
		Consultation with key stakeholders, including sub-national or city-level authorities, officials from relevant ministries, relevant ASEAN Sectoral Bodies, relevant international organisations, private sector, etc.			
		Submission of draft interim report summarizing results of the above activities.			
<i>Approval of Output 2 : Interim Report by ACCC/ASEC (4 working weeks)</i>					
3	Forum Report on Sustainable Urbanisation	Organisation of a Forum on Sustainable Urbanisation to discuss primary outcomes of the study, review the opportunities and challenges of sustainable urbanisation and deliberate on policy recommendations on sustainable urbanisation in ASEAN.	27 person weeks	The Forum to be held in July 2018 at the World Cities Forum.	Consultants to make all programmatic (content) and logistical arrangements, facilitated by ASEC

	Output	Activity	Person working weeks*	Completion Date	Person(s) responsible
		Submission of a Workshop/Forum Report containing the event's proceedings, lessons learned, issues and next steps (if any) of the events.		Two weeks following the last day of the Forum	Consultants
<i>Approval of Output 3 : Forum Report by ACCC/ASEC (4 working weeks)</i>					
4	Final Report:ASEAN Sustainable Urbanisation Strategy	Submission, revisions (if required) and finalisation of an ASEAN Sustainable Urbanisation Strategy drawing on the main insights from the study and outcomes/ recommendations from the Forum on Sustainable Urbanisation in ASEAN, including the identification of focused areas, roadmap for initial activities of focused areas and corresponding indicators of success.	40 person weeks	Week 38	Consultants
<i>Approval of Output 4 : Final Report by ACCC/ASEC (4 working weeks)</i>					
5	Project Completion Report	Submission of the Project Completion report which records the project achievements against the project's original intended purpose, work plan and outputs. It should to assist in assessing impact, draw out conclusions and lessons learned that may be valuable in designing new related initiatives.	6 person weeks	2 weeks after approval of final report (Week 44)	Consultants
<i>Approval of Output 5: Project Completion Report by ACCC/ASEC (4 working weeks)</i>					
** The number of person working weeks is intended to indicate the amount of relative effort required to deliver the corresponding outputs. The calculation is based on assumption of 5 person days per week. Actual time will be agreed in negotiation with the successful bidder.					

V. Reporting

The consultant is expected to produce reports in accordance with Section III and IV above, namely a) Inception Report; b) Workshop/ Forum Report; and c) Project Completion Report. The timing of delivery is indicative and can be adjusted when the consultant's work plan is developed, subject to mutual agreement.

All reports will be submitted based on AADCP II Guidelines for Contractors in draft format to the ASEAN Connectivity Division of the ASEAN Secretariat (with a copy to AADCP II) and, following ASEAN Secretariat (ASEC) approval, in final form. All outputs and reports must be suitable for publication, although the decision on publication lies with the ASEAN.

The contractor will also provide regular (monthly, bi-monthly or as agreed with ASEC) summation of activities undertaken and issues that have arisen. These will be submitted to ASEAN Connectivity Division and AADCP II via email.

Financial reports will be submitted at invoicing in line with a payment schedule to be specified in the Special Services Agreement (SSA).

VI. Project Management

The project will be funded by the ASEAN-Australia Development Cooperation Program II and managed by the ASEAN Connectivity Division of the ASEAN Secretariat. The consultant should be responsible for organising and conducting the scheduled activities in collaboration with the host countries and the ASEAN Secretariat.

VII. Scope of Services

The consultancy will be undertaken over a **continuous effective period of eleven calendar months** with approximately **172 person weeks** of professional services. Work will commence immediately after contract signing.

VIII. Qualifications

In its proposal the bidder/bidding team should demonstrate:

- *Thorough understanding and in-depth knowledge of ASEAN, ASEAN Community and ASEAN Connectivity;*
- *Thorough understanding of sustainable urbanisation issues, trends and recent developments preferably in the ASEAN context;*
- *Experience working with and having established network amongst urban development stakeholders across the ASEAN Member States;*
- *Proven track record in working with multi-stakeholder in a participatory manner, including with high-level government officials, bilateral and multilateral institutions, civil society and NGOs, particularly in consensus building and work plan facilitation;*
- *Proven track record in data collection and analysis on regional and global survey/research;*
- *Extensive knowledge and experience in project management;*
- *Thorough understanding of monitoring and evaluation of development projects, particularly in outcome setting and identification of performance indicators;*

A thorough understanding of ASEAN, ASEC and AADCP II procedures will be considered of added value.

IX. Bidding

Interested consulting firms are invited to submit a proposal in response to these Terms of Reference. This proposal should be in two parts: **Technical** and **Financial components**.

The Technical component should present the following information:

- A brief discussion indicating the bidder's understanding of the needs of the project;
- A brief analysis of key issues;
- A methodological discussion of how the bidder proposes to address those needs including assessment of key issues, analytical strategies that will underlie the project, specific techniques to be utilised, and practical discussion of possible limitations in carrying out the project;
- A detailed work plan that specifies activities to be undertaken, expected outputs and deliverables, resources to be utilised and timing;
- Staffing and management plan;
- A discussion on how measures to ensure the future sustainability of the outcomes of the project will be addressed;
- CVs of all proposed experts;
- Brief discussion of firm's past experience in undertaking similar work and brief summaries of all projects undertaken; and
- Examples of previous work as Annexes to the proposal.

The Financial component should specify professional fees of experts.

Other costs for experts and participants such as reimbursable expenses for airfares, other travel costs and daily subsistence allowance for workshops, meetings, and all other agreed activities will be discussed with the preferred contractor during the finalisation of the scope of services. Costs will be based on prevailing ASEC rates.

X. Submission of Application

Applicants should send via email **tender@aadcp2.org** and mail/courier 4 (four) printed copies of their application with a cover letter, materials specified in **Section IX** above and other supporting documents to ASEAN Australia Development Cooperation Program II, ASEAN Secretariat 2nd Floor, Jl. Sisingamangaraja 70A, Jakarta 12110, Indonesia, indicating "**Study to Advance Sustainable Urbanisation in ASEAN**" as the subject no later than 22 January 2018 5:00pm (Jakarta time). Please note that only short-listed candidates will be notified.

For Frequently Asked Questions (FAQ), please visit <http://aadcp2.org/aadcp-ii-tender-frequency-asked-questions/>

Any queries on the TOR should be sent to contact@aadcp2.org with the subject line: " **Query 'Study to Advance Sustainable Urbanisation in ASEAN'**."

IX. Additional Notes on Terms and Conditions of the Project

1. Any future studies/reports/analysis in any form of intellectual property rights (including but not limited to patents, copyright and any related rights) submitted by the Contractor to ASEAN arising out of or in connection to the services performed by the Consultant to ASEAN shall belong to ASEC under the name of **ASEAN** only;
2. Successful bidder shall agree to be bound and sign the Special Services Agreement (SSA) with all requirements under the terms and conditions provided therein,

including but not limited to the AADCP II Guidelines for the Contractors attached to the SSA.

3. As an intergovernmental organisation, ASEAN shall not be responsible for any tax(es), levy, tax claim or any tax liability which may be imposed by any law in relation to any amount payable by the ASEAN Secretariat.