

Terms of Reference for Procuring a Corruption Assessment

Suggested Template

Title of consultancy:

Example: Political economy analysis of illegal timber trafficking and the potential for local participation in the illegal trade of timber in the Rocky Mountains.

Please see Annex 1 for Project Background (optional)

Terms of Reference Component with Example	Guiding Notes
<p><u>Objectives</u></p> <p>General Objective: Increase our understanding of the drivers of and potential links between timber harvesting, the illegal trade of timber and corruption in the Rocky Mountain region</p> <p>Specific objective #1: Conduct a political ecology analysis within relevant institutions to improve understanding of the processes, policies, and dynamics related to the timber market and illegal timber harvesting.</p> <p>Specific objective #2: Work alongside local communities better understand the same issues as in objective #1 but from the community perspective, including social norms and economic needs relevant to timber harvesting.</p>	<p>Clarity on the objective is highly desirable as it will inform much else, such as team composition, level of disaggregation, extent of public dissemination, etc</p>
<p><u>Scope of Work</u></p> <p>1) Regional-level Political Economy Analysis (PEA):</p> <ol style="list-style-type: none"> a. Structures: Historical and present-day lack of political will and interest in the region and its natural resources that leads to vastly deficient funding and low institutional capacity to address environmental issues, opposing interests and influences on the correct management and development plans for the area could lead to a potential increased market for timber. b. The role that local institutions and communities play in managing and conserving the resources and the power structures and interests within each institution and communities. 	<p>The scope of work will be guided by the analytical framework adopted. The Inception Report should spell this out.</p>

<p>c. The key stakeholders and how they may participate in timber harvesting hunting and potential trade of timber. Issues to examine include:</p> <ol style="list-style-type: none"> i. The social norms, interests and incentives facing different groups in each institution and community and how these can lead to play a role in timber harvesting and/or the illegal trade in timber. ii. Identify the most influential actors, what their roles are, their interests and incentives, and how these shape or facilitate potential for continued timber harvesting and illegal trafficking. <p>2) How change might happen (or ‘pathways of change’, or ‘theories of change’). Given political economy realities, spell out how change can reduce timber harvesting and close pathways to the illegal market for timber in the Rockies. Initial analysis should describe the physical and bureaucratic route that illegal timber must transverse to identify the stages of the process most vulnerable to corruption. Based on that, the next phase of work should look at resilience and resistance of each institution and actor to corruption and the actions that will deter said corruption. The analysis should go beyond a static description and consider the changing context and internal dynamics. It should consider new risks and opportunities for working in the sector.</p>	<p>‘How change happens’ is a crucial stage to make the link between the political economy factors and the operational implications</p>
<p><u>Specific Questions to be Answered</u></p> <ol style="list-style-type: none"> 1) Is illegal timber harvesting linked to corruption? <ol style="list-style-type: none"> a. Are the relevant agencies aware of illegal timber harvesting but either turn a blind eye or benefitting from it in some way? 2) What is the potential for timber harvesting to increase due to corruption (tied to an already existing illegal trade of precious timber and an increase in Chinese demand)? <ol style="list-style-type: none"> a. Have you or anyone you know been approached regarding illegal timber? 3) Are there differences in timber harvesting (tied to corruption) between the Northern and Southern Rockies? 4) Which institutions and actors within each institution are more prone to corruption and could be potentially associated to an illegal market for timber? <ol style="list-style-type: none"> a. Analyses of institutional structure, ties to local markets, contact with communities, etc. 5) What is the current perceived or real level of timber harvesting in communities? 6) Do communities perceive corruption to be a factor? 7) What is the potential for local communities to be involved in the illegal trade of timber? <ol style="list-style-type: none"> a. Have you or anyone you know been approached regarding illegal timber? 	<p>This section elaborates specific questions to be answered in conducting the above analysis (NB these issues are not exhaustive; the team will want to modify or add to them). See Annex 2 for suggestions on the large range of possible question areas.</p> <p>The more upstream thinking that is done by the development agency to spell out these questions before the start of the assignment the better.</p> <p>Given that over time much PEA is based on updating and refining previous thinking and experience, these questions are likely to become quite focused.</p> <p>It may be that the PEA will be carried out in two stages, the first to clarify ‘big picture’ issues, the second to explore in</p>

	detail specific questions that will have been identified during the first.
<p><u>Specific Recommendations Expected</u></p> <ol style="list-style-type: none"> 1) Political economy factors to consider to ensure success of programmes aimed at curbing timber and illegal trade of timber in the Rockies. 2) What type of institutional policy and regulation interventions would be most suitable given the political ecology of the sector. 3) Interventions that would help influence the political ecology of illegal timber trade and timber in the Rockies. 	<p>The recommendations should emerge only after the stages of analysing the PE factors and specifying How Change Happens (the theory of change). Drawing out the recommendations should be done with the active involvement of the development agency's staff</p>
<p><u>Methodology</u></p> <p>The methodology, which will be based on a framework for political economy analysis, should be spelled out in the Inception Report. The analysis will utilise a combination of desk-based research and field work, making full use of existing literature sources.</p> <p><u>Specific Activities</u></p> <ol style="list-style-type: none"> 1) Desk based research to review available literature related to the illegal market for timber and timber harvesting in communities in the Rocky Mountains. The analysis should build on existing work. 2) Desk based and interview research to map out the potential pathways and actors for an illegal market for timber. 3) Identify potential risks in conducting the assessment and propose appropriate mitigation measures. 4) Meet with a range of actors (individually and/or in groups) in institutions involved in wildlife and border regulations in the Rocky Mountains. 	<p>The Inception Report is key to obtain buy-in to the method from the Steering Group and others, especially if more than one development agency is involved.</p> <p>The literature review is essential, to build on what has been done, and to ensure cost-effectiveness</p> <p>A mix of individual meetings and small groups is likely to be best. As with all good assessments, a key aim is triangulation of information sources.</p> <p>The importance of considering risk in your methodology cannot be understated. Collected data related to corruption can put everyone at risk, thus be sure to include a requirement that the consultant detail what measures they will include to keep themselves, the project team and those they talk with safe.</p>
<p><u>Activities and Outputs</u></p> <p>The outputs from the assignment will be a report and consultative process covering the following:</p> <ol style="list-style-type: none"> 1) Political Economy Analysis (PEA) of relevant institutional actors in the Rocky Mountains: An analysis of the regional political and institutional dynamics that affect the potential for an increase in timber harvesting and local participation in illegal trade of timber. This analysis will focus on perceptions 	<p>This should be as much a process as a report, with consultations both within and beyond the development agency.</p> <p>Common outputs include Inception Report, Final Presentation, Set of Recommendations, Utilization Workshop,</p>

<p>of corruption within relevant institutions tied to timber and the actors and their potential for participation in the illegal trade of timber.</p> <ol style="list-style-type: none"> 2) The Northern vs. Southern Rocky Mountain Sub-regions: An analysis of specific political and institutional factors that differentiate the potential for the establishment of an illegal market for timber. 3) Community-level analyses: An analysis of attitudes, social-norms and barriers that lead to timber harvesting in each community. 4) Community-level PEA of the local and regional dynamics between local communities and authorities that may lead to their participation in the illegal trade of timber in each region. <p>The work will be implemented in three phases:</p> <ul style="list-style-type: none"> • <u>Phase 1</u>: develop an agreed approach and analytical framework • <u>Phase 2</u>: carry out the analysis, propose a theory of change, develop recommendations, and draft the PEA • <u>Phase 3</u>: feedback, reporting and finalising. <p>The team will work closely with a Steering Group comprising the client, the local governments of four cities, and the donor. At a minimum there will be an initial briefing during the first week; co-ordination sessions every two weeks; a workshop with donor staff to discuss the emerging analysis and to begin to draw out the recommendations; and a final workshop to present the draft report.</p> <p><u>Additional Outputs</u></p> <ol style="list-style-type: none"> a. An inception report, to be submitted 15 days/weeks after the commencement of the assignment (maximum 20 pages), capturing: b. Preliminary summary observations c. Detailed methodology, report outline and timetable d. A draft and, following comments, final report with a complete PEA, including specific recommendations. e. Outline of consent and confidentiality processes, including measures for protecting the data and how the data will be delivered to the client at completion of the contract. f. One or more presentations to development agency staff and/or a public presentation 	<p>Detailed or Summarized Final Report.</p> <p>The inception report is crucial, not least because many choices among competing priorities will have to be made early on. Depending on practicalities, this may be done at the draft report stage</p> <p>The country-level work in particular is likely to be able to draw on pre-existing work, identified during the literature review</p> <p>A Steering Group is highly desirable.</p> <p>It cannot be overemphasized that collecting data related to corruption issues is risky for everyone involved. Teams should work with legal to develop a contract that outlines expectations for how data will be protected and indicating that the data belongs to the client (the team) at the end of the contract. Generally, data belongs to the client and contractors should understand they may not use the data outside of the contract.</p>
<p><u>Required Skills and Experience</u></p> <p><u>Essential</u></p> <ul style="list-style-type: none"> • At least a master’s degree in international relations, international development, political science, or economics • Experience completing political economy analyses in developing country contexts 	<p>It is generally desirable that, even if consultants are used, the team includes staff of the development agency, especially for those parts of the work that involve drawing out recommendations.</p>

<ul style="list-style-type: none"> • Experience working on natural resource projects, preferably within the protected area system or socio-political context of the assessment. • Proven ability to work as part of a team • Experience in conducting social research and surveys, especially those involving sensitive data collection and ensuring anonymity. • Ability to learn and implement new research strategies <p><u>Highly Desirable</u></p> <ul style="list-style-type: none"> • Knowledge of the development agency’s political economy analysis tools • Knowledge of local languages 	<p>The team may well include both local and internationally sourced individuals</p>
<p><u>Timeframe</u></p> <p>The work should commence before August 15, XXXX and all deliverables to be completed by XXX:</p> <ul style="list-style-type: none"> • Inception report: XXX • Workshop: XXX • Draft report: XXX • Presentation to the development agency: XXX • Final report: XXX 	
<p><u>Reporting and Coordination</u></p> <p>XXX will be the main recipient of the report.</p> <p>The team will report to the Steering Group and on a day-to-day basis to XXXX. They will coordinate with the development agency’s other scoping and analytical work in the sector.</p>	

<p><u>Annex 1: Background</u></p> <p>This section can set out:</p> <ul style="list-style-type: none"> • country and sector context • lessons learned from the past • the development agency's policy and priorities • rationale for the selection of particular issues to be examined by the PEA • how the team is conceptualizing corruption 	<p>This section doesn't need to be long but can help applicants understand what your objectives are.</p>
<p><u>Annex 2: Examples of questions</u></p> <p>a) Regional and international factors. These may include:</p> <ul style="list-style-type: none"> • economic and political arrangements • Relations and/or conflict with neighbouring countries, militias located in border areas • Licit and illicit cross-border trade in high value commodities • The role of development agencies and their developmental, commercial and geo-strategic interests <p>b) Ownership Structure and Financing: What is the balance between public and private ownership? How the sector is financed (e.g., private capital, taxes, donor support)?</p> <p>c) Power Relations: How are power and wealth are distributed within the sector? To what extent is power vested in the hands of specific individuals/groups? How do different interest groups seek to influence policy? Which policies, industries and actors are prioritised in the sector?</p> <p>d) Institutions, Ideologies and Values: What are the main institutions, norms, relationships, values and ideas that shape policy and development outcomes? To what extent may these serve to constrain change?</p> <p>e) Historical legacies: What is the past history of the sector, including previous reform initiatives? How does this influence current stakeholder perception?</p> <p>f) Corruption and rent-seeking: Are there significant corruption and rent-seeking in the sector? Where is this most prevalent (e.g., at point of delivery; procurement; licensing)? Who benefits most from this? How is patronage being used?</p> <p>g) Service Delivery: Who are the primary beneficiaries of service-delivery? Are particular social, regional or ethnic groups, or genders, included/excluded? Are subsidies provided, and which groups benefit most from these?</p> <p>h) Decision-Making: How are decisions made within the agriculture sector? Who is party to these decision-making processes? How do groups and individuals seek to influence</p>	<p>There is a large range of possible questions, and no assessment will be address them all. We list many of them here, but this is for illustrative purposes only. Before procuring your assessment, be clear about what your biodiversity challenge is. This should help you narrow the questions.</p>

agriculture and agri-business policy and who is included and excluded from decision-making?

- i) **Implementation Issues:** Once made, are decisions implemented? Where are the key bottlenecks in the system? Is failure to implement due to political-economy reasons?
- j) **Potential for Reform:** Who are likely to be the “winners” and “losers” from particular reforms? Are there any key reform champions within the sector? Who is likely to resist reforms and why? Are there “second best” reforms which might overcome this opposition?
- k) **Opportunities:** Identify opportunities to influence the agriculture sector’s political economy for the better, including through planned programmes.
- l) **The development agency’s policy and programming:** Help inform the agency’s policy and programming by identifying feasible solutions to agriculture development challenges, including which reforms will likely be blocked, which may get political traction, and which could be achieved through appropriate phasing. Include ‘second-best’ reforms where important changes are likely to be blocked. Help inform risk management and scenario planning by identifying political economy risks and factors affecting them.