



ASEAN-AUSTRALIA DEVELOPMENT COOPERATION PROGRAM (AADCP) PHASE II

TERMS OF REFERENCE FOR ***Strengthening ASEAN Cooperation in Minerals***

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

I. Background

The ASEAN region is rich in mineral resources and has vast potential for new discoveries. In 2018, minerals trade registered an annual growth of 9%, valued at USD 249.8 billion, and accounted for 8.9% of ASEAN's total trade¹. The demand for minerals in ASEAN is expected to increase at the back of continuing economic growth and market expansion within the ASEAN Member States (AMS). Cooperation in minerals will enable AMS and other ASEAN partners to work together in ensuring effective and sustainable approaches in minerals development while promoting investment and trade within ASEAN and beyond.

The first regional sector plan in the form of ASEAN Minerals Cooperation Action Plan-I (AMCAP-I): 2006-2010, and subsequent AMCAPs were essentially the implementation of strategies and programmes resulting from the vision first developed in 2005.

The AMCAP-III: 2016-2025² currently serves as the blueprint for minerals cooperation in ASEAN. It envisions creating *'a vibrant and competitive ASEAN mineral sector for the well-being of the ASEAN people through enhancing trade and investment and strengthening cooperation and capacity for sustainable mineral development in the region'*. It covers four strategic areas, namely:

- facilitating and enhancing trade and investment in minerals;
- promoting environmentally and socially sustainable mineral development;
- strengthening institutional and human capacities in the ASEAN minerals sector; and,
- maintaining an efficient and up-to-date ASEAN minerals database.

Upon the completion of the Mid-term Review of AMCAP-III Phase 1, which covers the period 2016-2020, the MTR Task Force identified the conduct of a study on the Development Prospects of ASEAN Minerals Cooperation (DPAMC) to be crucial in supporting the development of the next AMCAP. Similarly, the 7th ASEAN Ministerial Meeting on Minerals (AMMin) in December 2019 held in Bangkok, Thailand emphasised the need to review the development prospects of ASEAN minerals cooperation in the context of deepening the contribution of the sector towards ASEAN integration. The Ministers tasked the Senior Officials on Minerals (ASOMM) and the ASEAN Secretariat to develop an AMCAP-III Phase 2 that is regionally more strategic, relevant, effective and realistic.

By end 2020, ASEAN is expected to conclude the implementation of the ongoing AMCAP-III Phase 1:

¹ ASEAN Secretariat. 2019. *ASEAN Integration Report 2019*. pp. 107.

² Available for download at: http://asean.org/wp-content/uploads/2017/12/ASEAN-Minerals-Cooperation-Action-Plan-2016-2025-AMCAP-III_Final.pdf

2016-2020 with the: (i) adoption of a new AMCAP-III Phase 2: 2021-2025 as the next blueprint for ASEAN minerals cooperation; and, (ii) delivery of a well-maintained, and up-to-date minerals database and information system.

The DPAMC Study will stock-take existing ASEAN minerals development and cooperation in the context of global markets and minerals industry developments and propose corresponding regional strategies and measures to pursue the study's recommendations under AMCAP Phase 2. The study's recommendations are expected to help define the future direction of ASEAN minerals cooperation and/or tighten prioritisation as well as improve the effectiveness of future efforts.

Meanwhile, the development of an effective ASEAN minerals database has consistently been recognised in all AMCAPs as crucial to ASEAN minerals cooperation itself and to facilitating much needed investments to flow into minerals exploration and development in the region. The establishment of an ASEAN Industrial Minerals Information System (AIMIS) was first initiated at the 5th ASEAN Summit in 1995 and resulted in the establishment of the existing ASEAN Minerals Database and Information System (AMDIS), which was launched at the Fourth ASEAN Ministerial Meeting on Minerals in 2013. The AMDIS aimed to provide public and business community with greater access to information concerning mineral resources, research and development in minerals, capacity building materials and regulations, as well as minerals company profiles, across AMS.

The AMDIS needs to be upgraded to respond to growing sector requirements. An enhanced AMDIS, which consolidates in one platform AMCAP's programme content and activities, minerals geo-information systems database, geoscientific survey and geological resource maps, statistics on production, trade & investments in minerals, other information necessary to promote investments in minerals exploration and development in ASEAN, institutional and regulatory frameworks in AMS, regional repository of capacity building resources, and other mining and minerals-related information, would be essential in moving forward sectoral objectives.

Undertaking minerals exploration and mining may provide employment opportunities and support community development. On the other hand, this may also lead to potentially harmful effects such as displacement of people and improper labor practices, and detrimental effects on the environment and natural resources due to erosion of cleared areas and sediment loadings into the adjacent water bodies.

To address the aforementioned concerns, the current focus of ASEAN minerals cooperation is, among others, the promotion of sustainable mineral sector development through better monitoring, sharing of best practices, and promotion of sustainable standards adoption³.

This project, dubbed "Strengthening ASEAN Cooperation in Minerals", intends to help meet these requirements. Together with AADCP II, the ASEAN Secretariat, seeks the services of an entity/ firm/ consortium to assist in undertaking the study consisting of two components, namely: (i) a study on the Development Prospects of ASEAN Minerals Cooperation (DPAMC), and, (ii) scoping and analysis to design an enhanced AMDIS.

³ ASEAN Secretariat. 2019. *ASEAN Integration Report 2019*, pp. xix.

II. Needs and Objectives

The project shall contribute to ASEAN's goal of facilitating trade and investment in minerals and deepening the contribution of the sector towards ASEAN economic integration. It shall enable policy makers in the ASEAN minerals sector, particularly the ASOMM, to take strategic directions in strengthening cooperation for mineral development in the region.

The analysis and recommendations contained in DPAMC shall provide options for consideration by the AMCAP Task Force as it develops the next AMCAP-III Phase 2. Component 1 shall stock-take existing ASEAN minerals development and cooperation in the context of global markets and minerals industry developments, develop international case studies and evaluate experience on regional cooperation in minerals development and applicability to the ASEAN context, identify and assess potential areas for ASEAN cooperation, recommend areas of highest potential for regional cooperation in minerals, and propose corresponding regional strategies and measures to pursue the study's recommendations under AMCAP Phase 2. The DPAMC study's recommendations are expected to help define the future direction of ASEAN minerals cooperation and/or tighten prioritisation as well as improve the effectiveness of future efforts.

The final AMCAP-III Phase 2 is expected to be adopted by the ASOMM and subsequently to be endorsed by AMMin as the blueprint for the ASEAN minerals cooperation in 2021-2025.

Data and information that will be gathered in the preparation of Component 1 (DPAMC) shall be used to develop context for Component 2 (AMDIS). Through Component 2, the consultant shall provide the scoping and analysis as a first step to eventually deliver an enhanced AMDIS that will serve as the central repository and primary communication platform for ASEAN minerals cooperation, and, minerals trade and investment, including follow-up initiatives framed by or identified under the new AMCAP Phase 2. The component will involve the preparatory phase necessary to support the design and development of AMDIS.

The scoping and analysis of AMDIS shall provide recommendations needed to support its design, enhancement and effective maintenance. Putting in place an enhanced AMDIS is expected to be included in the key deliverables of AMCAP-III Phase 2.

To improve effective usage, the existing AMDIS needs to be updated to yield more relevant content, better information management and to be a platform which is more responsive to ASEAN's evolving needs. As such, the work of ASOMM and its working groups require data, information and related analysis that:

- (i) Is anchored and built interactively upon the content of actual work of ASOMM and of the progress of implementing the AMCAP and its programme areas;
- (ii) Caters to the information needs of the regional minerals cooperation programme;
- (iii) Ensures the accessibility of basic geoscientific and minerals information across the region necessary to encourage private/public entities to consider the viability of investing in exploration and resource development in the region; and,
- (iv) Serves as a tool for the region to reach its public (exploration and development companies, investors, stakeholders and policy actors, other domestic and regional policy actors, etc.).

In this regard, there is a need to rethink the design and management of AMDIS in terms of:

- **Content:** what data/ information should be available in AMDIS to serve the various main audience, and how it should generally be presented for clarity and ease of use. Data

requirement will depend on availability of data across the 10 AMS, including proxy data as necessary. Determination of data requirement should be informed partly by data collected in the process of conducting the DPAMC, as well as the longer-term view of having a self-sustaining AMDIS.

- **Information management:** how to ensure that required data/ information is systematically fed into the AMDIS to ensure data accuracy, timeliness and sustainability. This will include identification of roles and responsibilities amongst the data owners, accountability measures, and mechanisms and tools for timely, accurate data provision and analysis.
- **System management:** what kind of arrangement/ process is needed to ensure the use and performance of AMDIS are reviewed regularly to determine effectiveness, as well as to decide on potential redesign/ development. This is to ensure that the system maintains relevance to the needs of its main audience, and self-sustaining.

The ASOMM Working Group on Minerals Information and Database (WGMID) has been instituted primarily to ensure the development of an effective and up to date AMDIS. There is currently a plan to enhance the existing AMDIS, or replace it if this would be more cost-efficient to do so, in order to respond to the needs of ASOMM WG.

To successfully deliver the above two Components, the consultant will likewise be expected to help organise stakeholder workshops, prepare presentations of preliminary and final findings to be presented to relevant AMS stakeholders and ASEAN Secretariat representatives, facilitate workshops, and draft reports and publications.

III. Outputs

The outputs of this project include the following:

Component 1: DPAMC

- 1) An internal DPAMC Report (to be delivered in two stages):
 - a) An Interim Report (preliminary desk report) detailing methods, schedules and outline of the report which shall cover: (i) the global context and state of ASEAN minerals development (including investment and exploration policies), (ii) stakeholder map of the minerals development space in ASEAN, (iii) and survey of international experience on successful regional cooperation in minerals development that may be relevant to the ASEAN context; and,
 - b) DPAMC Full Report (draft, revised draft, final draft, final) which shall incorporate the findings of the Interim Report, detailed assessment and recommendations on areas of highest potential for regional cooperation in ASEAN and corresponding regional strategies and measures, as well as initial recommendations for AMCAP Phase 2. The final draft of the report shall be presented to ASEAN Member States in order to help them build consensus around the report's recommendations.
- 2) DPAMC Public Version which shall be developed based on the adapted Final Full Report.

The consideration of social and environmental issues is mainstreamed through the AMCAP's programme area on sustainable minerals development, and under the purview of the ASOMM Working Group on Sustainable Minerals Development (WGSMD). The AMCAP III Phase 2 will include a strategy and programme area to specifically address sustainable development of mineral resources. Thus, the DPMAC should reflect on these concerns and make appropriate recommendations.

Component 2: Scoping Study of AMDIS

The Report should contain:

- Clarification of the purpose of the AMDIS;
- Needs analysis of AMDIS' main audience, and a general stakeholder analysis;
- Assessment of the current AMDIS to understand how and where it responds (or fail to respond) to the above needs, and identify issues and problems to be addressed;
- Description of data/content requirements for a new/ enhanced AMDIS, taking into consideration the needs of the various audience and stakeholders as well as regional comparability. The requirements should be determined through a Clarification of the purpose of the AMDIS;
- Needs analysis of AMDIS' main audience, and a general stakeholder analysis;
- Assessment of the current AMDIS to understand how and where it responds (or fail to respond) to the above needs, and identify issues and problems to be addressed;
- Description of data/content requirements for a new/ enhanced AMDIS, taking into consideration the needs of the various audience and stakeholders as well as regional comparability. The requirements should be determined through a consultative process to ensure that all stakeholders/ users agree on the data they want to store, along with the meaning and interpretation of the data elements;
- Identification of data sources and feasible collection strategies/ mechanisms to ensure data accuracy, timelines and accountability. Similar to the above, the data sources and mechanisms should be consulted with and agreed upon by the relevant stakeholders;
- Design of tools for data collection such as data templates and report generation templates;
- Description of roles and responsibilities amongst stakeholders in the data collection, analysis, quality assurance, data upload, and maintenance/ management (both content and system) of the overall AMDIS; and,
- Recommendation and suggestions for next steps in the enhancement of AMDIS.

The findings will be presented through the following:

- 1) AMDIS Interim Report which shall consist of: (i) review and assessment of the current AMDIS, and, (ii) gaps analysis (scoping and conceptual design of an enhanced AMDIS) and to consider findings from DPAMC Interim Report.
- 2) AMDIS Report (draft, revised and final) which shall incorporate the findings of the AMDIS Interim Report as well as recommendations on the content and design of enhanced AMDIS.

In addition to the main outputs, the consultant is required to submit activity/progress reports as described in Section V: Reporting.

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.

No	Activities	Outputs	Timelines
<u>Component 1: DPAMC</u>			
1.	Develop DPAMC Interim Report	DPAMC Interim Report	Weeks 2-9

2.	Develop and submit Full Report (draft, revised draft, final draft, final) which incorporates comments/feedbacks	Full Report	<ul style="list-style-type: none"> • Draft: Weeks 10-17 • Revised Draft: Weeks 19-24 • Final Draft: Week 30 • Final Report: Weeks 31-32
3.	Conduct stakeholder workshops (two workshops), prepare presentations of preliminary and final findings to be presented to relevant AMS stakeholders and ASEAN Secretariat representatives, and submit brief reports of both workshops	Workshop Reports (for the 1 st and 2 nd workshops)	<ul style="list-style-type: none"> • 1st: Week 18 • 2nd: Week 28
4.	Develop and submit a public version based on the adopted Final Full Report of DPAMC	DPAMC Public Version	Weeks 35-44
Component 2: AMDIS			
1.	Develop and submit AMDIS Interim Report	AMDIS Interim Report	Weeks 2 -8
2.	Conduct a stakeholder workshop, and submit a brief report of the workshop	Workshop Report	Week 12
3.	Develop and submit Report (draft, revised and final)	Report (draft, revised and final)	<ul style="list-style-type: none"> • Draft: Weeks 13-18 • Revised: Weeks 19-23 • Final: Weeks 24-27

V. Reporting

The consultant is expected to produce reports in accordance with Section III and IV above. The timing of delivery is indicative and can be adjusted when the consultant's work plan is developed, subject to mutual agreement.

No	Reports	Target Delivery Date
1.	Inception Report <i>This would detail the consultant's approach to the project reflecting the framework, methods and detailed work plan as well as outline of the reports (DPAMC and AMDIS).</i>	One week after contract signing
2.	Workshop Reports <i>In line with the various outputs which would be presented in consultative workshops, corresponding workshop reports describing the event proceedings, notes and recommendations would be</i>	Up to one week after the conduct of the workshop

	<i>submitted.</i>	
3.	Project Completion Report <i>To reflect all project activities completed, capture learning from the project and to <u>handover raw data collected</u> throughout the project implementation period (DPAMC and AMDIS).</i>	Within two weeks of completion of outputs

All reports will be submitted based on AADCP II Guidelines for Contractors in draft format to the ASEAN Secretariat's, Energy and Minerals Division (EMD) (with a copy to ASEAN-Australia Development Cooperation Program (AADCP) II) and, following 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 (weekly, bi-monthly or as agreed with ASEC) summation of activities undertaken and issues that have arisen. These will be submitted to EMD 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 AADCP II and managed by the EMD of the ASEAN Secretariat. The Consultant will report directly to EMD.

The EMD, with oversight support from AADCP II, will be responsible for the overall management of the project. The EMD will work closely with AADCP II in the selection of external consultant(s) for the project, in ensuring the timely delivery of planned activities and key deliverables of the project, and in ensuring efficient reporting and disbursement of funds.

EMD will act as the ASEC key focal point for the project. It will:

- manage project implementation and together with AADCP II monitor progress of the consultancy work;
- provide technical supervision to the project;
- assist/facilitate introductory consultation meetings with key Member States focal points; and
- provide over-all guidance on the presentations and meetings.

The consultant should be responsible for organising and conducting the scheduled activities in collaboration with the host countries and the ASEAN Secretariat.

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VIII. Qualifications

The scope of work within this TOR covers two specific types of work, and consulting firms/entities with the appropriate qualifications for at least one of the work areas, are invited to apply for this consultancy. However, groups of consultants submitting a tender are encouraged to organise or associate with a team that allows them to respond to both project components and to manage the delivery of outputs as a team.

In their proposal, the bidders should demonstrate:

- Thorough understanding of the mining and extractives resource sector development at the industry level and its national and global context, including (i) the relationship between mining and development outcomes, (ii) global and regional market outlooks and evolving supply and demand scenarios, (iii) innovation and advanced mining technologies and (iv) global megatrends, emerging opportunities and social dimensions to mining.
- In-depth knowledge and understanding of minerals or other extractives industries development and the specific policy responses and cooperation initiatives needed to pursue regional cross-border cooperation, including market integration and value chains development.
- Proven track record (preferably with minerals agencies and institutions in AMSs) in minerals policy research and activity design and delivering technical assistance, including conceptualising frameworks/programs to encourage investments in resource exploration and development, needs assessment for work planning, institutional development and design of supporting data and information systems.
- At least twenty (20) years of combined international or regional professional consulting work experience in the mining and extractives industries.
- Knowledge of the ASEAN minerals development and issues.
- Experience in policy making and providing policy advice to governments and high-level strategic planning discussions/workshops among various stakeholders with different and wide-

ranging interests.

- Working experience in applying environmental and social assessments, especially in gender and social inclusion, preferably in the minerals sector.
- Understanding of ASEAN and its work on economic community building.
- Proven experience in dealing with senior government officials, parliamentarians and other identified stakeholders and considerable exposure and network with minerals agencies, particularly in AMSs.
- The personnel of the consulting team/bidder shall possess: (i) Tertiary qualifications in Mining Engineering, Mining Management, Industrial Organisation, Economics, Public Management, Organisational Development, Development Management, Programming or Data Science, or any other related field; (ii) Good computer skills with adequate knowledge of multi-media presentation and dissemination of outputs and documentation; (iii) Proven ability for accuracy under pressure and adherence to deadlines; and, (iv) Proven skills in writing and conversing in English.

In addition to the above general qualifications, bidders must comply with these specific requirements:

- For Component 1 (DPAMC), involvement in drafting regional or strategic planning for minerals cooperation.
- For Component 2 (AMDIS), experience in scoping and design of minerals information and data systems including familiarity with data science and systems applicable to the mining and minerals industry.

A thorough understanding of ASEAN, ASEC and AACDPII procedures will be considered 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**, submitted in two separate documents.

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.

The Financial component should specify:

- 1) Professional fees of expert(s);
- 2) Management and/or operational fees (if any), which include all costs incurred by the person/entity/company for internal coordination, communication, travels and any other

- associated project management cost;
- 3) Applicable taxes such as VAT, GST, PPN. See *Section XI point 3 for an additional note on tax liability.*

Activity costs for experts and participants such as reimbursable expenses for airfare, other travel costs and daily subsistence allowance for workshops, meetings, and all other agreed activities do not need to be included in the Financial Component. These items will be discussed with the preferred contractor during the finalisation of the scope of services. Costs will be based on prevailing ASEC rates.

X. Scope of Services

The consultancy will be undertaken over a **continuous effective period of 18 calendar months** with the two components being undertaken concurrently.

Specifically, the consultancy will take approximately **30 person weeks (150 person days) for Component 1 (DPAMC) and 18 person weeks (90 person days) for Component 2 (AMDIS)** of professional services. Work will commence immediately after contract signing.

A maximum of two teams of consultants will be hired to implement the project. While interested consultants can bid on one work area, preference will be given to those who can demonstrate competency to do both.

XI. Submission of Application

Applicants should send their application with a cover letter, materials specified in Section IX above and other supporting documents with “**Strengthening ASEAN Cooperation in Minerals**” as the subject via email to tender@aadcp2.org, no later than **25 May 2020 at 05:00pm, Jakarta time**.

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

Any queries on the TOR should be sent to contact@aadcp2.org with the subject line:” **Query on Strengthening ASEAN Cooperation in Minerals.**”

XI. 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.