



Empowered lives.
Resilient nations.

TERMS OF REFERENCE

Project Name	Strengthening capacities for sustainable development finance in the CIS region (00107048)
Short title of Assignment:	Technical Advisor for development of co-financing mechanism for preparation of feasibility studies of projects between UNDP and EDB
Duty station:	Home based with travels
Type of Contract:	Individual Contract
Duration of Contract:	November, 2018 – December, 2018 (40 effective person days)

BACKGROUND

Global economy continues to experience deep recession which affects developing countries, as they have become more integrated than before, thanks to trade, FDI and remittances. Crisis also affected CIS countries, and in particular countries of Central Asia, including due to significant decrease in remittances inflow. Unsurprisingly, deterioration of macroeconomic conditions affects people's lives, as unemployment rate increases and incomes fall sharply. For example, in Armenia, decline in remittance inflows has led to loss of material prosperity in all households, domestic labor market has deteriorated due to job constraints, and unemployment rate in 2017 has increased to 16.5%. For this reason, for the time being, Central Asian governments are facing challenges in promoting employment growth, maintaining financial sustainability and protecting pro-poor spending. In order to solve above mentioned problems, additional foreign assistance is important for governments of countries to mitigate consequences of crisis in the region. Greater and more effective international support is also needed to implement rich Action Program for Sustainable Development until 2030, which requires additional resources and opportunities. Goal #8 of sustainable development is aimed at "strengthening capacity of national financial institutions to promote and expand access to banking, insurance and financial services for all".

In addition, Addis Ababa Action Program recognizes that it is often difficult for enterprises, especially SMEs, to obtain funding. It calls for increased lending and commitment to strengthen capacity of financial institutions, including through public training programs, capacity-building and knowledge exchange at regional and global levels.

Lessons learned from experience of IFIs (World Bank, EBRD, etc.), indicate that for success of operations, adequate assistance in building capacity of clients to participate in financing IFIs is needed. In successful operations, IFIs support preparation of clients in preparation of a project, and also ensure that technical, financial, environmental and other recommendations are available that may be required to provide viable project proposals to clients for financing IFIs.

Such an approach often requires consolidation of a loan with consultative package funded by a grant. In targeted countries, IFIs are working to build partnerships with interested bilateral and multilateral donor agencies and funds that can support IFI operations with their grants and technical assistance. If necessary, IFIs work closely with donors

to ensure not only financing of technical assistance, but also provision of investment support to overcome limitations of accessibility and remove barriers to costs and risks.

Among financial institutions operating in CIS, Eurasian Development Bank has great potential for promoting economic growth and sustainable development in the region.

Macroeconomic instability and other factors, such as currency volatility, negative dynamics of industrial production, limited access to world markets, narrowed the base for financing promising projects. In order to fully utilize EDB's potential for the benefit of Member States, new approaches and tools need to be found, including more emphasis on capacity building and closer partnerships with other institutions, including other development banks.

Targeted support to potential EDB clients in improving preparation of projects and government organizations working with IFIs must overcome barriers and accelerate investment flows into priority projects of national importance.

In response to the need to expand cooperation towards 2030 Agenda, UNDP seeks to forge closer partnerships with IFIs and private partners, given their influential role in development activities, large-scale funding that IFIs contribute and catalyze, and effectiveness achieved through partnership,

UNDP has launched a project "Capacity building for financing sustainable development in CIS region", funded by the Government of the Russian Federation, aimed at raising awareness and capacity building of ministries and government institutions, national financial institutions, business entities and entrepreneurs in IFIs projects in CIS. Component 2. "Technical assistance in preparation of projects for potential financing of IFIs by public and commercial entities in Armenia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan, including EDB clients" will focus on enhancing capacity of CIS countries to access new sources of financing for development. Component will contribute to strengthening EDB's partnership with UNDP in providing funding for grants and technical assistance to client countries in project preparation and supporting EBRD in accessing through UNDP main sources of concessional financing (GEF, Green Fund, etc.) which can be financed for account grants, and thus significantly contribute to financial attractiveness of EDB project packages.

The Eurasian Development Bank (EDB) was established to promote economic growth, extend trade and economic ties and to support integration in Eurasia. EDB was founded by an International Agreement signed by Russia and Kazakhstan on 12 January 2006. Armenia and Tajikistan joined EDB in 2009, Belarus in 2010, and Kyrgyzstan in 2011. The Bank renders financial assistance with pre-investment research and innovation at international, state and industry levels aimed at strengthening market infrastructure and ensuring sustainable economic growth in its member states. In order to meet the above objectives, the Bank has incorporated into its structure a Technical Assistance Fund. One of the important EDB's instruments are credit lines provided through local banks for micro crediting, support to small and medium businesses; energy efficiency improvements; agro-industrial complexes development, trade facilitation. Now 18 banks participate in implementation of the EADB' credit lines: 8 banks in Belarus; 2 banks in Armenia; 3 banks in the Russian Federation; 3 banks in Kazakhstan; and 2 banks in Kyrgyzstan.. Most of the local banks and their clients need technical assistance and capacity development for participation in different EDB's credit lines, in particularly, on support to small and medium businesses; energy efficiency improvements; agro-industrial complex development, including green technology production.

In this regard, UNDP seeks to find an experienced Technical Advisor that will help the Project to develop and launch a co-financing mechanism for preparing feasibility studies of projects between UNDP and European Development Bank (EDB), as well as other international financial institutions

OBJECTIVE

Creation of co-financing mechanism for preparation of feasibility studies of projects between UNDP and EDB, as well as other international organizations and financial institutions with co-financing of investment projects.

SCOPE OF WORK

Scope of work:

1. Analyze of UNDP and EDB procurement procedures for co-financing of feasibility studies preparation, including those of other international financial institutions (at least 3 international financial institutions and 2 international organizations)
2. Analyze procurement procedures of international financial institutions and organizations when co-financing business and investment projects (at least 3 international financial institutions and organizations)
3. Propose mechanisms for co-financing preparation of feasibility studies of projects between EDB and UNDP
4. Propose mechanisms for co-financing business and investment projects, including preparation of feasibility studies for projects, EDB with International Financial Institutions, organizations, funds and development banks, including Green Climate Fund
5. Develop information materials (at least 3 guidelines with practical recommendations) and support of an information campaign aimed at potential new donors of developed co-financing scheme, as well as owners and developers of profitable projects (at least 3 meetings)

FINAL DELIVERABLES

PRODUCTS	DEADLINE	PAYMENT STRUCTURE
<p>Submitted and approved Final report with applications of the following products agreed with the involved parties should include:</p> <ul style="list-style-type: none"> - Analytical document on results of studying UNDP, EDB procurement procedures aimed at creating flexible co-financing mechanisms between UNDP and EDB in preparing feasibility study - Analytical document on results of studying procurement procedures of international financial institutions and organizations (at least 3 international financial institutions and 2 organizations) - Analytical document on results of studying cooperation mechanisms between international financial institutions and organizations in co-financing business and investment projects (at least 3 international financial institutions and 2 organizations) - Developed mechanism for co-financing preparation of feasibility studies of projects between EDB and UNDP - Developed mechanism for co-financing business and investment projects, including preparation of feasibility studies for projects, EDB with International Financial Institutions and organizations, funds and development banks, including Green Climate Fund 	15 December 2018	100%

<p>- Reference with description of procedure for obtaining accreditation of EDB in Green Climate Fund</p> <p>- Final report on the results of conducting information campaign aimed at potential new partners and clients (at least 3 meetings) with attachments: at least 3 guidelines with practical recommendations</p>		
--	--	--

REPORTING REQUIREMENTS

Accountability:

1. Above mentioned results must be accepted and signed by EDB's authorized officer, on the UNDP side UNDP Sustainable Economic Growth Team Leader and " Strengthening capacities for sustainable development finance in the CIS region " Project Coordinator. Accepted documents will be basis for payments (see table above).
2. All reports should be provided in both printed and electronic versions in Russian language, with detailed description of the fulfilled tasks, according to the present Terms of Reference, and the direct contribution of the expert. Analytical documents, reports and notes developed by expert should be attached to the reports as annexes, which will serve as a justification for payment.

QUALIFICATION REQUIREMENTS

- Minimum University degree in economic or finance fields
- At least 5 years of experience in investment, banking and finance, including international financial organizations
- Experience in processing investment transactions above \$ 50 million in managerial position (list of successfully completed investment transactions to be indicated in P11/CV)
- Experience in attracting capital and arranging syndicated credit lines from international financial organizations for at least \$ 10 million (list of successfully completed transactions to be indicated in P11/CV)
- Experience in creating new financial / investment mechanisms and credit / investment products (list of successfully launch/credit projects to be indicated in P11/CV)
- Experience of lending / investment / corporate finance in Russia and Central Asia is an advantage (to be indicated in P11/CV)
- Experience in application of principles of Green Economy and sustainable financing (to be indicated in P11/CV)
- Experience in structuring transactions, corporate finance, capital distribution in international financial organizations is an advantage (to be indicated in P11/CV)
- Excellent knowledge of Russian and English

SCOPE OF PRICE PROPOSAL

Contracts based on lump-sum

- Lump-sum contract

Preferred Currency of Offer: United States Dollars (US\$)

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. In order to assist the requesting unit in the comparison of financial proposals, the financial proposal will include a breakdown of this lump sum amount (including travel, per diems, and number of anticipated working days).

For local contractors in Kyrgyzstan UNDP shall effect payment in Kyrgyz Som based on the prevailing UN operational rate of exchange on the month of payment. The prevailing UN operational rate of exchange is available for public from the following link: <http://treasury.un.org/operationalrates/OperationalRates.aspx>

TERMS OF PAYMENT

The consultant is paid after completion of deliverables based on the table "deliverables" and on the submission and approval of the relevant deliverables. The contractor submits reports based on the results achieved in an agreed format and indicates all the actions taken during the implementation of the TOR. The reports are submitted in accordance with the established schedule to the Team Leader Sustainable Economic Growth Programme UNDP. Upon completion of the work, the Contractor submits the final report for approval to the UNDP «Strengthening capacities for sustainable development finance in the CIS region» Project after which the final payment will be made. The Team Leader Sustainable Economic Growth Programme is responsible person who will approve the report.

ADDITIONAL REQUIREMENTS FOR RECOMMENDED CONTRACTORS

Statement of Medical Fitness for Work

Individual Consultants/Contractors whose assignments require travel and who are over 65 years of age are required, at their own cost, to undergo a full medical examination including x-rays and obtaining medical clearance from an UN - approved doctor prior to taking up their assignment.

Where there is no UN office nor a UN Medical Doctor present in the location of the Individual Contractor prior to commencing the travel, either for repatriation or duty travel, the Individual Contractor may choose his/her own preferred physician to obtain the required medical clearance.

Inoculations/Vaccinations

Individual Consultants/Contractors are required to have vaccinations/inoculations when travelling to certain countries, as designated by the UN Medical Director. The cost of required vaccinations/inoculations, when foreseeable, must be included in the financial proposal. Any unforeseeable vaccination/inoculation cost will be reimbursed by UNDP.

TRAVEL REQUIREMENTS

#	Destination point	# number of travels	# number of nights
1	Almaty, Kazakhstan	2	6

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNDP should not accept travel costs exceeding those of an economy class ticket and daily allowance exceeding UNDP rates. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the case of unforeseeable travel, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and Individual Consultant, prior to travel and will be reimbursed.

SECURITY CLEARANCE

The Consultant/Contractor will be requested to undertake the Basic Security in the Field II (BSIF-II) training and Advanced Security in the Field (ASIF) training. These requirements apply for all Consultants, attracted individually or through the Employer

UNDP INPUT

Security charges are not applicable.