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## TERMS OF REFERENCE

Project Name	Strengthening capacities for sustainable development finance in the CIS region (00107048)
Short title of Assignment:	International Consultant for development of new credit lines
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 this reason, for the time being, Central Asian governments are facing challenges in promoting employment growth, maintaining financial sustainability and protecting pro-poor spending.

International community recognizes that it is often difficult for enterprises, especially SMEs, to obtain funding, and therefore calls for increased lending and commitment to strengthen capacity of financial institutions, including through public training programs, capacity building and knowledge sharing at the regional and global levels.

Resources of Eurasian Development Bank (EDB) can play a potential decisive role in accelerating growth, creating jobs, eliminating inequalities and providing access to financing of development for the most vulnerable segments of population, including small and medium-sized enterprises in rural areas.

This activity will contribute to improvement of conditions and capacity building in the field for implementation of credit lines financed by EDB and used by national commercial banks as an important element for ensuring wider availability of investment resources and financing of development for medium-sized and smaller projects. It will be implemented in partnership and on the basis of co-financing with commercial banks.

It is expected that new lending products will primarily focus on energy efficiency and sustainable agricultural production. It is also possible to consider extending loans in other areas, including financing microcredit, supporting small and medium-sized businesses, financing trade, and other. Experience of lending / investments / corporate finance in banks on the territory of Russia and Central Asian countries will be thoroughly studied, as well as support in disseminating information on credit lines, in training potential borrowers and cooperating with central and local government agencies. Activity will consider options for syndicated financing in cases where client can benefit from both a larger operation and a targeted reduction in its financial risk.

In this regard, UNDP seeks to find an experienced International Consultant, who will help to develop new credit lines for EDB and second-tier banks, which ensure accelerated and effective preparation and implementation of projects in priority thematic areas.

#### OBJECTIVE

Development of new credit lines for EDB and second-tier banks, which ensure accelerated and effective preparation and implementation of projects in priority thematic areas

#### SCOPE OF WORK

Consultant will carry out his work under the direct supervision of the Deputy Head International Development Department, Eurasian Development Bank, who will accept and approve the results of the Consultant's work. On the part of UNDP, Sustainable Economic Growth Team Leader will guide and oversee the Consultant's work under the direct supervision of «Strengthening capacities for sustainable development finance in the CIS region» Project Coordinator.

Scope of work:

1. Study of international business models and credit lines of international development banks and commercial banks, which can be adapted to CIS market, primarily focused on improving energy efficiency and sustainable agricultural production
2. Study and interview on business models and credit lines offered by banks located in Russia (Moscow) and Kazakhstan (Almaty)
3. Propose new types of credit lines for EDB
4. Propose new types of credit lines for second-tier banks which they can propose to their clients
5. Develop information and methodological materials (at least 3 guidelines with practical recommendations) and support of an information campaign aimed at potential new partners and clients (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"> <li>- Analytical document on international business models and credit lines of international development banks and commercial banks, which can be adapted to CIS market, while primarily focused on improving energy efficiency and sustainable agricultural production</li> <li>- Analytical document on results of interviews on business models and credit lines offered by banks located in Russia (Moscow) and Almaty (Kazakhstan)</li> <li>- New types of credit lines for EDB (at least 3 types)</li> </ul>	<p>15 December 2018</p>	<p>100%</p>

<p>- New types of credit lines for second-tier banks, which they can offer to their clients (at least 3 types)</p> <p>- Information and methodological materials (at least 3 guidelines with practical recommendations) and final report on results of information campaign aimed at potential new partners and clients (at least 3 meetings)</p>		
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## 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 alternative financing mechanisms: project financing, equity investments, hybrid funds, syndicated loans, etc (assignments confirming experience in these areas to be indicated in P11/CV)
- Experience in arranging syndicated credit lines from international financial organizations for at least \$ 10 million (list of successfully arranged credit lines to be indicated in P11/CV)
- Experience in lending / investments / corporate finance in Russia and Central Asia is an advantage (to be indicated in 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 deliverable 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

The assignment includes a requirement for a trip to the cities to Moscow and Almaty

#	Destination point	# number of travels	# number of nights
1	Almaty (Kazakhstan)	2	6
2	Moscow (Russia)	1	30

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.