

TERMS OF REFERENCE

Project Name	Strengthening capacities for sustainable development finance in the CIS region (00107048)
Short title of Assignment:	Consultant on the provision of services for development of new credit lines
Duty station:	Home based with travels
Type of Contract:	Individual Contract
Duration of Contract:	40 effective person days (October - November 2019)

BACKGROUND

The Eurasian Development Bank (EDB) is an international financial organization designed to promote the economic growth of participating states, expand trade and economic relations between them and develop integration processes in the Eurasian space through investment activities.

In carrying out its activities, the EDB, in particular, provides debt financing to financial institutions (second-tier banks in member States). There is a clear need in the region to develop the capacity of second-tier banks (STBs) to access EDB financial resources and to improve procedures for the selection, preparation and implementation of second-tier Bank projects aimed at promoting socio-economic development at subnational and local levels. Another obstacle to resource mobilization from international financial institutions (IFIs) is the lack of understanding and qualification of second-tier banks to comply with EDB standard procedures.

EDB resources can play a potentially crucial role in accelerating growth, creating jobs, addressing inequalities and ensuring access to development Finance for the most disadvantaged segments of the population, including small and medium-sized enterprises in rural areas, energy efficiency projects.

Targeted support to potential clients of EDB second-tier banks, as well as their clients in strengthening the capacity of Bank employees and their clients in the initiation, development, implementation and monitoring of projects should overcome barriers and accelerate investment flows in priority projects of national importance.

The Bank has 5 programs to provide financial institutions with credit lines for support purposes:

- agro-industrial complex ("agribusiness Program»);
- small and medium-sized businesses ("SME Program»);
- microfinance ("MF Program»);
- trade Finance ("TF Program»);
- energy efficiency ("EE Program").

Currently, 23 banks participate in the implementation of EDB credit lines: 3 banks in Armenia; 6 banks in Belarus; 5 banks in Kazakhstan; 4 banks in Kyrgyzstan; 5 banks in the Russian Federation.

EDB interaction with Tier 2 banks shows that most of them, as well as bank customers, need technical assistance and capacity development to participate in various EDB credit lines. On the other hand, EDB is interested in introducing new credit products used by international development banks.

In this regard, within the framework of Activity 2 of the UNDP Project "Capacity Building for Financing Sustainable Development in the CIS Region," it is planned to:

- Development of new credit products for credit lines by second-tier banks providing accelerated and effective preparation and implementation of projects in priority thematic areas (on development of small and medium-sized enterprises, improvement of energy efficiency; Development of agro-industrial complex, including production of environmental technologies, etc.)
- Support for the dissemination of information on credit products and programmes, training of potential borrowers and cooperation with central and local public authorities
- Development of new credit products for EDB in financing of second tier banks.

OBJECTIVE

Development of new credit products, lines for participating banks and EDB

SCOPE OF WORK

Consultant will carry out his work under the direct supervision of the EDB's authorized officer, who will accept and approve the results of the Consultant's work. On the part of UNDP, under the direct supervision of Policy Analyst/ Team Leader of Sustainable Economic Growth Programme and «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 and other areas, including microcredit financing, small and medium business support, trade finance, and others
2. Conduction of interview on business models and credit lines offered by banks located in Russia (Moscow), Kazakhstan (Almaty), Belarus (Minsk), Armenia (Yerevan), Kyrgyzstan (Bishkek).
3. Propose new types of credit products for EDB or correction of requirements for current credit products (at least 2 types)
4. Propose new types of credit products for second-tier banks which they can propose to their clients (at least 2 types)
5. Develop information and methodological materials (at least 4 guidelines with practical recommendations to each type of credit line) and support of an information campaign aimed at potential new partners and clients (at least 3 meetings)
6. Preparation of Final report within Terms of reference

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 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 and other areas, including microcredit financing, small and medium business support, trade finance, and others - report on results of interviews on business models and credit lines offered by banks located in Russia (Moscow) , Almaty (Kazakhstan), Belarus (Minsk), Armenia (Yerevan), Kyrgyzstan (Bishkek). - presented Full package of new types of credit products for EDB, or correction of requirements for current credit products (minimum 2 types) - presented Full package of new types of credit products for second-tier banks, which they can offer to their customers (at least 2 types) - presented Information and methodological materials (at least 4 guidelines with practical recommendations to each type of credit line) and report on results of information campaign aimed at potential new partners and clients (list of registration of participants, Agenda, information materials) -presented presentation materials (at least 3). 	After 50 days after signing contract	100%

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 3 years of experience in investment and/or banking field in Central Asia and/or in Caucasus states and/or Russian Federation.
- At least 3 years of experience in providing resources by financial institutions to second-tier banks or by second-tier banks to their clients.
- Excellent knowledge of Russian. English language is an asset.

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 travels:

#	Destination point	# number of travels	Total number of nights
1	Almaty (Kazakhstan)	2 travels with 3 nights each	6
2	Moscow (Russia)	1 travel with 3 nights each	3
3	Erevan (Armenia)	1 travel with 3 nights each	3
4	Minsk (Belarus)	1 travel with 3 nights each	3
5	Bishkek (Kyrgyzstan)	1 travel with 3 nights each	3

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 BSAFE training. These requirements apply for all Consultants, attracted individually or through the Employer

UNDP INPUT

Security charges are not applicable.