



**TERMS OF REFERENCE**  
**FOR INDIVIDUAL CONTRACT**

**POST TITLES:** **International Consultant - Strategic Advisory in Investment Compliance and Risk Management**

**AGENCY/PROJECT NAME:** UNDP SDG Innovative Finance (UNSIF), UNDP Bangkok Regional Hub

**COUNTRY OF ASSIGNMENT:** Home based, with possible travel to various locations in the region

**A. Project Title**

**UNDP SDG Innovative Finance**

**B. Project Description**

The international community is set to commit to a new set of ambitious Sustainable Development Goals, reflecting the need to transform economies, end poverty, and tackle the challenge of climate change.

Private finance will be critical in helping countries to transform and grow in a sustainable way, providing jobs, particularly for the poorest and most marginalized and enabling countries to broaden their financing base and exit aid dependence. Private flows to developing countries are already increasing, reflecting increased attention on investment opportunities in global growth markets.

By blending development finance with private capital, all actors in a Blended Finance transaction benefit from win-win solutions. Wins for the development funders, as they can magnify the impacts of public sector support to leverage larger amounts of private finance. Wins for commercial investors as they secure viable returns on worthwhile projects in developing countries since more funds are channeled to help transform economies, societies, and lives.

UNDP is currently considering several potential financial instruments to scale up its involvement with development financing, innovation and impact investments. These financial instruments will help attract new partners to finance achievement of the Sustainable Development Goals (SDGs). However, novelty and very limited use of the proposed instruments by UNDP system previously represent a significant challenge for the organization – it needs to build-up finance related technical capacity, set-up adequate operational and risk management processes, as well as properly position itself in the related ecosystem.

One of the initiatives supporting the creation of the global development advisory and implementation services platform is UNDP SDG Innovative Finance (UNDP-UNSIF). It has been established with the

objective of accelerating the scale-up of SDG investment models through leveraging investment partners. In cooperation with the implementation capacity of the UNDP and its partners, UNSIF facilitates and promotes measurable social impacts, economically sustainable for all its stakeholders. This target needs the creation of a new financing architecture that leverages the traditional development funding pathways of pooled grants with private debt, equity and quasi-equity investments.

UNSIF is actively developing and supporting impact ventures accelerators (IVAs) which are one of the practical approaches to help businesses become focused on delivering products and services, which directly contribute to the challenges embedded in the SDGs. Impact venture accelerators combine business acceleration programs with robust and dedicated efforts for SDG impact alignment including impact measurement and management practices. UNDP has 3 major offers for impact accelerators: The first two offers are primary IVA models designed for businesses at various levels of maturity, and the third offer is an advisory service on SDG alignment for external business accelerators.

UNDP has identified major impediments to aligning market capital with the SDG achievement:

1. **Reliable evidence of impact:** Driven by market incentives that give market capital investors with robust data a comparative advantage, the private sector is particularly skillful at data-driven decision-making. This skill, however, is mostly limited to the collection and use of financial data. Innovative approaches are to be explored to address public and private sectors collaboration to incentivize the collection of data, establishment of new analytical models and research needed to measure social and environmental impact.
2. **Regulatory barriers:** There is a perception that there are significant legal and regulatory barriers to developing impact investment products. While there are some additional considerations for impact investment products, many governments do not have the appropriate legislative regulations that define and incentivize impact investing and blended finance.
3. **Risk Management:** When entering in a partnership with the private sector, especially on the matters relevant to financial products a new range of possible risks emerge for typical UN agencies. A prudent financial and operational risk management and quality assurance are crucial for UNDP to understand the risks they are exposed to in order to put robust processes and controls in place to counter threats, and effectively pursue their long-term SDG financing objectives within the unique environment of impact investment and blended finance.

## C. Scope of Work

UNDP-UNSIF platform is looking for an experienced professional to advise on comprehensive and robust legal, risk management, and compliance frameworks; and improve internal processes, rules, tools and systems to adopt, implement and monitor an integrated approach to SDG and development financing.

The objectives are:

- ) Gain and maintain market confidence – to maintain confidence in the capital market, with SDG investors, donors, governments and other stakeholders
- ) Increase financial sustainability of UNSIF
- ) Maintain effective risk mitigation strategy and operations to include perceived reputational risk, legal and financial exposure in relevant areas

UNSIF requires consultant that will:

- Develop a risk mitigation strategy and manage the risks of various portfolio, under the overall guidance of the project manager;
- Evaluate financing and funding structures and make recommendations for effectiveness and efficiencies;
- Ensure the applicable legal regulations are properly followed for the lifecycle of all investments; as well as range of involvements, innovative financial tools and arrangements UNSIF works on.
- Provide comprehensive risk, legal, and ESG assessment and analysis of potential pipeline investments and other relevant initiatives.
- Identify and develop opportunities, maintain relationship with stakeholders in building the network of impact venture accelerators with the special focused on related business development centers in Asia-Pacific (e.g. Hong-Kong, Singapore etc.)
- Contribute to development of proposals, prospects and presentation materials for the impact accelerator, investment fund and other UNSIF initiatives;
- Advise on the UNSIF on policy, initiatives, specific activities related to fintech, digital finance, digital technologies (AI, blockchain etc.) on risk, compliance and impact.
- Contribute to development of training and mentoring program; assist in the matching process between advisors and entrepreneurs
- Participate in the acceleration activities by providing strategy consulting to social ventures in areas such as business model, risk management and compliance, client acquisition, overall strategy, financing, fundraising, market research, operations, contract negotiations, etc.

#### **D. Expected Outputs**

- ) Risk Management Strategy Developed and updated
- ) Risk Management Action Plan implemented effectively across portfolios
- ) Draft Compliance policy framework for Fintech/digital tech developed
- ) A network of partners established in Asia's financial centers, with a focus on Guangdong-Hong Kong-Macau Greater Bay and Singapore with the specific descriptions and leads related to the scope of UNSIF's interests and engagements as described above.

#### **E. Institutional Arrangement**

The consultant will work under the overall guidance of the Head of the UNSIF, and in close communication with designated team members.

#### **F. Duration of the Work**

The consultant is expected to work 180 days over the period from May 1<sup>st</sup>, 2020 to April 30<sup>th</sup>, 2021

#### **G. Duty Station**

Duty station is home based, with possible travel to various locations in the region

## H. Scope of Price Proposal and Schedule of Payments

Consultant must send a financial proposal based on a **Daily Fee**. Consultant shall quote an all-inclusive Daily Fee for the contract period. The term “all-inclusive” implies that all costs (professional fees, communications, consumables, etc.) that could be incurred by the IC in completing the assignment are already factored into the daily fee submitted in the proposal. If applicable, travel or daily allowance cost (if any work is to be done outside the IC’s duty station) should be identified separately. Payments shall be done monthly based on actual days worked, upon verification of completion of deliverables and approval by the IC’s supervisor of a Time Sheet indicating the days worked in the period.

In general, UNDP shall not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources.

In the event of unforeseeable travel not anticipated in this TOR, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and the Individual Consultant, prior to travel and will be reimbursed at actual documented cost.

Travel costs shall be reimbursed at actual but not exceeding the quotation from UNDP approved travel agent.

## I. Qualifications of the Successful Individual Contractor

The consultant should possess the following expertise and qualifications:

### Education:

Master’s degree in business administration, finance, or business-related subjects.

### Qualifications:

- ) Previous senior management experience in international business organizations, with over 10 years of working experience in investment compliance and risk management
- ) Good understanding of the SDGs, Sustainable finance models, the Principles for Responsible Investment, environmental, social, and governance (ESG) standards for investment processes;
- ) Strong working experience in management, business consulting, policy development, regulatory or related field in business/ private sector;
- ) Proven ability to work with investors and regulatory bodies on compliance issues.
- ) Proven knowledge and ability to evaluate comprehensive risk across financial and non-financial dimensions

### Language requirements:

Fluency and proficiency in English (written and verbal)

## J. Recommended Presentation of Offer

Candidates wishing to be considered for this assignment are required to submit the following documents:

- ) Duly accomplished Letter of Confirmation of Interest and Availability using the template provided

by UNDP;

- ) Personal CV indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate
- ) Financial Proposal that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs, as per template provided (In USD currency)

#### K. Criteria for Selection of the Best Offer

Individual consultants will be evaluated based on the following methodology:

##### Cumulative analysis

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (70%). and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.

##### Technical Criteria for Evaluation (Maximum 70 points)

- ) **Criteria 1:** Relevance of educational background - Max 10 points
- ) **Criteria 2:** Proven working experience in compliance and risk management - Max 40 points
- ) **Criteria 3:** Proven working experience in management, business consulting, policy development, regulatory or related field in business/ private sector - Max 20 points

\*Only candidates obtaining a minimum of 49 points (70% of the total technical points) will be considered for financial evaluation. \*

#### L. Annexes to the TOR

N/A

#### M. Approval

This TOR is approved by :

Signature



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(Nan Collins)  
Head, UNDP SDG Innovative Finance (UNSIF)

Date of Signing

25 March 2020  
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