**TERMS OF REFERENCE**

**ASSESSMENT AND DEVELOPMENT OF THE DEVELOPMENT BANK OF MONGOLIA’S CAPACITY FOR FINANCING SUSTAINABLE DEVELOPMENT**

**UN JOINT PROGRAMME**

**“ROLLING OUT AN INTEGRATED APPROACH TO SDG FINANCING IN MONGOLIA”**

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| **Location** | Multiple |
| **Application deadline** |  |
| **Type of Contract** | Individual Contractor |
| **Post Level** | National Consultant |
| **Languages required:** | English and Mongolian |
| **Duration of Initial Contract:** | 20 working days |

**BACKGROUND**

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| The Sustainable Development Goals (SDGs) are the most ambitious collective development endeavour attempted, requiring the world to equally ensure social governance, economic inclusion, and environmental protection by 2030. There is growing recognition of the need for more integrated approaches to financing, where public and private sources of finance contribute to sustainable development according to their specific characteristics. This is a central feature of the Addis Ababa Action Agenda (AAAA), which calls for the SDGs to be implemented through nationally owned sustainable development strategies, supported by integrated national financing frameworks[[1]](#footnote-1). Integrated national financing frameworks[[2]](#footnote-2) bring together financing and related policies most relevant to addressing a country’s financing challenges.  Mongolia has taken important steps to accelerate SDGs implementation in policy and socio-economic areas. The Parliament recently approved a long-term development policy document-Vision-2050 replacing the Sustainable Development Vision-2030, and the medium-term (5-year) national development guidelines and 4 year Government Action Plan in alignment with the Vision-2050.  The UN Joint Programme “Rolling out an Integrated Approach to the SDG Financing in Mongolia” aims to contribute to improved alignment of financial resources with the national development policies, formulation of an integrated financing strategy, and building capacity of key stakeholders for the implementation of SDGs and their financing strategies.  The Development Bank of Mongolia (DBM), as the national development bank, has a unique and important role in the country’s sustainable financing landscape. Its aim is to finance programs and projects that promote national sustainable economic development, replacing imports and expanding exports. As set out in the Law on Development Bank of Mongolia, one of the prerequisites for the programs and projects to be financed by the DBM is that they have to be compliant with Mongolia’s Sustainable Development Vision and medium-term development policies. It is also the nation’s largest financier as the DBM’s net annual lending is equal to around 1/3 of state budget investments, making it a substantial player in successfully re-profiling development financing towards sustainable development. It assumes an important policy role in the overall integrated national financing framework because of its past engagement (e.g. serving on the Development Finance Assessment oversight committee) and being a key stakeholder on the policy side as well as in their own operations. DBM has the greatest potential to exemplify industry’s best practice and motivate other financial institutions in adopting sustainable financing principles in their operations.  In order to help strengthen DBM’s role and contribution towards the operationalization of overall integrated national financing framework for financing the SDGs, capacity development is needed at the DBM in all areas of its business conduct from strategy planning to actual implementation. The capacity assessment and development at the DBM is especially timely and necessary at this stage, as they are currently developing their strategic and business plan, in alignment with the development and approval of the new Government Agenda, following the Parliamentary elections in June 2020. |

**DUTIES AND RESPONSIBILITIES**

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| **Scope of Work**  The scope of assignment covers the review and assessment of the DBM’s current integration of sustainable financing principles and contribution towards SDGs, development of recommendations based on the assessment and provision of SDG tools, guidelines, and standards templates, training and capacity-building activities. The national consultant will collaborate with and receive strategic guidance from the international consultant and deliver the following outputs and deliverables as a team. The national consultant will translate the final documents into Mongolian.  **Expected Outputs and Deliverables**   1. **Assessment of DBM’s extent of financing for development**  * Support the international consultant on the review and assessment of current operational practices and governance structure, against the international best practices and guidelines including UN Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, UNEP Principles for responsible banking and that of Sustainable Banking Network (SBN) and sustainable banking principles adopted by various development banks; * Review and assessment of current operations and priorities against the national priorities, development policies and its legal mandate, and determine the extent to which the DBM is financing the national development priorities and its legal mandate, including the Vision-2050, National Green Development Policy, Nationally Determined Contributions (NDC), medium-term (5-year) national and local development guidelines, the Government Action Plan, annual national and local development plans, and sectoral development programmes; * Review the already undertaken financial sector assessments and reviews on SDG implementation progress, including [DFA](https://www.undp.org/content/dam/rbap/docs/dg/dev-effectiveness/RBAP-DG-2018-Development-Finance-Assessment-Mongolia.pdf), [VNR](https://www.mn.undp.org/content/mongolia/en/home/library/mongolia-voluntary-national-review-report-2019.html), and [SFRM](http://unepinquiry.org/wp-content/uploads/2018/11/National_Sustainable_Finance_Roadmap_of_Mongolia.pdf). * Support the international consultant on the development of comprehensive recommendations and action plan towards financing for national sustainable development and integration of sustainable financing principles across entire operations;  1. **Support on development of guidelines, standards, policies and other relevant documents necessary to integrate SDGs into DBM’s operation and sustainability reporting.**  * Draft and support the introduction of standards, policies and relevant documents to integrate SDGs into DBM’s operation; * Support to identify and agree on a set of business objectives, targets, and indicators, consistent with national policies, SDGs, and international sustainable financing principles. * Support to draft and support introduction of new sustainable financing instruments that will attract private capital into areas such as low-carbon energy solutions, large-scale infrastructure, and social impact projects. * Support to draft and agree on ways to improve disclosure, impact, performance measurement system and reporting on the SDGs, considering general features of effective reporting and data users’ (the government, investors, civil society, academia etc) information needs. * Support to provide operational guidelines and standards templates for areas such as ESG investing, ESG disclosure, ESG integration assessment, ESG risk management, sustainability governance and performance measurement, to help ensure the practical application of the training and capacity development activities.  1. **Capacity-building for DBM integration of sustainable financing principles**  * Support to prepare a training plan based on the capacity assessment, including components on strategy formulation, planning, implementation, monitoring and evaluation and ongoing organizational learning and risk management in terms of integrating sustainable financing principles and SDGs implementation into DBM operations. * Suppor to develop training materials, guidelines as well as templates for regulations and standards, that will support the integration of sustainable financing principles and SDGs implementation into DBM operations. * Deliver training and workshops in a suitable format (on-the-job, group-based, online etc.,) in accordance with the training plan. * Organize discussion meetings, one-on-one meetings and consultations with the DBM, providing guidance on integrating sustainable financing principles into their business and strategy planning, related laws and regulations, management and operational structure and provide feedback on any draft documents, if available. * Prepare a report including key recommendations and actions to be taken by DBM.   **Institutional Arrangement**  The consultant shall report to the Project Coordinator and work closely with the SDG project team, consultants, and the national counterparts. All reports shall be submitted to the UNDP Country Office, BRH SDG finance team and the Development Bank of Mongolia. The deliverables and the final documents shall be submitted in English and Mongolian.  **Duration of the Work**  20 working days during November 2020 - February 2021.  **Duty Station**  Multiple (DBM, UNDP CO, home-based etc) |

**COMPETENCIES**

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| * Strong analytical, reporting and writing skills; * Openness to change and ability to receive/integrate feedback; * Ability to plan, organize, implement and report on work; * Ability to work under pressure and tight deadlines; * Proficiency in the use of office IT applications; * Excellent presentation and facilitation skills; * Demonstrates integrity and ethical standards; * Positive, constructive attitude to work; * Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability. |

**REQUIRED SKILLS AND EXPERIENCE**

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| **Educational Qualifications:**  Master’s degree in Economics, Finance or a related field.  **Experience**   * Minimum 5 years of professional experience in banking and financial industry and other closely relevant fields; * Experience of introducing sustainable/green financing, impact financing, sustainable financial product development is an advantage. * Demonstrated understanding and guidance experience on development issues, national policies, strategic plan, regulations, governance, and operational structure in line with SDGs is an advantage. * Prior assignments of similar nature, complexity, and scope. * Demonstrated experience of conducting research; * Good analytic and report writing skills.   **Language requirements**   * Fluency in written and spoken English and Mongolian is required;   **Price Proposal and Schedule of Payments**  Consultant must send a financial proposal based on **Lump Sum Amount**. The total amount quoted shall be all-inclusive and include all costs components required to perform the deliverables identified in the TOR, including professional fee, travel costs, living allowance (if any work is to be done outside the IC´s duty station) and any other applicable cost to be incurred by the IC in completing the assignment. The contract price will fixed output-based price regardless of extension of the herein specified duration. Payments will be done upon completion of the deliverables/outputs and as per below percentages:   * Deliverable 1 [Inception Report] and Deliverable 2 [Assessment Report]: 40% of total contract amount * Deliverable 3 [DBM strategic plan input, new instrument concepts, and operational tools, guidelines and standards templates] and Deliverable 4 [Final Report]: 60% of total contract amount   Payments shall be made upon satisfactory acceptance by the project of the deliverables produced together with the international consultant.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | № | Deliverable | Duration | Description | Payment | | (i) | Inception report and workplan | 1 working day | Approach, methodology, workplan | 40% | | (ii) | Assessment report on DBM’s extent of financing for development, recommendations and action plan | 7 working days | Review and assessment of DBM’s current practices, against the international best practices for implementing SDGs;  Guidance and finalization of the review and assessment of current practices against the national priorities;  Desk review of already conducted financial sector assessments and reviews;  Recommendations and action plan on financing for national sustainable development and integration of sustainable financing principles across entire business processes and operations; | | (iii) | Support on development of guidelines, standards, policies and other relevant documents necessary to integrate SDGs into DBM’s operation and sustainability reporting | 6 working days | Identification and agreement on a set of business objectives, targets, and indicators;  Concepts for new sustainable financing instruments;  Recommendations to improve disclosures, impact, and performance measurement and reporting system;  Operational guidelines, tools, policies, standards and templates for all business areas; | 60% | | (iv) | Completion of capacity-building activities and final report | 6 working days | Training plan based on capacity assessment;  Training materials development tailored to DBM needs;  Delivery of the training, workshop, consultations, discussions, one-on-one meetings for capacity development;  Final report highlighting the findings from the assessment, including the work undertaken as well as the recommendations and further actions by DBM |   **Evaluation Method and Criteria**  Individual consultants will be evaluated based on the **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%)**   * Criteria 1 Relevance of Education – 20 points * Criteria 2 Relevance of experience in key areas (banking, financial industry etc) - 20 Points * Criteria 3 Research experience and demonstration of writing and analytical skills – 20 points * Criteria 4. Prior assignments of similar nature, complexity and scope – 20 points * Criteria 5. Assessment of suitability to assignment and approach/methodology – 20 Points   The candidates obtaining a minimum of 70% of the total technical points would be invited for an interview. The total technical points will comprise of desk review of the application (70%) and interview results (30%). The candidates obtaining a minimum of 70% of the total technical points would be considered for the Financial Evaluation.  **Documentation required**  Interested individual consultants must submit the following documents/information to demonstrate their qualifications:   * **Letter of Confirmation of Interest and Availability** using the template provided in Annex II. * **Personal CV or** [**P11**](https://info.undp.org/global/documents/cap/P11%20modified%20for%20SCs%20and%20ICs.doc), indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references. * **Technical proposal**, including a) a brief description of why the individual considers him/herself as the most suitable for the assignment; and b) a methodology, on how they will approach and complete the assignment. * **Financial proposal**, as per template provided in Annex III.   Incomplete proposals may not be considered. Only the successful candidate will be notified of contract award.  **Annexes**   * Annex I – Technical evaluation scoring guide * Annex II - [Individual IC General Terms and Conditions](http://www.undp.org/content/dam/undp/documents/procurement/documents/IC%20-%20General%20Conditions.pdf) * Annex III – [Offeror’s Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template](https://info.undp.org/global/documents/cap/Template%20for%20Confirmation%20of%20Interest%20and%20Submission%20of%20Financial%20Proposal.docx) |

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| **Criteria** | **Weight** | **Max. point** |
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| **Technical criteria 1: Education** |  | **20** |
| Relevance of education |  | *[20]* |
| **Technical criteria 2: Professional experience** |  | **60** |
| Relevance of experience in key areas (banking, financial industry etc) |  | *[20]* |
| Research experience and demonstration of writing and analytical skills |  | *[20]* |
| Prior assignments of similar nature, complexity and scope |  | *[20]* |
| **Technical criteria 3 - Proposed methodology and approach** |  | **20** |
| Brief description of the suitability for the assignment |  | *[10]* |
| Methodology and work approach |  | *[10]* |
| **Technical Score** | **70%** | **100** |

**Annex 1. Technical evaluation scoring guide**

1. UNDP, Integrated Financing Solutions: How countries around the world are innovating to finance the SDGs, <https://v2.sdgfin.org/knowledge-hub/publications/> [↑](#footnote-ref-1)
2. [https://developmentfinance.un.org/sites/developmentfinance.un.org/files/INFF%20Guidance\_ Inception%20Phase%20Module\_Working%20Draft\_20-January-2020.pdf](https://developmentfinance.un.org/sites/developmentfinance.un.org/files/INFF%20Guidance_%20Inception%20Phase%20Module_Working%20Draft_20-January-2020.pdf) [↑](#footnote-ref-2)