TERMS OF REFERENCE

ICLEI - LOCAL GOVERNMENTS FOR SUSTAINABILITY - AFRICA SECRETARIAT

ICLEI Africa seeks to appoint a service provider to conduct a high-level review and comparison of a few project options, select the most likely to attract finance and then develop the chosen concept to pre-feasibility in line with the relevant funder’s requirements.

Bids due: 25 July 2020
Appointment: 30 July 2020

Email bids and technical queries to Jessica Kavonic, jessica.kavonic@iclei.org

Please indicate interest for submitting a bid and any queries by 17 July 2020, so responses to queries may be shared with all bidders.

Bids will still be accepted if interest is not indicated, but bidders must accept that they may not have received the responses to questions other bidders may have received.
Terms of Reference

As a contribution to the Urban Natural Assets (UNA) programme, described below, this Terms of Reference relates to supporting the cities of Nacala (Mozambique) and Quelimane (Mozambique) with the necessary support required to submit bankable projects to potential funders. The service provider is expected to only undertake work indicated within this Terms of Reference.

BACKGROUND

This Terms of Reference is for a portion of work that forms part of the broader programme: Urban Natural Assets for Africa, which ICLEI Africa is implementing utilising funding from the Swedish International Development Cooperation Agency (Sida) through SwedBio at the Stockholm Resilience Centre. A project description is provided below to give the context in which this Terms of Reference takes place.

The UNA programme is designed to support local governments in Africa in addressing the daily challenges they experience around protecting and revitalising their urban natural assets. It specifically seeks to improve human well-being, contribute to poverty alleviation and build climate resilience through integrating nature-based solutions into land-use planning.

Since the programme’s initiation in 2014, three flagship projects have been developed under the UNA umbrella: Urban Natural Assets for Africa (UNA Africa), Urban Natural Assets for Africa: Rivers for Life (UNA Rivers) and Urban Natural Assets for Africa: Coasts for Life (UNA Coasts). Projects share several common overarching objectives. Broadly, they aim to:

- Support the exchange and co-production of knowledge through dialogue between important parties in participating cities.
- Encourage key stakeholders to co-ordinate activities and work together towards integrating nature-based considerations into land-use planning and decision-making processes.
- Build capacity and provide access to a wide variety of informational resources and tools that have been adapted to the African context.
- Improve awareness of nature-based solutions through capacity building.
- Mobilise project activities through alignment with international policies and processes (such as the Aichi Biodiversity Targets, the Paris Agreement and the Sustainable Development Goals).
- Connect local communities with nature to promote appreciation and human well-being.
- Create and enhance sustainable livelihoods at the local level.
For more information on the UNA Rivers project please see: https://cbc.iclei.org/project/una-rivers-life/

The UNA programme cities are: Addis Ababa (Ethiopia), Lilongwe (Malawi), Dar es Salaam (Tanzania), Kisumu (Kenya), Kampala and Entebbe (Uganda), Nacala and Quelimane (Mozambique).

The cities of Nacala and Quelimane, together with the UNA team, co-developed an array of potential climate change adaptation project ideas. This framework of activities forms the basis of this Terms of Reference.

**KEY DELIVERABLES**

The objectives of assignment are to a) conduct a high-level review of a few project options, b) undertake a comparison based on the review in order to select the most likely to attract finance; c) select an appropriate funding mechanism for application and d) develop the chosen concept to pre-feasibility stage in line with the chosen funder’s requirements. In order to meet the requirements of this Terms of Reference, the appointed service provider is expected to undertake the following deliverables:

**Deliverable 1: High-level review of project options**

At the inception of the assignment, the service provider should access information of the climate change adaptation project ideas that have been proposed by the City of Nacala and the City of Quelimane respectively. This assessment includes:

- Interviewing two representatives of each municipality on the target list to understand and engage with their proposed concepts as well as their constraints (e.g. technical capacity, access to funding, capacity to develop a set of interventions and to quantify their impact, etc.);
- Interviewing representatives from the UNA Rivers project team to better understand the proposed concept, the context of working in the two target cities as well as their constraints (e.g. supporting local governments develop bankable projects, etc.);
- Reviewing case studies of similar projects with climate resilient services, to understand what funding models have worked locally and internationally; and
- Consulting at least 2 commercial lenders, 2 institutional investors and 2 development finance institutions to understand their requirements for lending to the target list of municipalities.
  - Discussions with potential lenders or investors, especially impact investors and grant funders, should focus on the measures that would better support the project concept ideas attract additional funding and financing.
The above exercises to culminate in a Synthesis Report (Deliverable 1) that summarises the above discussions and findings. This should be an eye-catching concise report, supported by graphics wherever possible.

**Deliverable 2: Selecting the project option/s that are most likely to attract finance**

The Synthesis Report (see above) includes extensive detail of all the discussions and findings emergent from the high-level review of project options for the City of Nacala and Quelimane. Deliverable 1 should then inform the selection of the most likely project concept/s to attract finance. In order to make this selection, the service provider should:

- Undertake a high-level comparison of all project options, including an assessment of each concept’s strengths, weaknesses, threats and opportunities aligned with attracting finance;
- Pull together all the findings from the Synthesis Report (Deliverable 1) to guide project selection;
- Undertake high-level financial modelling to demonstrate the financial viability of the proposed concepts, including their financial sustainability;
- Compare each project concept with the requirements of potential and relevant funds and financial mechanisms. The Blue Action fund, European Investment Bank and the C40 Adaptation Fund should be included in this comparison.

The above exercises to culminate in a Recommendations Report (Deliverable 2) that summarises the above comparison and makes recommendations for final selection of the plausible project option/s that are most likely to attract finance. This should be an eye-catching concise report, supported by graphics/tables/figures wherever possible.

Although ICLEI Africa would prefer that a plausible option is chosen for each of the target cities, this should be guided by the findings and recommendations from the assignment.

**Deliverable 3: Selecting an appropriate funding mechanism for application**

The Recommendations Report (see above) includes a comparison of each project concept with the requirements of potential funders/funding mechanisms. The service provider should lead discussions with ICLEI Africa in order to select the appropriate funder/financial mechanism to guide the development of Deliverable 4 (see below). This discussion should occur as a 3-hour long meeting where the service provider and ICLEI Africa discuss Deliverable 1 and 2 and where ICLEI Africa can pose questions to the service provider to build internal capacities.
The above meeting should culminate in a short concise Concept Note (Deliverable 3) which summarises the final funder/financial mechanism chosen for the selected project option/s and highlights the support for this decision by summarising the key discussion points from the meeting as well as high-level recommendations from Deliverable 1 and 2.

**Deliverable 4 & 5: Develop the chosen concept/s to pre-feasibility stage in line with the chosen funder’s requirements**

The service provider should then develop the chosen concept/s to pre-feasibility stage in line with the relevant funder requirements (Deliverable 4).

This deliverable should be accompanied by an eye-catching concise report (Deliverable 5), that outlines the funding structure, cash flows and their interdependencies, to secure funding for further development.

**PROJECT MEETINGS AND REPORTING**

The assignment will have a limited number of formal meetings, but it is envisioned that communications between ICLEI Africa and the service provider will continue throughout the assignment to allow for a close working relationship. The following project meetings will occur, with an assumption that all will be hosted using the remote platform Zoom:

- Inception and briefing meeting, where the process, method and outputs will be discussed and agreed
- Interview as part of Deliverable 1 (see above)
- Meeting as part of Deliverable 3 (see above)
- Close out meeting: Meeting to discuss the assignment in full where ICLEI Africa can ask additional questions to build internal capacities and Deliverable 4 and 5 are discussed

**BUDGET**

It is envisioned that this project will require between 60 – 80 days of time, with a minimum of 40% of the total project time being dedicated by a senior consultant.

The budget shall demonstrate clearly the total for professional fees, including hourly rate and the number of hours per consultant.

While it is anticipated that this will be a desktop exercise, with in-country support from the ICLEI Africa UNA Rivers team, the service provider may include travel to Nacala and Quelimane project cities for information collection purposes, if deemed necessary and if possible due to Covid-19
travel restrictions. This must be included in the total budget, but indicated as a different line item for travel disbursements.

A total budget, including both amounts and VAT, is then to be provided.

The maximum budget available for this work is ZAR 500,000.00 (VAT inclusive). Proposals with a budget over this amount will unfortunately not be considered.

SERVICE PROVIDER REQUIREMENTS

- Proposals may be submitted by an individual or a team of individuals (as a consortium).
- The service provider must demonstrate experience working with African cities and an ability to access the relevant information required for completion of the activities.
- The service provider must demonstrate experience in completing similar projects in Africa, in particular in developing concept notes and financial pre-feasibility assessments to access climate funds.
- The service provider appointed may be based anywhere, however preference is given to African-based service providers.
- The service provider must have demonstrated skills in managing projects timeously and producing high quality outputs within short delivery periods.
- The service provider must be able to supply accurate and comprehensive financial records of project-related expenses if asked for by ICLEI Africa.
- Project implementation and/or use of funding must support and align with the objectives of the UNA programme; see background information above.
- If relevant, the service provider must ensure costs of handing over all the project reports are included in their budget considerations.

EVALUATION CRITERIA

Bids will be evaluated on the response to the Terms of Reference, Qualifications/Skills, Demonstrated Experience, Methodology proposed, Hourly/Daily rates, and, if a South Africa service provider, B-BBEE Criteria.
SUBMISSION PROCESS AND TIMELINE

The project may be active for a maximum of 3 months, starting on 3 August 2020 and culminating on 30 October 2020.

- 06 July 2020: Terms of Reference released
- 16:00 (SAST) on 22 July 2020: Proposal submission closing date
- 30 July 2020: Service provider appointed
- 30 October 2020: Close-out meeting and final payment processed

Table 1: Key Level of Effort anticipated

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Level of Effort</th>
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<tbody>
<tr>
<td>1: Synthesis Report</td>
<td>15 staff days</td>
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<tr>
<td>2: Recommendations Report</td>
<td>10 staff days (majority conducted by senior consultant)</td>
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<tr>
<td>3: Concept Note</td>
<td>3 staff days</td>
</tr>
<tr>
<td>4: Pre-feasibility study/ies</td>
<td>30 staff days (majority conducted by senior consultant)</td>
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<tr>
<td>5: Concise report</td>
<td>5 staff days</td>
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SUPPORT TO BE PROVIDED

The following services and resources will be provided by ICLEI Africa:

- Contact details:
  - ICLEI Africa will provide the service provider with an introduction to the key stakeholders in the target cities.

- Dedicated staff and timely feedback: ICLEI Africa will designate a focal person to serve as direct point of contact for all issues related to this assignment; this staff person will be responsible for timely coordination with co-workers and others as needed. ICLEI Africa shall strive to provide timely responses to service provider inquiries.
ACCESS TO DATA AND INTELLECTUAL PROPERTY

For the purposes of this assignment some data has to be collected, but this will need to be finalised in consultation with key stakeholders. All data used (that is not available from a public and open source platform) and related outputs produced are confidential and not to be shared without written permission of ICLEI Africa and the relevant government representative. On completion of the contract, the intellectual property of all outputs will be transferred to ICLEI Africa.

SUBMISSION PROCESS

Kindly submit your proposal to Jessica Kavonic at jessica.kavonic@iclei.org by 16:00 (SAST) on 25 July 2020. For any queries related to submission please contact ICLEI Africa via the email above.

Please use the subject line: Service Provider: Pre-feasibility study Mozambique when submitting your proposal. When submitting your proposal, please include the following information:

- Proof of all requirements for this work (see above section for requirements)
- For South African-based service providers only, provide proof of status for preferential procurement:
  a. If the service provider is based in South Africa, a B-BBEE certificate must be provided
  b. If the service provider is based in South Africa and has an annual turnover of less than R10 million and/or does not have a B-BBEE certificate, a completed and signed sworn affidavit must be provided.
- Work plan and related budget in ZAR. Each deliverable should be unpacked to include the following information:
  a. Detailed outline of the team working on each deliverable with time allocated to each deliverable (with accompanying staff per deliverable)
  b. Total number of hours/days assigned to each task
  c. Approach and methodology
  d. Expected outcomes and results
- Curriculum vitae of the service provider and/or each team member of service providers.
- Company profile (if relevant)
- Indicate how project implementation and/or use of funding supports and aligns with and contributes to the Sustainable Development Goals
- Risk matrix and mitigation measures (in light of Covid-19)

ICLEI AFRICA RESERVES THE RIGHT NOT TO APPOINT A SERVICE PROVIDER IN RELATION TO THIS TERMS OF REFERENCE

July 2020
Please note: If you have not heard from ICLEI Africa by 10 August 2020, please note that either ICLEI Africa has decided not to appoint a service provider for this piece of work, or you have been unsuccessful in your application.

For more information on ICLEI Africa see: http://www.iclei.org/ and http://africa.iclei.org/