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Conducting MINARET Access to Finance Intervention in Municipalities

Location: Al-Karak (Jordan), Monastir (Tunisia) and Jdeidet Al-Shouf (Lebanon)

Duration: 1 year

Starting date: August 1st 2019

End date: Based on contract, maximum by July 28th, 2020

BACKGROUND

What is the Project?

“The MENA Region Initiative as a model of the NEXUS Approach to Renewable Energy Technologies” (MINARET), is a project designed to be implemented over four years in partnership with municipalities in three different countries: Tunisia, Lebanon, and Jordan. It is the first Project in the region that utilizes a nexus approach to address the unique sustainability challenges and opportunities that face each of the countries from a local municipal level with regards to water, energy and food security.

The Project is also the first Project in the region which facilitates dialogue between the experts and players from the public and private sector in renewable energy, sustainable development, water, climate change, and many more sectors. Stakeholders from all around the region discuss and plan together how to overcome the increasing constraints their countries and the region faces through fundamentally rethinking how we produce and consume energy in relation to the water and food sectors.

Finally, on an international scale, the Project timely and exciting and is drawing the attention of experts, stakeholders and decision makers worldwide. This is because it tackles many of the world’s priority challenges (the Project addresses five of the UN Sustainable Development Goals: SDG 5- Gender equality, SDG 6- Water, SDG 7- Affordable and clean energy, SDG 11- Sustainable cities and communities, and SDG 13- Climate action). It is also because the Project utilizes the latest and most relevant framework of action worldwide. That is: the renewable energy, energy efficiency, water management and efficiency, and food security sectors are interlinked. Therefore, we must leverage existing synergies, bridge the gap, and bring together key stakeholders from across those sectors to achieve simultaneous gains in all those sectors at once.

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Why is WEF NEXUS important?

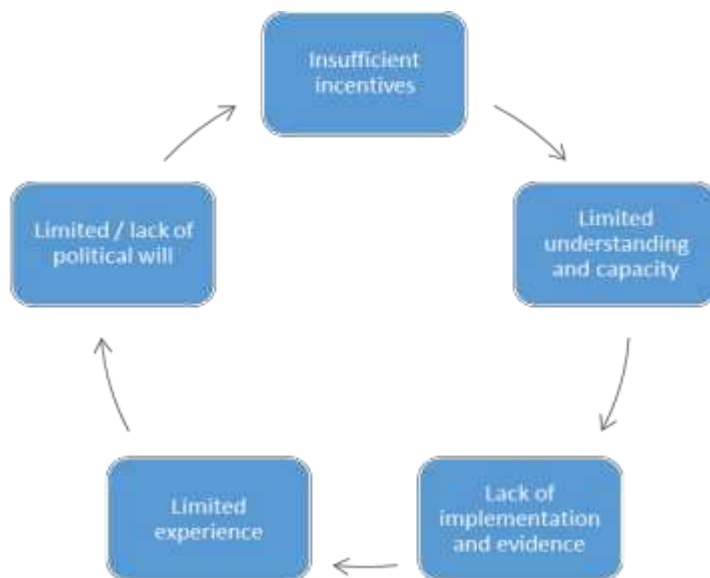
NEXUS is an extremely effective approach that must be used in addressing the challenges facing the MENA region with regards to overcoming resource challenges, improving human securities, providing additional employment, and contributing to political stability. However, MENA countries have made little progress in adopting and implementing this approach.

What are key obstacles in the way of implementing WEF NEXUS approach?

National Level

There are several obstacles and constraints responsible for the unremarkable progress made in adopting and implementing the NEXUS approach. These include insufficient incentives for integrated policy planning, lack of economic incentives for developing integrated business solutions, and limited vision, knowledge and experience with the nexus. In turn, the lack of implementation and hence of empirical evidence of the benefits of a nexus approach, does little to strengthen political will for the development of enabling structures and procedures. Also businesses and investors are waiting for visible evidence of the added value from a nexus approach. Without this political will and when business opportunities are not realized, there is no nexus implementation.

In short, countries are stuck in a vicious cycle:

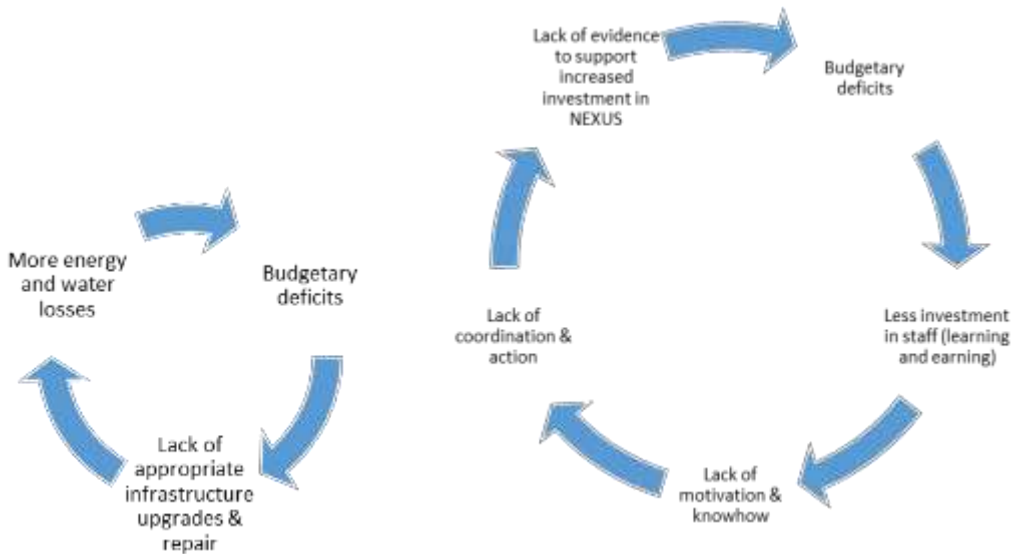


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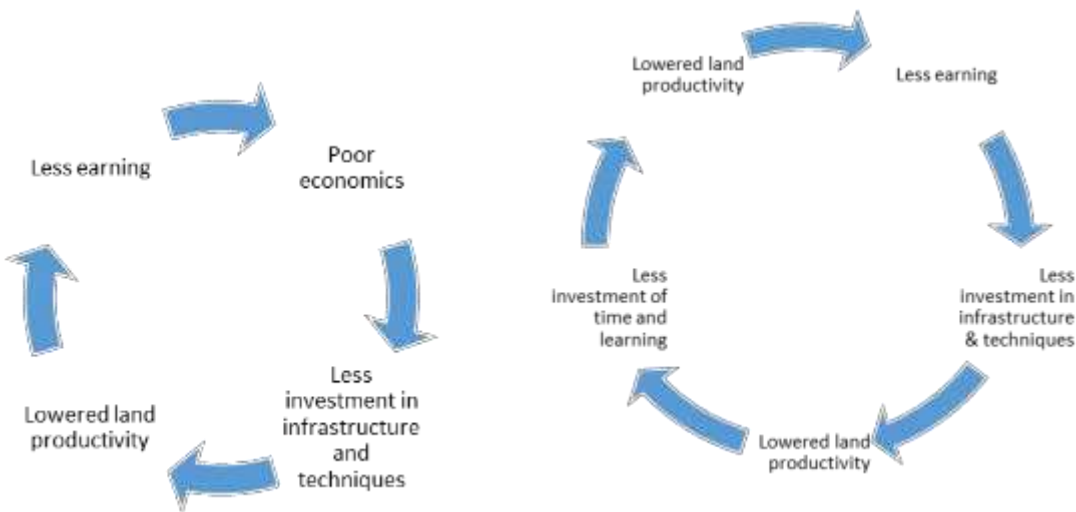
Municipal Level

Similarly, municipalities are also stuck in a similar vicious cycle. There are many vicious cycles municipalities are stuck within:



Citizen Level

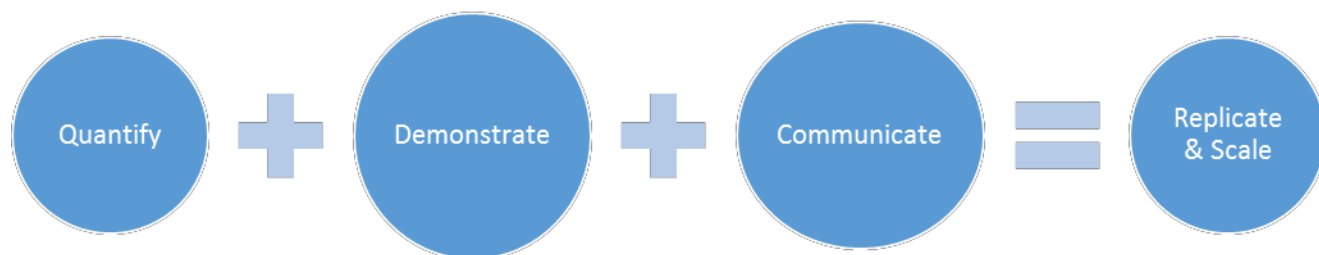
Citizens themselves are stuck within a vicious cycle which contributes to the continued mismanagement and loss of scarce resources:



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MINARET Project Provides an Alternative

In order to break the vicious circle, **pilot projects are required which demonstrate benefits and added value of the nexus approach.** It is however insufficient to implement pilot projects on the municipality level and/or on the level of the community if a scientific NEXUS approach is not used where the benefits and co-benefits are quantified. Also, a pilot project to become scalable and replicable must be communicated properly. It must be communicated horizontally with others for the purpose of replicating it. It also must be communicated vertically for the purpose of making the necessary policy changes / incentives to expand and scale it. Therefore, to be successful, we must



Contracting Authority

Horizons for Green Development

Horizons for Green Development (HFGD) is a Jordanian non-profit organization established in 2014 committed to empowering communities through sustainable development. As climate change heavily impacts our natural resources our mission is to contribute to alleviating water shortages, increased use of renewable energy and energy efficiency and improved food securities.

Close interaction with vulnerable societies helps us understand needs and gaps to better serve citizens. Civic engagement, initiating dialogue, strengthening capacities, income generating interventions, awareness and introduction of innovative solutions are jointly mobilized to act as change agents and improve thousands of lives. Advocacy and lobbying for improved national legislation and policies are also inextricably incorporated throughout our programs through the close interaction with decision makers at central and local levels.

Horizons works in Jordan and in Tunisia as of August 2018.



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The Assignment

Background

The MINARET team has conducted Renewable Energy, Energy Efficiency, Water, Agriculture, Socio-economic, Stakeholder Mapping and Gender assessment studies in each of the MINARET Project countries. These studies provide the necessary situational analysis which based upon, the Project Team designs and then implements NEXUS Pilot Projects and Socio-economic Projects.

These studies include all data collected, analysis, and proposed water & agriculture projects as well as socio-economic projects, that are available to build on for the upcoming assignment.

The Water & Agriculture Projects (Pilot Projects) are being implemented in partnership with municipalities; the Pilot Projects' scope centers around applying WEF NEXUS thinking to improve municipalities' ability to reduce their consumption of energy and water, to better deliver on their core mandate services and to expand their developmental role.

The Socio-economic Projects are being implemented in partnership with local community-based organizations and NGOs; their scope centers around applying NEXUS thinking to benefit community members in reducing their energy and water consumption and improving the competitiveness of their revenue-generating services / products.

The Energy Projects are being implemented in partnership with each Municipality to reduce municipalities' energy consumption and cost and contribute to the global effort in reducing climate change impact. These energy (energy efficiency & renewable energy) pilot project will enhance the role of targeting municipalities on achieving sustainable development goals through introducing clean technologies and acting as a lead by example for local communities, private sector and public entities.

Access to Finance Assignment Objectives

This project will work within three selected municipalities in Jordan, Lebanon, and Tunis to provide access to finance to these municipalities through several activities including the assessment of the legal and regulatory environment pertaining to allowing each municipality to engage in financing and investment activities, setting up investment funds if possible, build public private partnerships and community private partnerships to support profitable investments for the municipalities, build capabilities at each municipality to enable profitable engagements with the private sector, and hold networking events to maximize the potential benefit for each



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municipality as well as cooperating with other municipalities clusters/unions in adopting a well-designed financing mechanism and/or establishing a proper financing tool.

The detailed intervention includes the following for phase one:

A. Assessment of Legal and Regulatory Environment

- Study available federal and municipal laws and regulations in each country to understand the ability of each municipality to create investment funds, manage funds, invest through funds, and relevant ability to negotiate and enter into relevant agreements.
- Identify historical limitations pertaining to the legal environment, especially focusing on the level of empowerment at the municipal level when it comes to investments.
- Assessing potential solutions to overcome any limitations/obstacles, whether such solutions are possible during the life of the project.
- Prepare a report capturing the findings and including recommendations for further action.

B. Setting up Investment Funds

- Where setting up funds is allowed by law, work with municipal leaders at each municipality to design a NEXUS investment fund including the fund mandate, relevant criteria (e.g., investment size, ownership percentage thresholds, target sectors, fund incorporation, return targets, etc.), governance model, and timelines.
- Support each municipality to set-up the fund as per the above agreed criteria.
- Ensure that fund governance includes strict and transparent investment assessment procedures and an auditing process that includes complete disclosure of all fund activities through public media.
- Support the fund managers through the first investment up until financing close.
- Identify financing needs for municipalities
- Assessing the financing gap for municipalities
- Mapping of available financing and funding channels and tools.

C. Hold Networking and Events

- Prepare a list of community leaders and potential investments at each municipality.
- Hold one networking event for each municipality to market the fund, present available investment opportunities, and link stakeholders in what would be a repeating event hosted by the fund managers.



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D. Identify Investment Opportunities

- Following the fund mandate and agreed criteria and starting with the list of potential investments, help identify and assess investment opportunities including building project business plans for each opportunity complete with financial models and five-year projections.
- Help the fund managers qualify investment-grade opportunities from the list of projects in the pipeline.

E. Attracting Potential Investors

- Work with municipal leaders to identify and attract potential local and regional investors.
- Pitch qualified investment opportunities to interested investors.
- Help fund managers negotiate project valuation and investment conditions with interested investors.
- Prepare a list of potential investors to be contacted and invited to events and presentations.

Use this exercise to create a PPP/CPP model that can be used for future engagements with private sector investors.

F. Secure project financing

- Following the completion of activities A, B, C, D and E, secure financing for a project in each municipality with a guaranteed success story in at least one municipality.

Time Frame:

Activity A: 2 calendar weeks.

Activity B: 2 calendar weeks.

Activity C: 2 calendar weeks.

Activity D & E: 2 calendar weeks.

Activity F: 10 months

Geographical Scope

The consultant is expected to cover three municipalities:

- 1) Al-Karak Municipality in Jordan
- 2) Monastir Municipality in Tunisia
- 3) Jdeidet Al-Shouf Municipality in Lebanon

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Scope of Assignment

Activities	Deliverables
Assessment of legal/regulatory environment	Report detailing findings and recommendations for successful implementation of access to finance in each municipality according to local statutes and regulations.
Setting up investment funds in the municipalities	Fully functional investment funds in the municipalities that follow local regulations and are transparent, well-managed, and supported till close of financing.
Networking and events	Detailed lists of community leaders and potential investors in each municipality, and the successful implementation of one networking event in each municipality. Create a model for future events between stakeholders and fund managers.
Identify Investment Opportunities	Using the list of potential investors in each municipality, identify and assess investment opportunities including building project business plans for each opportunity complete with financial models and five-year projections. Help the fund managers qualify investment-grade opportunities.
Attracting potential investors	Work with municipal leaders to identify and attract potential local and regional investors. Pitch qualified investment opportunities to interested investors. Help fund managers negotiate project valuation and investment conditions with interested investors.
Secure project financing	Following the findings in previous activities, secure financing for a project in each municipality and a success story in at least one municipality in preparation for phase II in the future of the project.

Duration of Assignment:

- 6 - 10 weeks for submission of assignment.
- 1 year for full implementation and securing project financing.



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Bidding

Eligibility Requirements:

Candidates must meet the following eligibility requirements:

- Project and field type experience
- More than 5 years of experience.
- Experience in legal manners related to local government

Bidding Information:

The bid shall be comprised of four parts which should take into consideration the parameters outlined above: 1) Narrative Proposal, 2) Key Personnel 3) Past Experience, 4) Financial Proposal.

The bidder must submit:

1. Narrative Proposal as per the template attached
2. Financial Proposal as per the template attached
3. Company Relevant Past Experience and references
4. CVs of the key experts to be mentioned in the technical

offer. Offers will be evaluated based on the following:

Narrative and Proposal	35%
Key Personnel	15%
Past Experience	20%
Cost	30%



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Important Deadlines

Date of Announcement	July 3rd, 2019
Final Date of Receiving Questions	July 9 th , 2019
Answer Response to All Questions	July 12 th , 2019
Date of Proposal Submission	July 17 th , 2019
Announcement of Shortlisted Companies	July 19 th , 2019
Presentations by Shortlisted Bidders	July 24 th , 2019
Date of Final Submission of Revisions	July 27 th , 2019
Date of Awarding	July 30 th , 2019
Date of Final Approved Submission of Assignment	September 30 th , 2019
Final date of implementation	July 30 th , 2020

Important Notes:

- A.** The bidder must be a company in good standing registered in Jordan and/or Lebanon and/or Tunisia.
- B.** One party implementing the Access to Finance in all three Project countries / municipalities is preferred and will be given priority should it score comparably. However, a bidder may choose to apply for one or two country(ies) / municipality(ies) and their application will be accepted and duly reviewed.
- C.** Should the assignment include more than one bidder, coordination meetings will be arranged between the implementing parties to ensure that the methodology, plan and tools are developed / revised and approved to standardize the work between countries.
- D.** In order to successfully carry out the aforementioned tasks, candidates must:
 - a. Engage relevant stakeholders in a participatory and rights-based approach as key

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partners in the Project. Therefore, the bidder must demonstrate the participatory and rights-based methodology in the submitted proposal. A strong participatory and rights-based methodology will be part of the overall score of the bidder. Specifically, the team will look at:

- i. Proposed participatory approach within a rights-based methodology;
 - ii. Previous experience employing a participatory human-rights based approach;
- b. Apply a gender-equitable, cross-cutting strategy which ensures that no one is left behind. Therefore, the bidder must demonstrate this approach / strategy in the submitted proposal. A strong cross-cutting approach based on a rights-based method will be part of the overall score of the bidder. Specifically, the team will look at:
- i. Proposed cross-cutting strategy within a rights-based approach;
 - ii. Previous experience implementing cross-cutting action
 - iii. Presence of women / marginalized people in the Project Team.
- c. Support findings through the use of qualitative and quantitative data
- d. In each country, MINARET Project has a focal point which acts as a link between the MINARET Team and the Municipalities, CBOs, NGOs and other key stakeholders. The contracted party(ies) must therefore collaborate and work alongside local partners to acquire relevant data, ensure approvals are obtained where necessary, and conduct the access to finance activities.
- e. Spend time in the field and with municipalities & NGOs / CBOs as needed.
- E.** The proposal must be submitted in English. The technical proposal must not exceed 15 pages.
- F.** Detailed presentations (one for each municipality) must be conducted by the candidate to the project team upon awarding and upon completion of activities A-E, 8 weeks into the project.
- G.** As the assignment will require reading material and speaking with people who speak Arabic and/or English and/or French, good command of all three languages is required for these purposes (communication with stakeholders & reading material in desktop review phase).

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- H. All reports and submissions must be provided in both English & Arabic. This includes presentations where necessary.
- I. The reports must be submitted according to the templates provided by the contracting authority. All documents must be properly proof-read for grammar, language use, and formatting. The standard rate of proofreading will be deducted from the payment for that deliverable on documents where proof reading was not conducted.
- J. The successful candidate will be responsible for completing the following tasks and deliverables within the proposed timeline. Any unauthorized delays that are a result of the consultant's failure to deliver on time will be deducted from the payment of that component.
- K. Comprehensive Water, Energy, Socio-economic and gender-specific assessments have been conducted in the inception phase, therefore, the majority of the needed technical and non-technical (such as attitudes, perceptions, behavior etc) information is available.
- L. The price provided must be in USD and must be fully inclusive.
- M. The bidder will provide the price for travel & accommodation separately in a travel budget, and will provide a travel plan.
- N. The bidder can email, call or meet with us at any time during the first 10 working days from the announcement of the tender.

Disclaimers:

- a. Horizons may cancel solicitation and not award;
- b. Horizons may reject any or all responses received;
- c. Issuance for solicitation does not constitute award commitment by Horizons;
- d. Horizons will not compensate offerors for response to solicitation;
- e. Horizons reserves the right to issue award based on initial evaluation of offers without further discussion;
- f. Horizons may choose to award only part of the activities in the solicitation, or issue multiple awards based on solicitation activities;
- g. Horizons reserves the right to waive minor proposal deficiencies that can be corrected prior to award determination to promote competition.



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“MINARET project and partners believe in equal opportunities and follow competent selection procedures to ensure equality of opportunity in all of its assignments”