

## TERMS OF REFERENCE

### CALL FOR PROPOSALS

#### PROGRAMME MANAGER FOR THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (SADC) REGION GREEN BOND PROGRAMME

### 1. Introduction

The Southern Africa Development Community region (SADC) Green Bond Programme aims to accelerate the take-up of green bonds as a tool for SADC member countries to tap into domestic and international capital markets to finance green projects and assets. The project will: support development of listing guidelines and regulations for green bonds, support a pipeline of potential issuers, engage the institutional investment community, undertake training/capacity building of various stakeholders on climate finance.

The programme will build on existing goodwill and momentum that has led to issuances of green bonds in South Africa, Namibia, Seychelles and Mauritius to roll out a large-scale regional programme with coverage across the sixteen (16) SADC member countries. The programme aims to leverage the streamlined/central coordination mechanism of Committee of SADC Stock Exchanges (CoSSE) to drive the implementation.

FSD Africa and CoSSE are seeking to hire a Programme Manager to coordinate the activities of the SADC Green Bond Programme.

### 2. Background

#### 2.1 Financial Sector Deepening Africa (FSD Africa)

We work to reduce poverty by strengthening Africa's financial markets.

Established in 2012 and supported by UK aid, FSD Africa is a specialist development agency working to build and strengthen financial markets across sub-Saharan Africa. We work to reduce poverty through a 'market systems development' approach, which means we aim to address the structural, underlying causes of poverty by improving how financial market systems function.

We believe that investing in building a financial system that is transparent, stable and accessible creates the conditions for a fair and sustainable future, where inequality is reduced, corruption is tackled, and where individuals, businesses and governments alike are able to prepare for future challenges, from climate change to political instability.

From our headquarters in Nairobi, our team of financial sector experts work alongside governments, business leaders, regulators and policy makers to design and build ambitious programmes that make financial markets work better for everyone. Depending on the project, we can provide a combination of grants, investment capital, market insights or technical assistance to ensure we achieve our objectives.

We focus our work where the need is greatest, and where we believe the potential for impact is the most significant. We have a specific mandate to invest in breakthrough, innovative ideas that we believe can have a transformative impact. By sharing risk with our partners, we're able to address more difficult, persistent, or higher-risk challenges, in more unstable or fragile geographies, than traditional development finance organisations.

Please find more details about FSD Africa on our website at [www.fsdafrica.org](http://www.fsdafrica.org).

#### 2.2 Committee of SADC Stock Exchanges (CoSSE)

Committee of SADC Stock Exchanges (CoSSE) is a collective and co-operative body of the 14 stock exchanges in the Southern African Development Community (SADC) region. It is a private sector association that forms part of SADC structures with a formal status under the SADC Finance and Investment Protocol (FIP), and charged with the responsibility to accelerate the development of the SADC capital markets through co-operation and collaboration between SADC stock exchanges and other key SADC institutions and stakeholders.

### 3. Objectives and Scope

#### 3.1 Objectives

We seek to hire a Programme Manager to coordinate the activities of the Green Bond Programme in the SADC Region. The Green Bond Programme structure is outlined below:

#### **COMPONENT 1: REGULATORY COMPONENT**

This component will support the review and/development of guidelines and regulations for the issuance and listing of green bonds and other related products. The programme will also support other relevant reforms towards meeting expectations of investors including potential incentives and policy interventions that would attract both local and international investors. This process will culminate in (among other outcomes) the issuance of listing requirements for green bonds by exchanges and issuance of green bond regulations. In this instance, the green bond listing guidelines are expected to be developed at regional level. The guidelines and principles will then be harmonised to apply in all jurisdictions of CoSSE Members, with allowance for customisation as needed.

Successful implementation of this component will require collaboration with Committee of Insurance, Securities and Non-banking Financial Authorities (CISNA) and Committee of Central Bank Governors of SADC (CCBG).

#### **COMPONENT 2: DEVELOPMENT OF A PIPELINE OF ISSUANCES FOR BOTH SOVEREIGNS AND CORPORATES AND DEMONSTRATION TRANSACTIONS.**

Potential issuers best suited for a demonstration issuance will be identified and contacted. The potential issuers may include individual banks, corporates, and governments. Bilateral outreach as well as roundtables will be utilized to engage with potential issuers. Specific initiatives to support the issuers may include support in development of green bond frameworks and facilitation of verification of issuances (a few issues supported only for demonstration). The regional nature of the programme implies that the team has significant leeway to select appropriate demonstration transactions in a diverse number of countries. Furthermore, this will also mitigate risks associated with macroeconomic developments that may impact issuances in a single country programme.

#### **COMPONENT 3: TRAINING/CAPACITY BUILDING OF VARIOUS STAKEHOLDERS ON CLIMATE FINANCE.**

This component of the programme will support capacity building and market education to ensure wider uptake of the opportunity of green finance and, most importantly, to ensure that best practice for labelling green financial products is understood. The component will facilitate trainings and help organize workshops/ roundtables targeting potential issuers, investors and other relevant stakeholders.

#### **COMPONENT 4: UNDERTAKING OF GREEN FINANCE PIPELINE/DEMAND STUDY IN THE SADC REGION**

The Parties will undertake a study to gauge the demand of green bonds and green finance in the SADC region to determine general viability of the programme and identify other potential areas that may require technical support.

#### **PROGRAMME GOVERNANCE**

The GBP will be governed through a Project Steering Committee (PSC), which will be chaired on a rotating basis by members of the committee.

##### **3.2 Scope**

CoSSE will serve as the Secretariat (host) of the programme and provide the programme manager with a desk and administrative support service.

The Programme Manager will be responsible for overall programme coordination. This will include facilitation of meetings and review of outputs by the programme consultants.

Administratively, the Programme Manager will be required to:

- Oversee the budget management in consultation with the programme lead at FSD Africa
- Assist the PSC Chair, to convene fortnightly conference calls to review programme deliverables and execution.
- Facilitate monthly and quarterly PSC meetings
- Report on a monthly, quarterly and annual basis to the PSC on the delivery of the work streams and budget performance of the overall programme.

- Provide reporting (in writing) to the PSC on the progress of the programme, including updates, assessment of programme and implementation risks
- Provide project management / event coordination support to all GBP convened meetings, workshops, roundtables and conferences

Technically and strategically the Programme Manager will be required to:

- Act as the first port of call for the programme through the provision of direct technical assistance or identification and facilitation of alternative support options.
- Have a good understanding of green/sustainable financing, the programme, its deliverables and the strategic objectives to be able to provide robust first level oversight and steer to ensure successful implementation.
- Support efforts in building strategic partnerships in support of outcomes targeted under the programme.
- Validate processes, recommendations and outputs by the consultants engaged in various initiatives to ensure they conform to requisite technical standards.

Under implementation and delivery of the programme the Programme Manager's scope of work will include;

#### **Component 1: Regulatory Component**

- Manage comprehensive stakeholder management and engagement in support of the review and/or development of guidelines, policies and regulations for the issuance and listing of green bonds and other related products in the SADC region.
- Ensure collaboration and buy - in from relevant regulatory agencies including but not limited to committees in the SADC region such as Committee of Insurance, Securities and Non-banking Financial Authorities (CISNA) and Committee of Central Bank Governors of SADC (CCBG).

#### **Component 2: Development of a pipeline of issuances for both sovereigns and corporates and demonstration transactions.**

- Engage with potential issuers of green bonds with the goal of developing a viable pipeline.
- Engage with institutional investors to build their understanding and investment in green bonds.
- Coordinate one on one meetings with the potential issuers and GBP Partners so as to determine their areas of need and to help the issuers set up internal processes that will enable them to raise a green bond.
- For all GBP meetings and events, the Programme Manager will capture feedback, action items and issues raised during the forums and issue brief reports.

#### **Component 3: Training/Capacity Building of various stakeholders on Climate Finance**

- Support the procurement process for the Consultants responsible for training and capacity building initiatives.
- Convene the training sessions in consultation with the Consultant.
- Manage the GBP calendar of events, in consultation with the partners to ensure coordination of event activities and alignment of themes and priorities. For GBP events, the Programme Manager will work with the GBP Secretariat to manage the event logistics including managing speakers, invitations, and suppliers.

#### **Component 4: Undertaking of Green Finance pipeline/demand study in the SADC region**

- Oversee the GBP Consultants' work plan to ensure on time delivery of their assignments.
- Manage comprehensive stakeholder review of the outputs and deliverables under the stream of work to ensure adequate engagement and delivery on the assignment.

#### **4. Deliverables**

The deliverables under this contract are as follows:

- An inception report detailing the consultant's conceptualization of the programme objectives, a preliminary mapping of relevant stakeholders, stakeholder engagement strategy and a highlight of what success would look like in the context of the programme.

- A detailed work plan on overall programme coordination, including a schedule for coordinating all work streams.
- Agenda and minutes for monthly PSC meetings.
- Monthly reporting pack for PSC meetings.
- Detailed quarterly monitoring and results measurement reports highlighting the progress of the programme against the set indicators submitted through FSD Africa’s online MRM system.
- Programme mid-term report documenting all the components of the programme, highlighting progress made against deliverables set out in the programme and providing recommendations for the next step for each of the components.
- Final report documenting all the components of the programme, highlighting progress made against deliverables set out in the programme.

## 5. Timelines

The programme manager will be initially engaged for a duration of one year with possible extension based on performance and availability of funding.

## 6. Invitation to Tender

FSD Africa is inviting proposals from suitably qualified Consultant (s).

Your proposal should contain:

- CV of the Consultant not exceeding 2 pages.
- A summary of your experience in providing the kind of technical support called for in these Terms of Reference
- A description of your understanding of the role of the selected Consultant (s) as outlined in the Terms of Reference and how you intend to fulfil the services within the suggested timeline.
- Samples of other work to demonstrate capacity to carry out the assignment.
- An estimated budget for both professional fees and reimbursable expenses- Refer to Annex 1

Submitted proposals should not exceed 10 pages (excluding annexures). The review will be based on the main proposal. This should be sent by email to FSD Africa at [bids@fsdafrica.org](mailto:bids@fsdafrica.org) by 1200hrs, (East Africa Time), on 18 June 2021 under a subject line reading ‘Invitation to tender: Programme Manager for the SADC Green Bond Programme’

Applications received after the deadline will not be considered.

## 7. Basis of award

FSD Africa will award a contract to the consultant based on the following criteria:

Mandatory requirements	
At least 7 years’ experience in investment banking and capital markets, with extensive project management expertise in the financial sector.	
Good understanding of Sustainable Finance Principles and Green Finance approaches and a proven track record with internationally recognized Environmental and Social (E&S) risk management approaches.	
Expertise in implementing technical projects with multiple local, regional and international stakeholders within the financial sector.	
Knowledge of the SADC and African Green Economy context with a network of practitioners in the field cutting across public and private sector.	
Understanding/interpretation of the task set out in the TORs / content, detailed workplan, quality and originality of proposal	

Assessment criteria	Weighting (%)
Experience	At least 7 years’ experience in investment banking and capital markets, with extensive project management expertise in the financial sector.
	Good understanding of Sustainable Finance Principles and Green Finance approaches and a proven track record with international
	35%

Assessment criteria		Weighting (%)
	recognized Environmental and Social (E&S) risk management approaches	
Skills and qualification	Expertise in implementing technical projects with multiple local, regional and international stakeholders within the financial sector.	25%
	Knowledge of the SADC and African Green Economy context with a network of practitioners in the field cutting across public and private sector.	
Methodology	Understanding/interpretation of the task set out in the TORs / content, detailed workplan, quality and originality of proposal	20%
Fees and total costs	<p>Fee basis and total costs will be computed as follows:</p> <p style="text-align: center;">FS = 20% x LB/BP where:</p> <p>FS = is the financial score            LB = is the lowest bid quoted            BP = is the bid of the proposal under consideration.</p> <p>The lowest bid quoted will be allocated the maximum score of 20%.  <b>Fee quoted must be inclusive of applicable withholding tax</b></p>	20%
<b>Total</b>		<b>100%</b>

## 8. Contact

Questions or comments in respect of these terms of reference should be directed by email to: [bids@fsdafrica.org](mailto:bids@fsdafrica.org) and be received no later than 1200hrs, (East Africa Time), on 9 June 2021. Responses and clarifications will be provided by 1700hrs, (East Africa Time), on 11 June 2021 through the same advertisement channels.

## 9. Applicable Taxes

As per Kenya's tax law, FSD Africa will pay the Consultant after withholding the appropriate taxes at the applicable rate between Kenya and the Consultant's country of tax residence, considering any tax treaties in force. It is the responsibility of the Consultant to keep themselves apprised of these applicable taxes. The below table however provides guidance on the applicable rates as per tax regimes

Country	WHT Rate
Kenya	5%
United Kingdom	12.5%
Canada	15%
Germany	15%
Zambia	15%
India	10%
Non-resident rate for citizens of EAC member countries (member countries attached)	15%
All other countries	20%

**Annex 1: Proposed Fee Schedule**

Costs should be shown separately in the format set out below. Fees proposed by tenderers should be inclusive of all taxes

<b>Consultancy fees*</b>	<b>Days</b>	<b>Fee USD/GBP</b>	<b>Total USD/GBP</b>
XX			
XX			
<b>Total remuneration</b>			<b>0.00</b>
<b>Reimbursement costs**</b>	<b>Unit</b>	<b>Cost USD/GBP</b>	<b>Total USD/GBP</b>
XX			
XX			
<b>Total reimbursement cost</b>			<b>0.00</b>
<b>Total proposed costs</b>			<b>0.00</b>
<i>*Fees incl of all taxes</i>			
<i>**Expenses to be reimbursed on actual costs as per FSD Africa's travel policy</i>			