

**GREEN CLIMATE FUND READINESS SUPPORT FOR PROMOTING CLIMATE RESILIENT
DEVELOPMENT IN URBAN AREAS THROUGH COMPLEMENTARITY AND COHERENCE
AMONG FUNDING SOURCES**

**CONSULTANCY SERVICES FOR THE DEVELOPMENT OF A REGIONAL MONITORING,
REPORTING AND VERIFICATION (MRV) TRACKING SYSTEM**

TERMS OF REFERENCE

1. BACKGROUND

1.01 Caribbean states are highly vulnerable to climate change, and nowhere more than in cities and urban areas. These areas combine carbon intensive growth sectors, such as transport, with high movement of persons. At the same time, cities are the hubs of government service and most economic activity and must be protected from climate related disasters if they are to be resilient. For countries in the Caribbean region to overcome the considerable challenges facing their urban areas, more needs to be done to crowd-in financing around a coordinated package of investments that will address key vulnerabilities and build critical capacities. The evolving climate finance landscape seeks to strengthen complementarity and enhance coherence with regards to operations and processes across climate finance institutions. It is therefore important that action be taken to better understand interaction between institutions and to better coordinate the efficient utilisation and deployment of international climate finance, particularly for investments in the urban sector.

1.02 This GCF multi-country Readiness project will support a number of activities. These activities include: (1) a fully functional climate finance monitoring, reporting and verification (MRV) platform/system to centrally manage information on sources of funding flows; (2) incorporating ideas for adaptation and mitigation investments in urban spaces; (3) seeking to better understand the climate finance landscape through mapping of climate funds and donors, which will bring greater complementarity and coherence; and (4) engaging National Designated Authorities (NDAs) and Ministries of Finance in the financial structuring of GCF projects and programmes. This regional proposal will provide direct benefits to the Ministry responsible for climate change and environment, Ministry responsible for sustainable development and planning, Ministry of Finance, the public sector, private sector, and civil society in the five participating countries¹.

Importance of a Regional Climate Finance MRV System

1.03 To date, a common climate finance Measurement, Reporting and Verification (MRV) platform, which consolidates the pipeline/portfolio investment details among the different climate funds, does not exist in the Caribbean sub-region. What does exist is a MRV Hub, launched in 2019, for countries in the region to share expertise to foster regional excellence and generate stronger policy-relevant carbon accounting. This MRV Hub provides a mechanism through which country experts will function as a true learning, mentoring and resource-sharing technical cooperative. The Hub focus is to cooperate on technical challenges as it relates to climate change mitigation and tracking Nationally Determined Contribution (NDCs) for reporting to the UNFCCC.

¹ These five countries are – Jamaica, The Bahamas, Belize, Haiti and St. Vincent and the Grenadines.

1.04 In the absence of a centralised regional MRV platform for climate finance, there is increased risk for the duplication of efforts among donors and inefficient use of already limited climate finance flows to the Region. By establishing a fully functional MRV system at the regional level, decision-makers will have greater visibility/transparency of the key climate fund's portfolio (approved projects that are ongoing and completed) and critical pipeline information to inform the conceptualisation and development of regional initiatives based on common challenges and shared strategies that the Region embraces, as in the case of the urban sector. This approach of scaling up proven concepts/pilots must be informed by up-to-date knowledge about climate finance flows. A robust climate finance MRV system at the regional level is needed and must be built in such a way that harmonises and integrates existing national systems into a common regional platform.

1.05 The Caribbean region sees tremendous value in establishing a regional climate finance MRV system as this will lay the groundwork to explore the potential for joint programming options among finance delivery channels, thus enhancing efficiencies. Parallel financing represents an area with significant potential, and it can strengthen the programmatic efforts across the climate finance landscape. The Region also underscores that in order to promote coherence at the national programming level, country-driven coordination remains an important challenge. This is because, in some countries, the focal points to the climate funds are different, and national coordination remains a challenge. Nevertheless, there are successful examples of countries, in and outside the Caribbean, organising themselves to better navigate the climate finance landscape and promoting coherence at the national level.

1.06 At the same time, clarity on the strategic direction of the various climate funds can help countries ensure they are able to advance their priorities in a country-driven manner and the better utilisation of such funds. Such clarity is also helpful for the funds to ensure they actively address any emerging gaps. Additionally, climate financing can also be channeled to Civil Society Organisations (CSOs) and Non-Government Organisations (NGOs), which also can be reported by Annex-1 Parties as contributing to the mandate of the provision of climate finance. Direct injection of climate finance through non-public channels can be difficult to track. The establishment of the regional climate finance MRV system can assist in reducing the knowledge gap of climate finance received.

1.07 Good Financial Governance (GFG) necessitates the availability of satisfactory monitoring and evaluation systems to assess the performance of investments and to assure the best use of funds. Transparent monitoring also helps to build trust among recipient and donor countries. This can ultimately lead to increased financial support in the future. In the case of the Caribbean SIDS, the systematic monitoring and evaluation of international contributions to climate change targets is not yet at the level where it should be, which is why capacity development to implement MRV functions is necessary. One of the primary challenges to tracking climate funds is the fact that there is no agreement on the kind of budgets to mark as climate finance, which makes it difficult to distinguish it from other sources of finance, including general development expenditure. Generally, a climate finance marker should indicate whether a policy programme or project budget contributes to vulnerability and or GHG emissions- reduction or not. Formal markers and dedicated systems to track climate finance are not yet available in many Caribbean countries. The classification and indicators to characterise financial data are not climate sensitive, and therefore do not currently integrate climate mitigation/adaptation tags into the Ministries of Finance thematic budget codes. Moreover, substantive information on private financing is also required. Tracking this stream of spending and investment is necessary for informing the development of public policies seeking to leverage private investment for low carbon and climate resilient development.

1.08 For the Caribbean, enhancing MRV of climate finance matters for various reasons. From a political point of view, MRV of climate finance is a key element in the context of the UNFCCC negotiations. It plays a crucial part in strengthening the transparency, accountability and trust between developed and developing countries in the future climate negotiation process, i.e. assessing compliance

with international commitments to mobilise climate finance. From a practical point of view, MRV of climate finance will remain an important element in assessing the deployment and general use of climate finance. It will help to show who profits from financial support and make it possible to identify gaps in national and sectoral support. It will also help to monitor and evaluate trends and progress in climate-related investments. Finally, MRV of climate finance will account for how scarce public resources are being used and also strengthen public awareness of how taxpayers' money is spent.

2. OBJECTIVE OF CONSULTANCY

2.01 The objective of this consultancy is to strengthen the capacity of the Governments of Jamaica, Haiti, St. Kitts and Nevis, and Belize (participating countries) for monitoring and oversight of climate finance through the development of a harmonised, regional-level MRV web-based electronic system for tracking and understanding climate finance inflows, from public, private, national and international sources. The MRV tracking system will help to identify investment gaps, especially in the urban sector, to tackle the climate change problem.

3. SCOPE OF SERVICES

3.01 This Consultancy is aimed at delivering an MRV web-based electronic tracking system for capturing and tracking climate finance inflows and public expenditures for climate change activities in participating countries. This scope of services will be done under the GCF Regional Readiness Project entitled – “Promoting climate resilient development in urban areas through complementarity and coherence among funding sources”. In carrying out this assignment, the Consulting Firm is required to employ a collaborative approach and close engagement with National Authorities, Stakeholders and their focal points on Climate Change in ensuring that the deliverables are consistent with National Standards and National Protocols. The Consulting Firm will also take into consideration the output from the mapping of climate funds activity to be carried out under another consultancy associated with the GCF Regional Readiness Project. The Consulting Firm will work closely with the regional project coordinator and local readiness expert in the participating countries.

3.02 The Consultancy Firm will be required to undertake the following tasks:

- (a) Convene an inception meeting with participating countries, building on work done under this Readiness project to map the activities of (and interactions among) climate funds and other providers of climate finance.
- (b) Undertake a review and analysis of existing mechanism/frameworks for collection and management of climate finance data.
- (c) Conduct a feasibility assessment to inform the design of a regional web-based electronic MRV tracking system to capture climate finance inflows and public expenditure related to climate change (adaptation and mitigation) in the participating countries, this assessment should obtain lessons learnt from the participating countries and existing domestic MRV systems.
- (d) Provide guidance on what capacity (human, institutional, and financial) is needed to maintain the MRV tracking system and on the classification of climate finance.
- (e) Based on the findings of the feasibility assessment, design the template or prototype for the system to track and report on climate finance flows and public expenditure for climate

change investments across the participating countries, this template or prototype will be presented to CDB and the four participating countries for review and approval.

- (f) On approval, finalise and test the system for presentation of data and project-level information (pipeline and portfolio), allowing users to employ various filters to see climate finance data such as by country, sector, financial source and financial instrument, and allows information to be stored and downloaded. Other information found on the system will include:
 - The MRV tracking system Operational manual and guidance notes with processes/procedures.
 - Guidelines with methodology for classifying climate finance.
 - Case studies with lessons learnt.
 - ToR for Online community of practice and knowledge exchange for climate finance MRV.
- (g) Develop an operational manual and guidance note for the MRV tracking system.
- (h) Deliver sensitisation training on the use of the MRV tracking system with key stakeholders and users of the data such as - Ministry of Finance; Ministry responsible for Climate Change and/or Environment; Ministry of Sustainable Development/Planning; private sector; and CSOs.
- (i) Design and produce a Climate Finance Report 2021, for the participating countries, using data from the MRV tracking system.
- (j) Advise on the development a Regional online Community of Practice to share results from all activities in the project, training and knowledge exchange with the intention of including other countries.

4. DELIVERABLES

4.01 The Consultant will submit the following outputs:

- (a) An Inception Report to be submitted within one (1) week of contract signing that includes a work plan with timelines for completing the assignment.
- (b) Feasibility assessments report to inform the design of the MRV tracking system completed.
- (c) Draft design of the MRV tracking system completed and shared with stakeholders for feedback.
- (d) Final design of the MRV tracking system completed.
- (e) Test completed on the MRV tracking system.
- (f) Draft Operational manual and guidance notes with processes/procedures for the MRV tracking system completed and submitted to the participating countries and CDB for feedback.

- (g) Final Operational manual and guidance notes with processes/procedures for the MRV tracking system completed.
- (h) Guidelines with methodology for classifying climate finance completed.
- (i) Training workshop report completed.
- (j) Climate Finance Report 2021 generated.

5. QUALIFICATIONS AND EXPERIENCES

5.01 The Consulting Firm must demonstrate the following:

- (a) Knowledge of national climate change policies plans in the Caribbean context.
- (b) Knowledge and/or familiarity with the climate change threats and development imperatives in the Caribbean.
- (c) Significant expertise and experience in climate change and development issues.
- (d) Proven ability to generate and sustain ongoing consultation and meaningful participatory processes with a wide cross section of stakeholders.
- (e) Track record of successful work on publications and reports on Climate Change and Adaptation projects and programmes, especially in the Caribbean.
- (f) Previous experience and qualifications with climate change mitigation and adaptation actions exceeding 5 years.
- (g) Extensive knowledge of the Green Climate Fund Projects Procedures and MRV procedures with knowledge of international best practices in developing and implementing climate finance MRVS.
- (h) Demonstrated ability to work within a multi-disciplinary team of experts involved in project/programme design and execution.
- (i) Excellent oral and written communication skills in English and good capacity in preparing technical reports

5.02 The Consulting Firm is expected/required to propose a team of consultants that should ideally comprises:

Qualifications

Team Leader

- (a) Advanced degree in environmental sciences, environmental engineering, economics, development studies, eco-systems or other relevant fields.

- (b) A minimum of 5 years of relevant working experience and proven track records in the subject areas of MRVS, feasibility studies and/or climate financing.
- (c) Substantial relevant experience in the design and conduct of technical studies for climate change investment projects.
- (d) Project/programme management experience, including leading project development, facilitation of stakeholder workshops.
- (e) Regional expertise will be essential with work experience in the Caribbean an advantage.
- (f) Proven leadership qualities as well as good knowledge of the GCF.

Expert I: Project Development and Analysis Specialist

- (a) Advanced degree in International Development, Economics, Management or related social sciences.
- (b) Five years of relevant experience at the national and international level in project development and project analysis, including in the areas of climate change.
- (c) Experience in monitoring and evaluation with a background and interest in the analysis of climate change, socio-economic issues and related policy matters.
- (d) Experience in results-based programme development and management.
- (e) Experience in the usage of computers and office software packages, experience in handling web-based management systems.
- (f) Experience with Climate Change and Public Finance.
- (g) Experience collecting and analysing socio-economic, environmental or climate change data/information.

Expert II: Management Information Specialist

- (a) Bachelor's degree in Management Information Systems, Information Communications Technology (ICT) or a closely related discipline.
- (b) A minimum of ten (5) years of work experience with Management Information System (MIS) preferably with programme monitoring and evaluation related to climate change and the public sector financing.
- (c) Experience with native cloud web development using serverless architecture (Platform as a Service – PaaS).
- (d) Knowledge in configuring logging, reporting and security on a cloud hosted application.
- (e) Proven ability in developing for native cloud databases (Database as a Services - DaaS), such as SQL or non-SQL.

- (f) Knowledge in UX for responsive design using proven UX frameworks (e.g., Bootstrap, Foundation, or equivalent).
- (g) Knowledge on Cloud Hosting (Azure, AWS, Google Cloud or similar).

Expert II: Communication Specialist

- (a) Prospective candidates should have a Masters degree in Mass Communications; Development Communication; Organisational Communications, Journalism, or other relevant fields.
- (b) At least five (5) years of relevant experience in developing, designing, production and publishing/dissemination/airing of communication products using various media, and organising, and producing major events of regional or international nature.
- (c) Knowledge of the GCF would be beneficial.

6. DURATION

- 6.01 The consultancy is expected to be implemented over an eight (8) month period.