**CONSULTANCY SERVICES FOR THE PREPARATION OF A GCF FUNDING PROPOSAL AND ANNEXES: ‘BLUE CO CARIBBEAN UMBRELLA COORDINATION PROGRAMME’**

**DRAFT TERMS OF REFERENCE**

1. **BACKGROUND**

The blue economy and climate change in the Caribbean

1.01 Caribbean Small Island Developing States (SIDS) rely heavily on marine resources and are usually dependent on climate-sensitive sectors for economic development and community livelihoods. They are thus extremely vulnerable to climate-related threats, including tropical storms and hurricanes, strong winds, flooding, droughts, sea level rise, coastal erosion, increasing ocean temperatures, and climate change induced ocean acidification. The resulting impacts cause extensive damages and losses to infrastructure, critical ecosystems and marine ecosystem health, and are expected to increase with future predicted climate changes. This points to an urgent need for adaptation interventions. In addition, Caribbean SIDS have committed to reducing their greenhouse gas (GHG) emissions, specifically the carbon footprint of marine infrastructure and development with regards to marine transport/shipping.

1.02 The blue economy offers great potential to address both adaptation and mitigation challenges faced by Caribbean SIDS, while simultaneously contributing to meeting the targets of SDG14 (Life under water). However, a regional approach to accessing finance and strengthening the blue economy in the Caribbean is needed.

The Green Climate Fund

1.03 The Green Climate Fund (GCF) is an operating entity of the Financial Mechanism of the United Nations Framework Convention on Climate Change (UNFCCC). It is the world’s largest fund dedicated to the fight against climate change. Designed to be an important part of the effort to mobilise USD 100 billion in climate finance per year, the GCF has a central role to play in addressing the pressing mitigation and adaptation needs of developing countries.

1.04 The GCF aims to support developing countries to achieve a paradigm shift to low-emission and climate-resilient development pathways. This is to be achieved by funding innovative and transformative mitigation and adaptation projects and programmes developed by the public and private sectors to contribute to the implementation of national climate change priorities in developing countries.

1.05 The Caribbean Development Bank (CDB) was accredited to the GCF in 2016, and signed its Accreditation Master Agreement (AMA) in 2018. CDB is now scaling up its support to its Borrowing Member Countries (BMCs) to access and utilize GCF funding to invest in climate change adaptation and mitigation. This is aligned with key CDB policies and strategies, including its Climate Resilience Strategy (CRS), two central pillars of which are to mobilise concessional resources and build technical capacity to support BMCs’ climate action ambitions and work programmes.

The Blue Co Caribbean Umbrella Coordination Programme

1.06 In response to the blue economy and climate change needs of Caribbean countries, the Caribbean Development Bank (CDB) is leading the development of a new regional programme – the *Blue Co Caribbean Umbrella Coordination Programme.* This initiative aims to lay the foundation and create momentum for catalysing finance at scale to enable a low-emission, climate-resilient regional blue economy for Caribbean SIDS[[1]](#footnote-1) through a long-term project pipeline. It will achieve this through the establishment of one regional framework and either standalone or multi-country frameworks (depending on participant country needs), a regional coordination mechanism, and the implementation of transformative projects that can be scaled up and replicated across the region.

1.07 In so doing, the *BlueCo Caribbean Umbrella Coordination Programme* will:

* directly contribute to reducing GHG emissions and enhancing climate resilience in the blue economy through the implementation of an initial set (tentatively three) of innovative high-impact projects; and
* lay a foundation for a broader pipeline of programmes/projects (hereafter “the BlueCo pipeline”) that can be approved and implemented by multiple different partners over the coming years, thereby significantly increasing the flow of financing and investment for a climate-resilient and low-emissions Caribbean blue economy.

1.08 CDB is now seeking a suitable consultancy firm to lead the day-to-day design, feasibility and other preparatory work for this programme.

1. **OBJECTIVE OF CONSULTANCY**

2.01 The objective of the consultancy is to assist CDB to complete the remaining programme design, feasibility and other preparatory work for the *Blue Co Caribbean Umbrella Coordination* Programme, and to prepare a high-quality GCF funding proposal (FP) and all relevant annexes for this initiative.

1. **Scope of SERVICES**

3.01 The Consultant will lead the process of developing a high quality and approvable GCF FP (and all supporting annexes) for the aforementioned programme, building on the concept note (CN) developed by CDB, national counterparts and other partners. To do so, the selected firm will work with CDB and other relevant national and regional stakeholders to implement the key programme preparation activities outlined in this section of the TOR. Throughout the process of implementing these activities, the Consultant will also be expected to: (i) organize bi-weekly meetings with relevant CDB staff to provide detailed updates on the programme preparation process; and (ii) share a monthly written update with the National Designated Authorities (NDAs) from all the partner countries. In addition, the selected firm will be expected to consult closely with other external entities operating in the blue economy space – including, *inter alia,* those working on the Global Fund for Coral Reefs, the GEF-8 Blue and Green Islands Integrated Programme, and the World Bank Unleashing the Blue Economy project – to ensure complementarity and coherence between their ongoing initiatives and the BlueCo Caribbean Umbrella Coordination Programme.

**Table 1: PPF ACTIVITIES AND ASSOCIATED DELIVERABLES**

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| **ACTIVITIES** | **DELIVERABLES** |
| 0) Prepare an inception report and work plan for the assignment. | * (D0) Inception report and work plan. |
| 1) Complete a thorough assessment of baseline conditions. | * (D1) Baseline Assessment Report |
| 2) Develop the climate change rationale for the programme. | * (D2) Climate change rationale write-up (to be integrated into Consolidated Feasibility Study) |
| 3) Develop the draft Regional Blue Economy Framework. | * (D3) Draft Regional Blue Economy Framework |
| 4) Design the BlueCo Regional Coordination Mechanism. | * (D4) Draft BlueCo Regional Coordination Mechanism proposal and operational feasibility assessment |
| 5) Design the BlueCo Project Preparation Fund.  *Note: This Activity will be financed by CDB and implemented in parallel to the rest of the PPF activities (and led by a separate CDB-contracted firm).* | * (D5) Proposal for a Project Preparation Fund to support the development of the broader BlueCo pipeline. |
| 6) Finalize the prioritization of projects to be directly financed through the BlueCo Caribbean Umbrella Coordination Programme, and provide quality assurance/enhancement support to project proponents. | * (D6) Consolidated package of draft BlueCo project proposals (to be appended to the Consolidated Feasibility Study) |
| 7) Prepare the Consolidated Feasibility Study for the BlueCo Caribbean Umbrella Coordination Programme. | * (D7) Consolidated Feasibility Study |
| 8) Prepare the Environmental and Social Management Framework (ESMF) for the programme. | * (D8) ESMF report |
| 9) Prepare the Gender and Social Inclusion (GESI) Assessment and Action Plan for the programme. | * (D9) GESI Assessment and Action Plan |
| 10) Prepare the integrated financial model for the programme. | * (D10) Integrated financial model |
| 11) Prepare the GCF funding proposal for the programme, as well as all other mandatory funding proposal annexes. | * (D11) Funding Proposal * (D12) Monitoring and Reporting Framework * (D13) Detailed budget * (D14) Procurement plan * (D15) Timetable of programme implementation * (D16) Multi-country programme information sheet * (D17) Draft term sheet * (D18) Written contributions to CDB responses to comments from the GCF Secretariat and independent Technical Advisory Panel |

3.02 The aforementioned programme preparation activities are described in more detail below.

**Activity 1: Complete a thorough assessment of baseline conditions**

3.03 Under this Activity, the selected firm will lead the process of assessing the relevant baseline conditions in the participating BMCs. To start, the firm will work with the GCF NDA from each country to confirm the three (3) priority blue economy sectors on which to focus when assessing baseline conditions in that country. The firm will then draw on existing datasets and consultations with key stakeholders to assess baseline conditions in each country’s priority sectors.

3.04 The selected firm will then summarize the results of this assessment in a consolidated Baseline Assessment Report.

3.05 In delivering PPF Activity 1, the Consultant is expected to produce one deliverable: (D1) Baseline Assessment Report.

**Activity 2: Develop the climate change rationale for the programme**

3.06 Under this Activity, the selected firm will develop a thorough and empirically-robust climate change rationale for the BlueCo Caribbean Umbrella Coordination Programme.

3.07 In delivering PPF Activity 2, the Consultant is expected to produce one deliverable: (D2) Climate change rationale write-up, which will later be integrated into (D7) Consolidated Feasibility Study.

**Activity 3: Develop a preliminary draft of the Regional Blue Economy Framework**

3.08 Under this Activity, the selected firm will lead the process of developing an initial draft of the Regional Blue Economy Framework. During the first year of programme implementation, this draft framework will then be fine-tuned, validated and formally adopted by the participating BMCs, and subsequently be used to help guide, *inter alia*, the development of national frameworks that will similarly be supported during the initial years of programme implementation.

3.09 In delivering PPF Activity 3, the Consultant is expected to produce one deliverable: (D3) Preliminary draft of the Regional Blue Economy Framework.

**Activity 4: Design the BlueCo Regional Coordination Mechanism**

3.10 Under this PPF Activity, the selected firm will lead the process of designing the Regional Coordination Mechanism to be operationalized under Component 2 of the *BlueCo Caribbean Umbrella Coordination Programme*. The firm will draw (in part) on the insights gained from PPF Activity 1 to assess whether/to what extent the envisaged functions of the BlueCo Regional Coordination Mechanism (as outlined in the concept note) are already being fulfilled by other regional or international entities. Building on this assessment, the firm will prepare a detailed proposal for the BlueCo Regional Coordination Mechanism.

3.11 After completing the draft proposal, the firm will also present it to CDB and the participating BMCs, integrate their feedback (if/as needed), and ultimately validate the contents of the proposal. Once this is complete, the selected firm will also undertake an operational feasibility assessment of this proposal – i.e. to assess the capacity of the proposed host to fulfil the envisaged roles, responsibilities and functions, and whether additional resources are needed (e.g. from the Umbrella Coordination Programme) to supplement or augment its capacity in this regard.

3.12 In delivering PPF Activity 4, the Consultant is expected to produce one deliverable: (D4) Draft Regional BlueCo Coordination Mechanism proposal and operational feasibility assessment.

**Activity 5: Design the BlueCo Project Preparation Fund**

3.13 *Note: This Activity is included in the draft TOR for the sake of completeness only, and for reference by the Consultant. The Consultant that is contracted using the PPF grant to undertake PPF Activities 1-4 and Activities 6-11 is not expected to undertake PPF Activity 5 as part of its assignment.*

3.14 CDB will use its co-financing to contract a firm (different from the firm to be contracted for all other PPF activities) to design a Project Preparation Fund that can be operationalized under Component 2 of the BlueCo Caribbean Umbrella Coordination Programme, and used to support design, feasibility and other preparatory work for programmes/projects within the broader BlueCo pipeline.

3.15 Note that CDB tentatively expects this Project Preparation Fund to be established as a dedicated ‘blue economy window’ under a broader CDB Climate Change Project Preparation Fund, which would be directly managed by CDB.

3.16 In delivering PPF Activity 5, CDB (working with a different firm/consortium) will produce one deliverable: (D5) Proposal for a Project Preparation Fund to support the development of the broader BlueCo pipeline.

**Activity 6:** **Finalize the prioritization of projects to be directly financed through the BlueCo Caribbean Umbrella Coordination Programme, and provide quality assurance/enhancement support to project proponents**

3.17 Under this PPF Activity, the selected firm will first assist CDB to finalize the eligibility and assessment criteria to be used to review/prioritize the (likely 3-4[[2]](#footnote-2)) projects to be directly financed under the *BlueCo Caribbean Umbrella Coordination Programme*. Once these criteria have been completed and approved by CDB, the selected firm will share the criteria with all project proponents and request written responses demonstrating how each project idea/proposal fulfils them. The firm will then assess the project ideas (including the three outlined in the concept note, as well as any others proposed by national counterparts or regional development partners) using the criteria and responses provided, and will propose a shortlist. The shortlisted projects will then be discussed and validated with national counterparts, CDB and the GCF Secretariat.

3.18 Once the validation process is completed, the selected firm will work with the relevant project proponents to provide quality assurance/enhancement support and other targeted assistance to the project preparation process, thus helping to ensure that proposals are developed in line with CDB and GCF standards.

3.19 In delivering PPF Activity 6, the Consultant is expected to produce one deliverable: (D6) Consolidated package of draft Blue Co project proposals, which will later be appended to (D7) Consolidated Feasibility Study.

**Activity 7: Prepare the Consolidated Feasibility Study for the BlueCo Caribbean Umbrella Coordination Programme**

3.20 Under this PPF Activity, the selected firm will draw (in part) on the outputs from PPF Activities 2-6 to prepare a Consolidated Feasibility Study for the *BlueCo Caribbean Umbrella Coordination Programme*. This study will clearly demonstrate the technical, financial and operational feasibility of the programme and the projects to be financed through it.

3.21 In addition, while preparing the Feasibility Study, the selected firm will finalize the list of TA activities to be supported under Components 1 and 2 of the *BlueCo Caribbean Umbrella Coordination Programme* (to be informed by work on the Theory of Change and barrier analysis under PPF Activity 11), and prepare a full costing of these activities to be included in the detailed programme budget (D13).

3.22 In delivering PPF Activity 7, the Consultant is expected to produce one deliverable: (D7) Consolidated Feasibility Study.

**Activity 8: Prepare the Environmental and Social Management Framework for the programme**

3.23 Under this PPF Activity, the selected firm will prepare an Environmental and Social Management Framework (ESMF) for the *BlueCo Caribbean Umbrella Coordination Programme*. The ESMF should establish a robust environmental & social (E&S) baseline, as well as identify and assess any potential E&S risks and impacts associated with the TA component and the projects to be financed through the programme, as well as propose suitable risk mitigation and management measures. This should be informed (in part) by the more granular assessments to be done at project level under PPF Activity 6. In addition, the ESMF should clearly outline the roles, responsibilities and processes for further identifying, assessing, mitigating and managing E&S risks & impacts during programme and project implementation, *as well as* for monitoring and reporting on the implementation of risk mitigation/management measures.

3.24 In delivering PPF Activity 8, the Consultant is expected to produce one deliverable: (D8) ESMF for the *BlueCo Caribbean Umbrella Coordination Programme*, including a stakeholder engagement plan, information on the programme-specific grievance redress mechanism (as well as the CDB and GCF grievance redress mechanisms/processes), and records of any/all in-country consultations.

**Activity 9: Prepare the Gender and Social Inclusion Assessment and Action Plan for the programme**

3.25 Under this PPF Activity, the selected firm will prepare a Gender and Social Inclusion (GESI) Assessment and Action Plan for the *BlueCo Caribbean Umbrella Coordination Programme*. The GESI Assessment should be based on desk research and consultations with relevant stakeholders in the participating countries.

3.26 In delivering PPF Activity 9, the Consultant is expected to produce one deliverable: (D9) GESI Assessment and Action Plan for the *BlueCo Caribbean Umbrella Coordination Programme*, which should be fully aligned with the relevant GCF template and include records of any/all in-country consultations.

**Activity 10: Prepare the Integrated Financial Model for the programme.**

3.27 Under this PPF Activity, the selected firm will prepare an Integrated Financial Model for the programme, which should account for the initial costing and impact potential estimates done at project level (completed under Activity 6) and those done at programme level (completed under Activity 7).

3.28 The model should also be subject to a sensitivity analysis to assess: (a) whether positive performance can be sustained if input parameters change; and (b) reinforce the request for concessionality.

3.29 In delivering PPF Activity 10, the Consultant is expected to produce one deliverable: (D10) Integrated Financial Model for the *BlueCo Caribbean Umbrella Coordination Programme*.

**Activity 11: Prepare the GCF Funding Proposal for the programme, as well as all other mandatory Funding Proposal annexes.**

3.30 In parallel to (and drawing on) PPF Activities 1-10, the selected firm will prepare the full GCF Funding Proposal (in which all key programme-related details will be succinctly summarized) for the *BlueCo Caribbean Umbrella Coordination Programme*, using the GCF template.

3.31 In addition, the selected firm will prepare the following mandatory Funding Proposal annexes that are not covered under Activities 1-10:

1. Monitoring and Reporting Framework (using GCF templates and guidance, as well as supplementary CDB guidance, for Annexes 11, 22 and 23).
2. Detailed Programme Budget (using GCF template), which should include:
   * Comprehensive information and analysis to justify the costs associated with the project (budget notes, cost analysis, detailed cost breakdown);
   * Comparative analysis that compares the proposed budget with similar projects or industry standards to demonstrate that the costs are reasonable and competitive; and
   * Any relevant supporting documents/appendices, including historical cost data or financial models to substantiate the budget proposal.
3. Procurement Plan (using GCF template).
4. Timetable of Programme Implementation (using GCF template).
5. Multi-country Programme Information Sheet (using GCF template).
6. Draft Term Sheet (with core programme-related information).

3.32 In addition to the above-described sub-activities and deliverables, the Consultant is also expected to provide targeted support to CDB (on an as-needed basis), estimated to be up to a maximum of five (5) working days per Key Expert, during the GCF review/approval process.

3.33 In delivering PPF Activity 11, the Consultant is expected to produce eight deliverables: (D11) Funding Proposal; (D12) Monitoring and Reporting Framework; (D13) Detailed budget; (D14) Procurement plan; (D15) Timetable of programme implementation; (D16) Multi-country programme information sheet; (D17) Draft term sheet; and (D18) Written contributions to CDB responses to comments from the GCF Secretariat and independent Technical Advisory Panel.

**4. DELIVERABLES**

4.01 The selected firm is required to produce one operational deliverable (an inception report and work plan for this consultancy assignment), as well as seventeen (17) of the eighteen (18) technical deliverables that will collectively comprise the GCF funding proposal package (i.e. the funding proposal and all annexes), by the end of the consultancy, as outlined in Table 1 (above).[[3]](#footnote-3)

**5. IMPLEMENTATION AND SUPERVISION OF THE CONSULTANCY**

5.01 CDB will facilitate the work of the Consultant. CDB will have overall responsibility for coordinating the administrative arrangements for this consultancy, where the places of work will be the home base(s) of the Consultant(s) and the participating CDB Borrowing Member Countries (BMCs). In addition to paying for the personnel costs of the selected firm, CDB will fund the cost of air travel from the consultants’ home base(s) to the partner countries, the related airport transfers, ground transportation, hotel accommodation and provide an allowance for meals and incidentals. Support for the administrative and logistical arrangements will be provided by both CDB and other national and regional partners, and will include support to arrange meetings, site visits, liaising with public and private sector and non-governmental organizations in the partner countries, as well as assistance with arranging meetings with relevant government and non-government stakeholders. CDB (with support from national and regional partners) will also assist with any operational issue(s) that may arise. CDB will further provide background information that is relevant to the completion of the assignment.

5.02 The Consultant will be required to carry out the duties listed in Section three (3) of these TOR. The selected firm will report to the CDB Project Supervisor based in the Environmental Sustainability Unit. The selected firm is required to work collaboratively with the staff of CDB, national and regional partners, and other relevant stakeholders in each of the partner countries.

5.03 In relation to computing and related equipment, software and supplies required for the implementation of this assignment, the Consultant will be responsible for providing and/or covering the cost for these items.

**6. QUALIFICATIONS AND EXPERIENCE**

6.01 The firm shall demonstrate that it possesses the following qualifications and experience: a strong track record of leading and/or supporting the design and preparation of investment programmes/projects, as demonstrated by the number of relevant/similar assignments completed in the past. Experience preparing such initiatives in the blue economy and in the Caribbean will be considered a particular asset, as will be experience working on other approved GCF programmes/projects. The ideal firm will also have a proven track record of producing high quality (clear, succinct) written outputs.

6.02 The consulting team should consist of professionals with the following profiles and qualifications:

**Key Expert 1: Programme Development Team Leader**

(a) Education: An advanced university degree (master’s or higher) in international development, economics or another field directly relevant to the Programme Development Team Leader role.

(b) Experience: At least ten (10) years of relevant professional experience supporting the design and preparation of investment programmes/projects for Multilateral Development Banks (MDBs) or other development partners. Prior experience leading the preparation of GCF-financed programmes/projects will be considered a particular asset.

**Key Expert 2: Lead Baseline & Feasibility Expert**

(c) Education: An advanced university degree (master’s or higher) in international development, economics or another field directly relevant to the Lead Baseline & Feasibility Expert role.

(d) Experience: At least eight (8) years of relevant professional experience supporting the design and preparation of programmes/projects related to sectors/areas that are part of the blue economy. Prior experience supporting this work in the context of MDB-financed programmes/projects will be considered a particular asset.

**Key Expert 3: Lead Environmental and Social (E&S) Expert**

(e) Education: An advanced university degree (master’s or higher) in environmental sciences, sustainable development or another field directly relevant to the Lead E&S Expert role.

(f) Experience: At least six (6) years of relevant professional experience supporting environmental and social (E&S) risk management in the context of programmes/projects financed by MDBs or other development partners. Prior experience working on E&S risk management for GCF-financed programmes/projects will be considered a particular asset, as will familiarity with CDB and GCF E&S standards and requirements.

**Key Expert 4: Lead Gender and Social Inclusion (GESI) Expert**

(e) Education: An advanced university degree (master’s or higher) in gender studies, sustainable development or another field directly relevant to the Lead GESI Expert role.

(f) Experience: At least six (6) years of relevant professional experience supporting GESI in the context of programmes/projects financed by MDBs or other development partners. Prior experience working on GESI issues for GCF-financed programmes/projects will be considered a particular asset, as will familiarity with CDB and GCF GESI standards and requirements.

**Key Expert 5: Lead Monitoring and Reporting (M&R) Expert**

(e) Education: An advanced university degree (master’s or higher) in international development or another field directly relevant to the Lead M&R Expert role.

(f) Experience: At least six (6) years of relevant professional experience supporting monitoring & reporting (M&R) and evaluation in the context of programmes/projects financed by MDBs or other development partners. Prior experience working on M&R for GCF-financed programmes/projects will be considered a particular asset.

6.03 The consulting team is also required to demonstrate the following:

(a) Good writing/communications skills in English.

(b) An ability to present information in a clear and concise manner.

(c) An ability to solicit useful information from a broad range of stakeholders.

(d) Experience working on climate change issues in the Caribbean or other Small Island Developing States.

6.04 The consulting team’s Key Experts may be supported by additional specialists (non-Key Experts) with expertise on climate change adaptation, climate change mitigation, specific blue economy sectors, financial modelling, and other areas that may be appropriate for the conduct of the services.

**7. DURATION**

7.01 The duration of the consultancy is 21 months. This includes: 12 months for the consultants to complete and deliver the GCF FP and other annexes needed for submission to the GCF; 4 months for the national validation and no-objection process (during which CDB will require minimal contributions from the consulting team); and 6 months for the GCF review and approval process (during which CDB will require targeted contributions from the consulting team).

1. Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago. [↑](#footnote-ref-1)
2. Note that the number and size of projects will depend in part on the results of CDB’s current application for an accreditation upgrade to the USD50-250 million category. If CDB’s application to upgrade its accreditation scope is approved, the Bank may consider supporting the development of additional (or larger) projects under the BlueCo Caribbean Umbrella Coordination Programme. The results of this process are expected to be known by Q2-3 2024. [↑](#footnote-ref-2)
3. The firm to be contracted using the PPF grant will not be expected to undertake PPF Activity 5 or produce D5. [↑](#footnote-ref-3)