

## Terms of Reference

### Consultant - International Climate Finance Expert

#### **Lebanon's Green Climate Fund Readiness Project**

**Issued on: 20 July 2020**

#### **Background:**

The Green Climate Fund (GCF) is the world's largest dedicated fund helping developing countries to act on climate change. It was established by the United Nations Framework Convention on Climate Change (UNFCCC) in 2010. By channelling climate finance to developing countries, the GCF plays a crucial role in serving the goals of the Paris Agreement on climate change, adopted in 2015.

The Ministry of Environment in Lebanon is currently leading the implementation of the "*Strengthening and enhancing Lebanon's institutional arrangements and capacity to enable and optimize access to the Green Climate Fund*" project (2020-2022) which aims at supporting Lebanon to efficiently tap into the fund. Therefore, Lebanon has to align itself with GCF requirements and expectations which entail the following:

1. National sectoral projects and policies have to clearly identify their linkages to climate change;
2. The government has to coordinate and prioritize its needs across all sectors and stakeholders (this includes CSOs, the private sector and municipalities), and incorporate those priorities and needs in a **Country Programme** for engagement with the GCF;
3. The national focal point of the fund, called the Nationally Designated Authority (NDA) (in Lebanon's case, the Ministry of Environment), has to be capacitated, both technically and legally, to coordinate Lebanon's access to the fund and to evaluate project proposals. This includes the development and implementation of a clear and institutionalized procedure (called the **No Objection Procedure**, NOP) to evaluate, select and prioritize GCF proposals from all stakeholders in line with national priorities;
4. The Ministry of Environment has to draft a **Gap Assessment Report** detailing: (1) the Government and the Ministry's strengths that facilitate alignment with GCF requirements, (2) the weaknesses and gaps that may hinder/delay alignment with GCF requirement, (3) the capacity building needs to overcome weaknesses and gaps.
5. A **climate finance tracking framework** has to be established to efficiently monitor flows from the private sector and non-state actors. Under the EU ClimaSouth project, The Ministry of Environment has initiated a study '*Lebanon – Formulating an MRV framework for support received*' to track climate finance that the government receives from public and private sources as an attempt to continuously identify and report support received. The study will act as a starting point to this requirement.

Please refer to **Annex 1** to learn about the type of questions that will be tackled to implement the above-mentioned activities.

### **Objective of the consultancy:**

The consultancy has 3 main lines of activities:

1. Conduct an assessment of the NDA's capacity to track GCF flows and identify and elaborate entry points to track climate finance flows more broadly. The assessment shall also focus on the NDA's capacity to monitor the efficiency and effectiveness of flows;
2. Elaborate and validate basic elements of a framework to track and monitor climate finance flows in a report. These elements should be adjusted to the conditions and institutional settings of the country;
3. Evaluate practices in and outside the country in terms of climate budgeting and recommend a systematic approach to enhance climate budgeting in the national context.

### **General Terms:**

- The International Climate Finance Expert will be engaged in a fixed- price consultancy contract for a one-year duration, with the possibility for continuation for the second year depending on agreement and progress with deliverables.
- The selected candidate will work under the direct supervision of the National Technical Coordinator at the Ministry of Environment and the Coordinator of the Sustainable Development Climate Change and Gender Programme at the South Centre.

### **Qualifications, Experience and Skills**

#### Education:

- Advanced University Degree (Master's degree or equivalent; PhD an asset) in Economics, Public Financial Management, Environmental Science, Law, or related fields of study. Background in other areas may be considered based on experience and performance in previous positions.

#### Experience:

- A minimum of 10 years of progressively responsible relevant experience in international development, economic development and sustainable development with focus on public and/or climate finance, climate change institutional and policy issues;
- Demonstrate at least 7 years of experience on public and/or climate finance and policy design issues with national governments and international organizations on international and national development in the context of climate change and sustainable development;
- Strong background producing national, regional and global reports on climate change finance and related areas;
- History of engagement with UN Climate Negotiations and strong knowledge of the Financial Mechanism of the Convention, the Standing Committee on Finance and broader finance issues (criteria for tracking, budgeting) and MRV;

- Experience with GCF Readiness and Preparatory Support program in a technical or advisory capacity;
- Strong understanding of the climate policy and finance landscape and institutional arrangements;

#### Language and Other skills:

- Fluency in both spoken and written English (working language);
- Knowledge of French and/or Arabic is an asset

#### Competencies:

##### Professionalism and technical skills:

- Working and liaising with public administration, development partners, United Nations system, NGOs, academia, and the private sector;
- Conscientious and efficient in meeting commitments, observing deadlines and achieving results.

##### Functional skills and abilities:

- Demonstrated knowledge of climate finance, particularly with regards to tracking climate flows, climate budgeting and related institutional arrangements;
- Experience and demonstrated ability in conducting research;
- Knowledge of institutional mandates, policies and operations in relation to Climate Change in developing countries;
- Strong analytical skills and ability to adapt to national context;
- Excellent communication and organizational skills;
- Proactive, motivated and meticulous with an ability to be flexible and adaptive;
- Strong exposure and knowledge of Microsoft office applications, mainly, Excel, Word, Power Point

#### Scope:

Under the supervision of the National Technical Coordinator at the Ministry of Environment and the Coordinator of the Sustainable Development Climate Change and Gender Programme at the South Centre, the consultant shall carry out the below tasks. The Project Management Unit (PMU) will provide backstopping support with necessary information and data, which it can access from different consultancy services for the project. The following tasks will be performed:

#### **Task 1: Assess the NDA's capacity to track GCF flows and identify entry points to track other climate finance flows, including monitoring efficiency and effectiveness of these flows.**

1. An initial assessment of the national framework dealing with the MRV of climate finance flows and identification of gaps and lessons learned has been produced in a previous study: *'Lebanon – Formulating an MRV framework for support received'* (hereinafter referred to as 'the study'). The CFE shall **review the study, identify gaps and complement** missing elements in specific sections of a gap assessment report that the PMU is coordinating.

2. The sections shall further consist of a review of the study's findings and recommendations and validate their relevance.

## **Task 2: Establish and validate basic elements of a framework to track and oversee climate finance flows**

1. **Develop criteria** to determine whether a project funding is related to climate change and how this is related (principal/non-principal, adaptation/mitigation etc.). This exercise shall be guided by the criteria and approaches elaborated in the study and in line with GCF standards.
2. **Test the applicability** of the developed criteria on key projects chosen from the NDC Partnership Plan developed by the climate change office to set sectoral priority actions to enable the achievement of Lebanon's Nationally Determined Contributions. The objective of the testing exercise is to make sure that criteria and definitions are user friendly, realistic and efficient in the Lebanese context and at the same time in line with GCF guidelines.
3. Propose GCF climate finance **indicators** in the context of Lebanon, e.g. amount of public domestic funding in a specific year, amount of private funding in a specific year, etc., and mitigation and adaptation impact indicators (GHG emission reduction for every dollar, increased resilience, capacity building, enabling framework, and links with progress of implementation of NDC targets).
4. Produce a report documenting elements of and formulating recommendations for a comprehensive and contextualized **climate finance tracking framework**, including reporting template/database. A useful entry point could be the climate finance tables adopted under the Enhanced Transparency Framework of the Paris Agreement (Modalities, Procedures and Guidelines).
5. Engage through **consultations** with national public and private stakeholders and international agencies operating in Lebanon to agree on and further develop suggested criteria, definitions and the overall climate finance tracking framework.
6. Produce **guidance/training material** on the climate finance process and focus on the GCF's investment framework, financing priorities and modalities with particular attention to the Private Sector Facility
7. Participate in two to three **missions to Lebanon** as agreed with the PMU and as is possible during the time period (travel expenses to be covered by the project and in case of a prolonging Covid-19 situation, virtual meetings, including semi-structured interviews may be applicable).

## **Task 3: Identify immediate entry points to improve climate budgeting and develop concept notes for a transformative approach to enhance national climate budgeting**

1. Review specific sections on the linkage of national budget to climate finance in the study and compile **lessons learned and identify gaps** in the assessment and capture in a report. Complement review process with further bilateral consultations with key stakeholders if needed (facilitated by the PMU).
2. In consultation with the PMU, choose at least one Ministry and **assess the process of determining and allocating its budget**.
3. Identify entry points and challenges for climate budgeting in national processes and elaborate a draft **contextualized process** that would allow the development of climate proofed national budgets.
4. **Evaluate international approaches** and practices on climate budgeting, including climate policy and expenditure reports and extract best practices applicable to Lebanon.
5. Assess the possibility of building capacities on climate budgeting and identify **capacity development** needs within the NDA, but also consider other national partners such as the Ministry of Finance or the Council for Development and Reconstruction (CDR – responsible for planning and implementing infrastructure projects under the Council of Ministers).
6. Based on the above activities, identify gaps and challenges and related needs for national climate budgeting. Prioritize needs and **develop concept notes for potential projects** to improve national climate budgeting arrangements.

**Mode of work:**

- Work implies frequent interaction with the Project Management Unit (PMU). The PMU staff will have access to knowledge and analysis of a national consultancy firm and other individual local and international consultants that cover, among other areas, Climate Policy, ESS and Gender and the Private Sector;
- Work also entails consultations with officials at Ministry of Environment, other officials, community groups and other stakeholders within Lebanon, other consultants under the project, and the staff of the South Centre;
- Missions to Lebanon are foreseen – pending developments related to the COVID-19 situation (alternative scenarios such as virtual consultations/meetings may be applicable). **Travel fees are to be covered by the project and not to be accounted for in the offer for this consultancy;**
- The PMU at the Ministry of Environment will be heavily involved in guiding progress and communication with stakeholders;
- The PMU will be responsible for organizing meetings, workshops, arranging for venues, printing material, issuing invitations and all other logistical and coordination matters needed for the implementation of the work of the consultant.

**Results expected:**

Task 1 (20%):

- Sections in the gap assessment report concerning the MRV of GCF and climate finance flows drafted

Task 2 (40%)

- Report produced detailing a country-specific climate finance tracking framework, including criteria to identify relevant finance flows and GCF climate finance indicators;
- Guidance and training material on climate finance and GCF produced

Task 3 (40%):

- Report prepared identifying entry points for improving climate budgeting;
- Concept notes produced elaborating necessary strategic arrangements and processes in order to sustainably improve national climate budgeting.

**Timeframe of service delivery:**

<b>Deliverable</b>	<b>Deadline</b>	<b>Remuneration</b>
Outputs related to task 1	1 month from contract signature	20%
Outputs related to task 2	6 months from contract signature	40%
Outputs related to task 3	10 months from contract signature	40%

**Contract type and Remuneration:**

The International Climate Finance Expert will be engaged in a fixed- price consultancy contract for a one-year duration, with the possibility for continuation for the second year depending on agreement and progress with deliverables. Once selected, a Special Services Agreement (SSA) will be signed with the awarded consultant in accordance with the regulations in force for the South Centre for such Special Services Agreements.

**Selection Process:**

Application should be sent in English at [applications@southcentre.int](mailto:applications@southcentre.int) (stating ‘Climate Finance Expert – Lebanon’ in the subject) no later than CET 24.00 hrs. on **02.August 2020**.

Application should include:

- A Curriculum Vitae describing previously accomplished work related to institutional arrangements and/or analysis of environmental processes in the Global South;
- Cover letter with indication of availability;
- Detailed financial proposal.

Copies of qualifications, previous employment certificates, publications etc. should not be sent with the application. These may be requested at a later stage.

Only short-listed candidates would appear for an interview. Only successful candidates shall be contacted and thus candidates are kindly requested to refrain from enquiring about progress of their application.

The selected candidate is expected to take up the assignment by **24 August 2020**.

### **About the South Centre:**

The South Centre is the inter-governmental policy research institution of developing countries, with currently 54 developing country member States from Africa, Asia and the Pacific, and Latin America and the Caribbean. The South Centre promotes more effective South-South cooperation and coordination, supports developing countries in participating in and voicing their development interests and priorities more effectively in various multilateral and regional development policy-related issues and fora, and provides policy advice and technical assistance to governments on their national development-related policies.

The main activities of the Centre are policy research and analysis, convening of meetings and conferences for developing countries to share views and experiences, and technical assistance and capacity building activities. The issues taken up by the Centre include international and regional trade policy, global macroeconomic and finance issues, global public health, innovation and intellectual property policy, climate change, environment and sustainable development, international economic issues including tax policy, external debt and international investment policy; human rights policy; global governance for and North-South relations, South-South cooperation, and global governance for development. The South Centre has three major institutional pillars: The Council of Representatives in which the Member States are represented; the Board comprising a Chairperson and members who act in their individual capacities and provide guidance to the Secretariat; and the Secretariat headed by the Executive Director which implements the activities of the South Centre. The Secretariat is accountable to and works under the guidance of the Board and the Council.

## Annex 1:

The key questions that should drive the Capacity and Gap Assessment are:

- What is the present state of the NDA (human, financial, technical capacities, expertise, mandates, network, visibility, location and ability to influence or drive its mandate vis-à-vis line-ministries, cabinet, parliament, other multilateral climate funders, finance ministry, the private sector etc.)
- What factors inhibit or support the institutionalization of the NDA and its development?
- What are the nature of and constraints around convening authority of the NDA
- What is the level of respectability afforded to the NDA secretariat?
- What is the ability of the NDA to respond to demands (coming from and with regard to GCF funding)?
- Which procedures are in place or missing that affect the NDA's mandate?
- What is the scope, opportunities and challenges for the NDA building strong effective partnership with the private sector, sectoral experts etc.
- What are the capacities of the NDA (and how can these be strengthened and enhance) vis-à-vis:
  1. Policy: identify and elaborate on and ensure alignment with National development plans, sector plans, understanding of relevant areas of public goods, fiscal incentives and tax breaks etc. relative to its mandate, de-risking instruments
  2. Regulation: ensure awareness and knowledge with regards to compliances with national laws and regulatory standards
  3. Technical: M&E and Monitoring, Reporting, Verification (MRV)
  4. Finance: knowledge and comfortability with de-risking CF instruments, CF framework, risk management
  5. Project management
  6. ESS
  7. Gender
- What are the strengths, weakness, opportunities and challenges (and recommendations to mitigate or enhance these facing the NDA, institutionally) in terms of:
  1. **Communication:** in relation to coordinating readiness and funding programme, NOP, nominations of (national) implementing entities, stakeholders, dissemination of documents in multiple languages, M&E/MRV; and production of knowledge tools on GCF programme and nomination appraisals.
  2. **Strategic Country Programme planning & oversight:** inclusive of knowledge of national development plans, climate change and sector plans such as LEDs or NAMA and coordination with line-ministries and focal points of other multilateral funds, on issues that are relevant to the development of national priorities and strategic plans.
  3. **Nomination of NIEs:** capacity to assess proposals, run competitive consultation process for enabling and ensuring EDA (Enhance direct access), oversight of NIEs and project implementation.
  4. **NOP:** unique national NOP process for Lebanon with the capacity to: look into how, when and where NIE/IEs submit funding proposals; evaluate their capacities in terms of ESS & Gender; map proposals with GCF investment criteria; involve



stakeholders; undertake technical/financial/strategic analysis, inclusive of political risk; do a cost benefit analysis

5. **Capacity to identify and mobilize external/additional financial support** by e.g. internally e.g. line-ministries, private sector or other international funders
6. **Capacity to address and monitor issues** related to auditor general and auditing climate projects
7. **Capacity to offer advisory services**, if deemed desirable, to stakeholders such as NIEs, private sector, ministry of environment etc.
8. **Capacity and awareness of how to address or overcome bottlenecks** within government system which relate to the NDA's mandate and scope of work