

“ARMSWISSBANK” CJSC

**READINESS AND PREPARATORY SUPPORT PROGRAMME**

**“SCALING UP GREEN FINANCE PRACTICES IN THE REPUBLIC OF ARMENIA”  
PROJECT**

**TERMS OF REFERENCE**

**Engagement of individual consultant (national) for design of the Green Finance  
Roadmap for Armenia**

**Background**

Within its strategy to promote enabling framework for introducing environment resilient practices, the Government of Armenia plans to significantly scale up the utilization level of green finance instruments and to secure a more pro-active participation of the financial and private sector in implementing interventions in climate adaptation and mitigation domains.

Within that overall strategy, the Government of Armenia through the Ministry of Environment (Designated National Authority) has requested support of Green Climate Fund (GCF) within the framework of “Readiness and Preparatory Support Programme” to implement comprehensive assessment of the constraints for further expansion of “green finance” practices, mapping of available instruments and to come up with comprehensive set of methodological, awareness raising and capacity building interventions. The Readiness Project will design a Green Finance Roadmap, as key political document outlining current state, existing impediments for green finance development and establishing comprehensive vision for green finance strategy contributing to implementation of Armenia’s NDCs and Paris Agreement. The Roadmap and further activities aimed at implementation of the activities proposed will benefit from Repository of “Green Finance Instruments” that will be compiled during project execution stage and further handed over to Central Bank for maintenance and updates upon completion of the Project. The main objective of the Readiness Project is to achieve paradigm shift in design and utilization of “green finance” instruments through incorporating into policies, operational modalities of national banks and non-banking financial institutions the climate-resilient approaches and guidelines, as well as regulatory simplification and introduction of policy incentives for designing respective on-lending facilities. To achieve this objective, interrelated chain of activity clusters, including assessment of baseline, regulatory review and simplification, assessment of best international practices, design of methodological baseline and further capacity building activities will be implemented.

The “ARMSWISSBANK” CJSC one of the leading Armenian banks that also seek accreditation with GCF (under direct access modality) has been awarded the contract for

implementation of “Scaling up Green Finance Practices in the Republic of Armenia” Project.

### **Assignment Background**

During the previous 4 phases of the Project implementation the following activities were carried out with the involvement of international and national consultants and professional consulting companies:

- Mapping of current practices and capacities of all existing commercial banks (17) and major non-banking financial institutions (5) aimed at identification of existing “green finance instruments” (including sources, requirements and conditions), understanding of regulatory practices and key constraints, as well as collecting and systemizing suggestions of beneficiaries on policy measures and instruments on how to further promote “green finance practices” in Armenia;
- Mapping of key “green finance instruments” deployed by key MDBs operating in Armenia understanding their vision of regulatory practices and key constraints, as well as collecting and systemizing suggestions of MDBs on best international practices (based on their experience of operations in other countries) facilitative towards further promotion of “green finance practices” in Armenia;
- Implementing quantitative survey of 282 beneficiaries of “green finance” instruments (119 SMEs and 163 households) aimed at establishment of the baseline for assessment of the responsiveness of the products and identification avenues for improvement;
- Conducting 2 webinars with key stakeholders to present results and discuss recommendations of the activities carried out within the framework of this phase.
- Review international best practices in “green finance instruments”, identification of recommended ones and provision of recommendations for their adaptation to Armenian realities,
- Delivery of a tailor made training Programme (9 sessions throughout 8<sup>th</sup> to 26<sup>th</sup> of April) on key methodological aspects of international best practices proposed for utilization in Armenia.
- Carrying out consultations deriving from Compendium of best practices and subsequent recommendations on the ones to be adopted in Armenia, as well as providing drafting services of necessary legal and regulatory acts.
- Provision of methodological guidance on advancing green finance guidelines and tools based on the standards applied by climate funds and other sources of green finance for partner banking institutions, as well as design of model guidelines and tools (including Environmental and Social Safeguards and Gender) that could be utilised by local financial institutions;
- Designing training curricula (with the overall duration of 30 hours) and delivery of the trainings on ESGs for mid-level managers of banks and non-banking financial institutions (30 participants);

This final stages is aimed at consolidation of the recommendations and design of the Green Finance Roadmap for the Armenia through consultative process.

## **Objective of the Assignment**

The objective of the assignment is to help (separately contracted) international consultant to design Green Finance Roadmap for Armenia through:

- summarizing recommendations from previous phases of the project,
- carrying out research and integration of the findings from best international practices in the field of mainstreaming green finance, and
- implementation of the targeted consultations with the key stakeholders.

## **Scope of Work**

One of the key deliverables of the Readiness Project is designing Green Finance Roadmap, as key political document outlining current state, existing impediments for green finance development and establishing comprehensive vision for green finance strategy contributing to implementation of Armenia's NDCs and Paris Agreement. The green finance roadmap shall provide a strategic framework to mainstream green finance in the architecture and practice of financial markets and thus, in medium to long term shall contribute to mobilizing private and public capital for green projects in Armenia.

The development of the Roadmap with concrete recommendations is aimed at accelerating the transition from the traditional to "green" financial system. The Roadmap's goal is to scale up green finance through summing up the recommendations from all activities and outcomes of the Project, including the current situational stock-taking, best practices review, legal framework analysis, "green finance" manual preparation, private sector engagement and institutionalization of E&S approach in financial sector.

The Roadmap and further activities aimed at implementation of the activities proposed should benefit from Repository of "Green Finance Instruments" that will be compiled during project execution stage and further handed over to Central Bank for maintenance and updates upon completion of the Project. As a sector regulator and the main knowledge partner of NDA, the Central Bank along with maintaining the database should take care for periodic briefings for respective staff of NDA engaged in broader effort of enhancing green finance and partnership with climate funds and international organizations. Such established partnership framework, will have important aspect of capacity enhancement and knowledge sharing, thus, contributing towards enhanced capacity of the country to benefit from climate finance opportunities.

To this end, the selected Consultant will have to provide support to the (separately contracted) international consultant to design the Green Finance Roadmap of Armenia that will:

1. Provide with mid-term outlook, perspective and policy options for mainstreaming green finance in Armenia;
2. Review the recommendations of the previous phases, their implementation progress and in consultation with key stakeholders provide necessary input for informing Roadmap design process;

3. Review and analyze international best practices (including review of Green Finance Roadmaps of comparable countries) and recommend/incorporate policy and regulatory levers that could boost green finance in the republic of Armenia;
4. Carry out targeted consultations with the key stakeholders and adjust accordingly the draft Green Finance Roadmap;
5. Organize and deliver up to 5 workshops to present/discuss roadmap with Stakeholders
6. Deliver final Roadmap for scaling up green finance (designed, consulted with and approved by the Central Bank)

## **Selection Criteria**

### **I. Technical Proposal – 70%**

#### **1. Experience of the Consultant – 60%**

- At least 10 years of work experience in the project management, design and evaluations, development and/or application of performance indicators, targets, and methodological guidelines, research, policy and procedure development, including in “green economy” domain (minimum 5 years);
- Experience in PPP and liaison with private sector and Government agencies
- Institutional track record on successful delivery of high-level expert advice to banks, governments and/or international organizations in the relevant fields;
- Experience of working with climate funds is considered as strong advantage.

#### **2. Description of approach, methodology and work-plan – 40%**

### **II. Financial Proposal - 30%**

Financial proposals should be submitted with clear indication of: 1) daily charge out rates multiplied by number of working days (identified in the RFP), 2) total sum for the assignment, and 3) containing the statement that all applicable taxes are included.

## **Evaluation of proposals**

Only financial proposals of bidders received 70 and more points for their technical proposal will be considered.

The procedure for evaluation of Financial Proposals is the following - the lowest Financial Proposal (Fm) will be given a financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as follows:  $Sf = 100 * Fm/F$ , where Sf is the financial score, Fm is the lowest price, and F is the price of the relevant Financial Proposal.

Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in the Data Sheet:

$$S = St \times T\% + Sf \times P\%$$

The Consultant that achieved the highest combined technical and financial score will be invited for negotiations.

### **Timeframe, deliverables and reporting**

The overall duration of the “Scaling up Green Finance Practices in the Republic of Armenia” Project is 24 months.

Required services will have to be delivered during January – April 2022 (70 working days).

### **Submission Requirements**

Technical Proposal comprised from CV and description of approach, methodology and work-plan should be submitted by 04/02/2021 at 18:00 Yerevan time to the following e-mail address: [procurement.gcf@armswissbank.am](mailto:procurement.gcf@armswissbank.am). Financial Proposal should be submitted by 04/02/2021 at 18:00 Yerevan time to the following e-mail address: [priceoffer.gcf@armswissbank.am](mailto:priceoffer.gcf@armswissbank.am).

Financial proposal should include fee component only, which should be all inclusive. Type of the contract is lump-sum. Financial proposals should include timeline of payments against deliverables.

Financial proposal should include fee component only, which should be **all inclusive**. Services of the International Expert will have to be delivered in on-line modality.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of this RFP.

The Proposal that complies with all of the requirements meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Consulting companies can nominate individual experts, however, only relevant experience and expertise of candidate proposed will be evaluated. Submission of multiple experts by consulting companies is prohibited.

**Please Note:** “ARMSWISSBANK” CJSC will not provide feedback on the evaluation process to unsuccessful candidates.