*ANNEX*

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# **TERMS OF REFERENCE**

REGIONAL

RG-T3126

**Project Development Support - Pillar 1 of the Compete Caribbean Partnership Facility**

1. **Background and Justification**
   1. Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
   2. On March 20, 2016, the IDB Board approved the creation of the Compete Caribbean Partnership Facility (CCPF) as a multi-donor Trust Fund jointed funded by the United Kingdom’s Department for International Development (DFID) and the Caribbean Development Bank (CDB). The ultimate goal of the Compete Caribbean Partnership Facility is to support the Caribbean region in increasing productivity and Caribbean firms’ contribution to economic growth. The specific objectives are to (i) support firms to grow, innovate and enter new sectors and markets; and (ii) to promote an environment that enables innovation and growth. The Facility will support productivity and economic growth in the Caribbean by focusing on two thematic pillars: (i) productivity and innovation in firms; and (ii) enhancing the business and innovation climate. The Facility is being executed by Inter-American Development Bank and henceforth all procedures related to operations and implementation thereof must comply with IDB policies.
   3. Phase 1 of Compete Caribbean (2010-17) supported the creation of 12,000 jobs (80% for women and youth); increased revenue generated by participating firms and clusters (USD$153m or a 41% increase); increased exports by participating firms and clusters (USD$37m or a 23% increase); introduction of environmental technologies or adoption of change innovations through nine private sector project; and improvements in the business environment in several Caribbean countries (e.g.: Jamaica’s ranking for Access to finance improved to 12 from 189).
   4. The CCPF which will be implemented over the period (2017-2020), is the second phase of Compete Caribbean and builds on the success of the first phase. CCPF comprises two program pillars: Productivity and Innovation in Firms (Pillar I); and Enhancing the Business and Innovation Climate (Pillar 2). It is intended that CCPF should (a) focus on the specific needs of the more vulnerable countries (Belize, Dominica, Grenada, Guyana, Jamaica, Saint Lucia, Saint Vincent and the Grenadines); (b) support gender and diversity initiatives; (c) promote climate change activities; (d) foster the strengthening of institutions; and (e) promote scalability. During Phase 1, a much higher proportion of proposals submitted by the more vulnerable countries were declined by the screening process, in part, due to the quality of the proposals.
   5. In July 2017, CCPF began issuing Calls for Proposals under Pillar I and Pillar II. To date, two Calls for Proposals have been issued under Pillar I. The first, seeks to identify BSOs that are committed to supporting cluster initiatives. The second seeks to identify cluster initiatives that can help Caribbean firms to grow, generate employment and export to new markets. The Pillar II Call for Proposal seeks to identify, from each eligible country, at least three priority business climate reform projects, that represent public sector, private sector and civil society consensus. In addition to the Calls for Proposals, CCPF and local partners hosted a series of on-the-ground dialogues, among public sector, private sector and non-state actors over the period July 26th to August 18th, 2017. Under the theme Stimulating Private Sector Development and Economic Growth, these dialogues promoted the development of a local agenda of business climate reforms with broad public and private sector appeal; generated potential projects for funding; and strengthened the CCPF project pipeline. On August 23, 2017, CCPF also supported a Regional Policy Dialogue that was focused on increasing private sector access to Technical Extension Services (TES), and spurring innovation, productivity and competitiveness. Working closely with other key stakeholders, CCPF will use the recommendations arising from the dialogue to develop project proposals for pilot TES projects.
   6. CCPF, under Pillar I, will be required to support the eligible countries with preparation of approximately six cluster-related Project Concept Notes (PCNs) and Cluster Capacity Enhancement Plans; and three TES pilot project proposals. Under Pillar II, CCPF expects to receive project concepts for approximately 39 priority business climate reform projects, which must be elaborated into complete project proposals for funding consideration. All CCPF project proposals must be very results-focused; developed based on consultation with, and inputs from, key stakeholders; reflect a sound understanding of local and regional business environment; and integrate gender and diversity, climate change, and regional integration considerations. Institutional strengthening projects must be based on sound capacity development principles; and all projects must include an explicit sustainability strategy.
2. **Objectives**

* 1. The objectives of this consultancy are to (a) provide project development and design expertise to beneficiary countries (b) to improve the capacity of eligible countries with timely preparation of Pillar I Cluster Project Concept Notes that satisfy CCPF's eligibility criteria.

1. **Scope of Services**
   1. The scope of services includes the use of a participatory approach and relevant project development tools, to assist applicants with the preparation of detailed project proposals based on Concept Notes submitted by the applicant and screened by CCPF. Projects developed must meet CCPF’s Eligibility Criteria including being results-focused and integrating gender, climate change and social inclusion considerations. More specifically, the Consultant will assist {*Counterpart Agency*} with the preparation of a detailed proposal based on the Concept Note titled “{Project *Title as stated on Concept Note*}.
2. **Key Activities**

The contractual will carry out the following key activities that will facilitate the achievement of the objective:

* 1. Review CCPF program documents to develop an understanding of the scope and objectives of the Facility; specific results to be achieved; and operating regulations and procedures.
  2. Review the proposal submitted by the country.
  3. Review other relevant background documents such as national development plans, studies/reports, Country Strategies, gender assessments, and/or evaluation reports to identify synergies and avoid duplication; and identify lessons learned and risks from the implementation of similar projects.
  4. Analyse the request for funding submitted by the applicant to identify the data gaps which need to be filled, as well as the opportunities to incorporate innovation and best practices, to develop a detailed project proposal that meets CCPF’s eligibility criteria, provides the highest impact to the country in terms of the objectives pursued, and is according to CCPF’s project proposal format.
  5. Prepare a Work Plan for closing the identified data gaps, designing the project for impact and producing the detailed project proposal. The Work Plan must clearly identify the stakeholders to be consulted, travel requirements, and timelines for completing the planned deliverables.
  6. Liaise with stakeholders, and using a participatory process, develop a draft Theory of Change (TOC), Results Framework (RF), and concise description of the project.
  7. Prepare the first draft of the detailed project proposal, complete with all relevant attachments (including but not limited to components, activities, budget, risk matrix, procurement plan, terms of references, etc.) and incorporating the comments of the applicant and CCPF on the draft TOC, RF and project description.
  8. Revise the draft project proposal based on comments of the applicant and CCPF.

1. **Expected Outcome and Deliverables**

The expected outcomes and products under this assignment are the following:

* 1. Work Plan within 9 days of contract signature.
  2. Draft TOC, RF and concise project description.
  3. First draft of detailed project proposal with relevant attachments that incorporates comments provided by CCPF and the counterpart on the draft TOC, RF and concise project description.
  4. Revised draft of detailed project proposal with all relevant annexes that incorporates comments provided by CCPF and the counterpart.

1. **Supervision and Reporting**
   1. The technical and administrative responsibilities of this consultancy will be coordinated by Sylvia Dohnert, Private Sector Development Lead Specialist (IFD/CTI), Inter-American Development Bank.
2. **Schedule of Payments & Qualifications**
   1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required.

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| **Payment Schedule** | |
| ***Deliverable*** | **%** |
| 1. Submission and approval of work plan 1 week after contract signing | 10% |
| 1. Draft TOC, RF and concise project description 2 weeks after approval of work plan | 20% |
| 1. First draft of detailed project proposal with all relevant annexes 2 weeks after receipt of comments on the draft TOC, RF and concise project description | 40% |
| 1. Revised draft of detailed project proposal with all relevant annexes 1 week after receipt of comments on first draft | 30% |
| **TOTAL** | 100% |

**Qualifications**

Academic Degree / Level & Years of Professional Work Experience:

* Minimum of an advanced university degree (Master's degree or equivalent) in Project Management, Public Policy, Economics, Business Administration or any other related field.
* A minimum of 5 years of experience in private sector development with a focus on business and innovation climate reform within a developing country context.
* At least five years of private sector development experience within the Caribbean.
* At least 3 years experience in project monitoring and evaluation, including RFM and TOC development. Project Monitoring and Evaluation Certification would be a plus.

Core Competencies

* Project analysis and use of key project development tools: stakeholder analysis, TOC/logic models, RF, social and gender impact assessment, risk analysis, sustainability planning, climate change impact assessment, etc.
* Highly developed communication and proposal writing skills.
* A working understanding of guidelines and procedures typically used by development banks (e.g. harmonized procurement guidelines).
* Fluency in oral and written English.

**Characteristics of the Consultancy**

Consultancy category and modality: International, Products and External Services Contractual, Lump Sum

Contract duration: Two (2) months from the start date, including 20 non-consecutive working days

Place(s) of work: External consultancy which will be developed at the place of residence of the contractual. For international contractual, one mission to the location of the potential beneficiaries with a maximum of 5 days on the ground.

1. **Payment and Conditions of Employment:** Remuneration will be determined in accordance with Bank regulations and criteria.
2. **Consanguinity:** Individuals with relatives working for the IDB within, and including the fourth degree of consanguinity and the second degree of affinity are not eligible for employment as staff or contractual. Candidates must be citizens of a member country of the Inter-American Development Bank.
3. **Diversity:** The IDB is committed to diversity and inclusion and to providing equal opportunities in employment. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDs status. We encourage women, Afro descendants and persons of indigenous origins to apply.