

TERMS OF REFERENCE
Consultancy for Designing a questionnaire for a SMEs decarbonization transition and climate resilience readiness Survey

REGIONAL**RG-T4099****Assessing SMEs decarbonization transition readiness in LAC****Background of this search:**

The Competitiveness, Technology and Innovation Division (IFD/CTI) is looking for a professional to design a questionnaire for a survey in Latin American and Caribbean (LAC) Small and Medium-sized Enterprises (SMEs) decarbonization transition and climate resilience readiness.

LAC is one of the most vulnerable regions to climate change which impacts not only affects region's productivity, but also infrastructure, ecosystems, livelihoods, and human lives losses. Facing the urgent response needed for the devastating impacts of climate change, the Paris Agreement aims to limit the global average temperature increase between 1.5°C and 2°C above pre-industrial levels by the end of this century. Scientific evidence has warned that to stabilize the temperature increase to 1.5°C, it is required reaching net zero CO₂ emissions by 2050 and halve emissions by 2030¹. Therefore, PA signatory countries, regions, cities, companies, investors, and academia have joined in making commitments to achieve net zero emissions in their activities by 2050 at the latest². Furthermore, the intergovernmental body of United Nations, responsible of providing scientific evidence on climate change³, have provided a series of recommendations for reaching net zero emissions. For example, it urges strategies and actions to: (i) reduce energy demand, including instruments and standards for processes and technologies with high energy consumption, and energy-intensive materials; (ii) accelerate adoption of energy efficiency measures; (iii) increase recycling and inter-industry material synergies; (iv) extending product lifetimes⁴. To reach net zero emissions, supply chain greenhouse gases (GHG) must be addressed by businesses globally.

LAC MSMEs represent 99.5% of the region's enterprises, generating 61.1% of jobs, but only 24.6% of total productivity⁵. Although MSMEs individually generate a marginal amount of GHG emissions, taken together they are responsible for a very significant amount. They consume more than 13% of the global energy production⁶. The OECD estimates that SMEs account for 60% to 70% of the GHG emissions of the industrial sector⁷. Also, recent studies in the UK find that SMEs contribute between 43% to 53% to GHG emissions of the country's industrial sector. While 60% of SMEs report some awareness of key net-zero concepts, 53% are not ready to prioritize decarbonization in their activities and processes yet, and 56% report no actions. Finally, only 3% of the surveyed SMEs had measured their carbon footprint and prepared emissions reductions strategies⁸. The transition of SMEs to a net zero emissions and climate resilient

¹ IPCC, 2018. [Global Warming of 1.5°C](#). An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways. Intergovernmental Panel on Climate Change.

² Signatory countries pledge commitments through Nationally Determined Contributions and Long-Term Strategies under the United Framework Convention on Climate Change. And non-state actors have pledged net zero emission through the [Race to Zero](#) campaign launched in 2019. These actors represent around 25% of global CO₂ emissions and 50% of GDP globally.

³ The Intergovernmental Panel on Climate Change (IPCC).

⁴ IPCC, 2018. Global Warming of 1.5°C, [Chapter 2](#). Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development.

⁵ Saget, Catherine, Vogt-Schilb, Adrien y Luu, Trang (2020). [Jobs in a Net-Zero Emissions Future in Latin America and the Caribbean](#). Inter-American Development Bank Group and International Labour Organization.

⁶ IEA, 2015. [World Energy Outlook 2015](#). International Energy Agency.

⁷ OECD, 2021. [No net zero without SMEs: Exploring the key issues for greening SMEs and green entrepreneurship](#). Organization for Economic Cooperation and Development.

⁸ British Business Bank, 2021. [Smaller businesses and the transition to net zero](#)

economy is not only necessary to reduce emissions, but also to improve their resource efficiency and adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.

Given this context and considering the contribution of SMEs to LAC's economy and the lack of information on this matter in the region, this consultancy will provide valuable inputs to the objectives of the Regional Technical Cooperation "Assessing SMEs decarbonization transition readiness in LAC". The TC seeks to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region. This will be pursued through the design, application, analysis, and dissemination of the results of a survey on SMEs decarbonization transition and climate resilience readiness.

The team's mission:

The Competitiveness Technology and Innovation Division (IFD/CTI) – The Inter-American Development Bank (IDB), through the Competitiveness, Technology and Innovation (CTI) Division, provides funding, technical assistance and knowledge products to support governments in key action areas such as firm-level innovation, entrepreneurship ecosystems, green innovation, digital transformation, creative economy, social innovation, and productive development. IDB programs in these areas incorporate common themes, such as training in science, technology and innovation for advanced human capital; strengthening scientific and technological infrastructure; designing public policies to promote innovation; strengthening the institutional capacity of the agencies and ministries that are responsible for implementing these policies.

What you'll do:

The objective of the consultancy is to design and prepare a questionnaire for a survey to be conducted on LAC⁹ SMEs on decarbonization transition and climate resilience readiness. The questionnaire will aim to gather key data and information to analyze LAC SMEs' readiness to embark towards a global net-zero economy while building resilience to climate change. Also, it should address questions to demonstrate linkages between climate action and business competitiveness, economic performance, and reactivation of the productive sector. Finally, the consultancy should provide information and insights to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region.

The main responsibilities of the consultant include, but are not limited to:

1. Literature review of existing decarbonization and climate resilience strategies, actions and measures undertaken by SMEs globally and in the LAC region. This activity will provide an understanding of the starting point or level of maturity of SMEs in this matter.
2. Literature review of existing guidelines for collecting, reporting and using data¹⁰, relevant survey instruments conducted globally, and specific surveys on climate action both at industrial facilities and SMEs level¹¹ to gather questionnaire best practices.
3. Hold informational interviews with key players (i.e., large firms, business associations) in energy and emission intensive industries (i.e., food, construction, fashion, fast-moving consumer goods, electronics, automotive, professional services, and freight)¹². These interviews should help inform the design of any questions about information flows and dynamics between large firms and SMEs operating

⁹ At the beginning of the consultancy surveyed countries will be already identified.

¹⁰ For example the [Oslo Manual 2018](#), [Innovation surveys implementation manual](#), [IDB 2014](#), [Best practices for innovation surveys implementation](#), [IDB 2012](#).

¹¹ The following materials could be used as a reference: [Smaller businesses and the transition to net zero- British Business Bank](#), [Net Zero Readiness Index 2021](#), [PwC Sustainability Survey 2021](#), [SME Climate Hub Survey](#).

¹² World Economic Forum (2021). [Net-Zero Challenge: The supply chain opportunity](#).

within the same industry, as well as the identification elements of decarbonization processes that may be industry-specific.

4. Develop the questionnaire and definitions of key concepts. The questionnaires should be designed to seek opinions and information from the establishment's senior manager, environmental manager, accountant, and/or human resource manager. Questions should lead to generate the following data, but are not limited to:
 - SMEs demography, business characteristics and performance, management practices, innovative activities, and technology adoption, including digital technology.
 - SMEs awareness of net zero emissions / decarbonization concepts and strategies, including knowledge, engagement, and capabilities.
 - SMEs development of decarbonization and/or climate resilience strategies/action plans, implementation of actions and measures to reduce GHG emissions or increase adaptive capacity to climate change.
 - Questions leading to identify barriers, drivers, and enablers for climate action in SMES, including SME support, entrepreneurship and innovation enhancement, digitalization and faster adoption of new technologies for climate action.
5. Prepare knowledge materials for SMEs aiming to provide a clear understanding of questionnaire's objectives, scope, and benefits.
6. Provide recommendations for analyzing sectors covered by the survey based on activity 1, GHG emissions and climate vulnerability profiles, and climate commitments of selected countries.

Deliverables and Payments Timeline:

Payments will be made according to the following sequence and based on the deliverables completed by the consultant.

	Deliverable	% payment	Estimated date
#1	Methodology and work plan	20%	February 2023
#2	First draft including activities 1 and 2	40%	March 2023
#3	Final report including survey final questionnaire, knowledge materials and recommendations	40%	April 2023

What you'll need:

- **Citizenship:** You are a citizen of one of our 48-member countries.
- **Consanguinity:** You have no family members (up to fourth degree of consanguinity and second degree of affinity, including spouse) working at the IDB Group.
- **Education:** Degree in economics, business administration, industrial engineering, environmental engineering or similar is required.
- **Experience:** At least 10 years of demonstrated experience in working and evaluating industrial facilities and business performance. Extensive knowledge of climate change mitigation and adaptation. Experience in developing SMEs business strategies for competitiveness and organizational analysis is a plus.
- **Languages:** Proficiency in English and Spanish is required.

Opportunity Summary:

- **Type of contract and modality:** Products and External Services Consultant (PEC)
- **Length of contract:** 3 months
- **Location:** home based

- **Responsible person:** Matteo Grazzi (IFD/CTI)
- **Requirements:** You must be a citizen of one of the [IDB's 48 member countries](#) and have no family members currently working at the IDB Group.

Our culture: Our people are committed and passionate about improving lives in Latin-America and the Caribbean, and they get to do what they love in a diverse, collaborative, and stimulating work environment. We are the first Latin American and Caribbean development institution to be awarded the EDGE certification, recognizing our strong commitment to gender equality. As an employee you can be part of internal resource groups that connect our diverse community around common interests.

Because we are committed to providing equal opportunities in employment, we embrace all diversity and encourage women, LGBTQ+, persons with disabilities, afro-descendants, and indigenous people to apply.

About the IDB: At the IDB, we're committed to improving lives. Since 1959, we've been a leading source of long-term financing for economic, social, and institutional development in Latin America and the Caribbean. We do more than lending though. We partner with our 48-member countries to provide Latin America and the Caribbean with cutting-edge research about relevant development issues, policy advice to inform their decisions, and technical assistance to improve on the planning and execution of projects. For this, we need people who not only have the right skills, but also are passionate about improving lives.

Our team in Human Resources carefully reviews all applications.

TERMS OF REFERENCE**Consultancy for Implementing a LAC SMEs decarbonization transition and climate resilience readiness Survey****REGIONAL****RG-T4099****Assessing SMEs decarbonization transition readiness in LAC****1. Background and Justification**

- 1.1. 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. The Competitiveness, Technology and Innovation Division (IFD/CTI) is looking for a professional to design a questionnaire for a survey on Latin American and Caribbean (LAC) Small and Medium-sized Enterprises (SMEs) decarbonization transition and climate resilience readiness.*
- 1.2. The Competitiveness Technology and Innovation Division (IFD/CTI) – The Inter-American Development Bank (IDB), through the Competitiveness, Technology and Innovation (CTI) Division, provides funding, technical assistance and knowledge products to support governments in key action areas such as firm-level innovation, entrepreneurship ecosystems, green innovation, digital transformation, creative economy, social innovation, and productive development. IDB programs in these areas incorporate common themes, such as training in science, technology and innovation for advanced human capital; strengthening scientific and technological infrastructure; designing public policies to promote innovation; strengthening the institutional capacity of the agencies and ministries that are responsible for implementing these policies.*
- 1.3. LAC is one of the most vulnerable regions to climate change which impacts not only affects region’s productivity, but also infrastructure, ecosystems, livelihoods, and human lives losses. Facing the urgent response needed for the devastating impacts of climate change, the Paris Agreement (PA), signed by 196 countries in 2015, aims to limit the global average temperature increase between 1.5°C and 2°C above pre-industrial levels by the end of this century. Scientific evidence has warned that to stabilize the temperature increase to 1.5°C, it is required reaching net zero CO₂ emissions by 2050 and halve emissions by 2030¹. Therefore, PA signatory countries, regions, cities, companies, investors, and academia have joined in making commitments to achieve net zero emissions in their activities by 2050 at the latest². Furthermore, the intergovernmental body of United Nations, responsible of providing scientific evidence on climate change³, have provided a series of recommendations for reaching net zero emissions. For example, it urges strategies and actions to: (i) reduce energy demand, including instruments and standards for processes and technologies with high energy consumption, and energy-intensive materials; (ii) accelerate adoption of energy efficiency measures; (iii) increase recycling and inter-*

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industry material synergies; (iv) extending product lifetimes⁴. To reach net zero emissions, supply chain greenhouse gases (GHG) must be addressed by businesses globally.

- 1.4. LAC Micro, Small, and Medium-sized Enterprises (MSMEs) represent 99.5% of the region's enterprises, generating 61.1% of jobs, but only 24.6% of total productivity⁵. Although MSMEs individually generate a marginal amount of GHG emissions, taken together they are responsible for a very significant amount. They consume more than 13% of the global energy production⁶. The OECD estimates that SMEs account for 60% to 70% of the GHG emissions of the industrial sector⁷. Also, recent studies in the UK find that SMEs contribute between 43% to 53% to GHG emissions of the country's industrial sector. While 60% of SMEs report some awareness of key net-zero concepts, 53% are not ready to prioritize decarbonization in their activities and processes yet, and 56% report no actions. Finally, only 3% of the surveyed SMEs had measured their carbon footprint and prepared emissions reductions strategies⁸.
- 1.5. The transition of SMEs to a net zero emissions and climate resilient economy is not only necessary to reduce emissions, but also to improve their resource efficiency and adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.
- 1.6. Given this context and considering the contribution of SMEs to LAC's economy and the lack of information on this matter in the region, this consultancy will provide valuable inputs to the objectives of the Regional Technical Cooperation "Assessing SMEs decarbonization transition readiness in LAC". The TC seeks to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region. This will be pursued through the design, application, analysis, and dissemination of the results of a survey on SMEs decarbonization transition and climate resilience readiness.

2. Objectives

- 2.1. The objective of the consultancy is to gather regional comparable SME-level data on decarbonization transition and climate resilience readiness in 3 to 4 LAC selected countries⁹ addressing linkages between climate action and business competitiveness, economic performance, and reactivation of the productive sector. The SME decarbonization and climate resilience readiness survey aims to achieve the following specific objectives:
 - a. To pilot test an innovative survey instrument based on relevant international best practices;
 - b. To define an appropriate sample frame that is representative of the major economic sectors in each country based on its GHG emissions and climate vulnerability profiles, and climate commitments;
 - c. To collect data on SMEs demography, business characteristics and performance, management practices, innovative activities, and technology adoption, including digital technology;
 - d. To collect data on SMEs awareness of net zero emissions / decarbonization concepts and

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⁶ IEA, 2015. [World Energy Outlook 2015](#). International Energy Agency.

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⁸ British Business Bank, 2021. [Smaller businesses and the transition to net zero](#).

⁹ At the beginning of the consultancy surveyed countries will be already identified.

- strategies, including knowledge, engagement, and capabilities;
- e. To collect data on SMEs development of decarbonization and/or climate resilience strategies/action plans, implementation of actions and measures to reduce GHG emissions or increase adaptive capacity to climate change;
 - f. To collect data on SMEs barriers, drivers, and enablers for climate action, including support needed, entrepreneurship and innovation enhancement, digitalization and faster adoption of new technologies for climate action.

The resulting dataset will allow to increase awareness of policymakers on the needs of SMEs to embark to a global net-zero and climate resilient pathways, while improving at the same time their economic performance and competitiveness.

3. Scope of Services

A. Methodological Approach and Sample Framework

- 3.1. The Consultant shall define a methodological approach to develop the sample framework, the optimal and most relevant number of questions, the replication of questions from other initiatives in the region and outside the region, and the data collection method. The sampling methodology shall define the stratification to be used, determined fundamentally by unit size and industry, based on its GHG emissions and climate vulnerability profiles, and climate commitments. A simple random sample is an inefficient method of estimating the value of variable, therefore it is not recommended.
- 3.2. As part of the definition of the methodological approach, the consultant shall consult with the National Statistical Offices (NSOs) and will include actions to improve the response rates¹⁰, including best practices and lessons learned from other experiences in surveys on industrial decarbonization, if applicable. In addition, given that the climate action within smaller businesses can be quite different from what occurs in the larger businesses, the methodology will ensure the representativeness of the results.
- 3.3. The sample method should generate the necessary sample size per industry to conduct statistically robust analyses with a confidence level of 95% and a margin error of 5%.
- 3.4. The definition used for size stratification will be: small (5 to 19 employees), medium (20 to 99 employees), and large (more than 99 employees). Only formal firms with five or more employees will be included in the sample.

B. Survey Scope and Country Coverage

- 3.5. The Consultant shall proposed the data covering period from a statistically representative sample of enterprises from among the selected countries on the aspects describe in paragraph 2.1.c to 2.1.f. The consultant, in the proposal, shall propose improvements or refinement, if required, based on new technological and methodological advances for data collection.
- 3.6. The Consultant will report the design weights and the ex-post weights adjusted by non-eligibility in the sample frame and include them in the final data set.

C. Survey implementation

- 3.7. The questionnaire and sample design and the implementation of the survey should follow, when applicable, existing guidelines for collecting, reporting and using data¹¹, best practices of relevant

¹⁰ Previous experience from the work of Statistics Canada (PRASC) with the NSOs in the region, has found very low response rates regarding business surveys.

¹¹ For example the [Oslo Manual 2018](#), [Innovation surveys implementation manual, IDB 2014](#), [Best practices for innovation surveys implementation, IDB 2012](#)

survey instruments conducted globally and specific surveys on climate action both at industrial facilities and SMEs level¹². The Survey will be carried out by the selected consulting firm by means of face-to-face interviews with each establishment's senior managers. The questionnaires should be designed to seek opinions and information from the establishment's senior manager, environmental manager, accountant, and/or human resource manager.

- 3.8. The questionnaire design will be prepared by another consultancy and will be provided to the Consultant. The Consultant shall review the questionnaire and provide feedback, if necessary.

4. Key Activities

- 4.1. *Propose the methodology for sampling and the parameters for the sample frames, looking for a representative sample of the economy. As part of this, it should engage in consultations with the relevant stakeholders in each country, especially with the National Statistical Offices (NSOs) in order to assess availability of administrative records and business registries and other potential sources of relevant information.*
- 4.2. *Draw samples consistent with the sample methodology proposed. The samples must be approved by the IDB Team before being issued.*
- 4.3. *Prepare the final version of the questionnaire. It must be approved by the IDB Team before data collection can start.*
- 4.4. *Train its enumerators on applying the questionnaire.*
- 4.5. *Will pilot the questionnaire on 5 companies in each country prior to launch of the Survey in that country.*
- 4.6. *Confirm with the IDB Team any necessary or suggested changes on the questionnaire based on the results of piloting the survey in each country.*
- 4.7. *Provide for Spanish/English translation of the questionnaire, including the variable names used for data entry into the questionnaire that corresponds to the appropriate question.*
- 4.8. *Provide for Spanish/English translation of the data/information collected.*
- 4.9. *Complete the survey using face-to-face interviews in each country.*
- 4.10. *Provide weekly Progress Reports for each country that include response rates, differentiating between refusals and problems with the sample frame, in a format approved by the IDB Team.*
- 4.11. *Enter the data into an electronic database, designed by the Consultant, using a method/software approved by the IDB Team that automatically restricts out-of-range variables, checks for inconsistencies, does not allow missing fields where they are not appropriate, and ensures the accuracy of the entered data.*
- 4.12. *Recode open ended questions as per instructions provided by the IDB Team.*
- 4.13. *Verify and clean the data after data entry, when inconsistencies or outliers are found.*

5. Expected Outcome and Deliverables

- 5.1. *The sample frame for each country, approved by the IDB Team.*
- 5.2. *The final questionnaire approved by the IDB Team.*
- 5.3. *A clean, labeled database of completed interviews in STATA (.dta) and Excel (.xlsx), previously agreed upon with the IDB Team. The database will contain all variables included in the questionnaire, following the codes included in the attachments. Furthermore, it will include weights, projection factors and any other data necessary to conduct quantified tabulation. Each*

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establishment should have a unique numeric identifier.

- 5.4. Provide the IDB Team a second database including the location information of each interviewed establishment: name, address, phone number, fax number, email/web address, name of the person interviewed, his/her position title in the establishment and the GPS coordinates of the establishment. Each establishment's location information will have a unique alpha code identifier, so that the list of contacts can be matched 1-to-1 with the STATA (.dta) and Excel (.xlsx) in electronic database format in order to pursue future rounds of panel interviews.
- 5.5. For the panel data set, will provide the IDB Team a full report, firm-by-firm, of the full sample of firms interviewed, indicating changes to the establishment since the last round of interviews.
- 5.6. Provide a brief report on the call-backs performed for quality verification purposes (as mentioned earlier, at least ten percent (10%) of the completed interviews should be verified).
- 5.7. Provide the IDB Team a key relating each unique numeric code from the data set of the interviews with the alpha code from the location data set. This will protect the anonymity of the respondents.
- 5.8. Prepare a report, in Spanish/English, on the data collected, describing all codes, sampling frame, sampling biases introduced in the survey implementation and other pertinent information for researchers. The report will cover observations/experiences arising from the survey and the methodology employed, as well as lessons learned. Any data removed in the "cleaning" process other than through clarification with the responding establishment will also be reported.

6. Confidentiality and Data Ownership

- 6.1. The consultant will protect the confidentiality of firms and individuals participating in the survey at all stages. All data is confidential and the property of the IDB. Its sole purpose is for research on the variables that affect firm performance, including the business environment, and is not for commercial use. No data or other information from this survey will be released to third parties without the written approval of the IDB. The consultant will turn over all data, questionnaire and other material to the IDB and will not retain any information or material after the survey data collection has ended.

7. Project Schedule and Milestones

- 7.1. Timeline of the assignment, as follows:
- 7.2. Product 1: Work plan and draft methodological approach, including the proposed sample frame for each country, the draft questionnaire, and detailed timelines for expected deliverables as described below. At the submission of the Product.
- 7.3. Product 2: Methodological approach. May 2023.
- 7.4. Product 3: Training, Piloting and Questionnaire revision. June 2023.
- 7.5. Product 4: Application of Main Survey. August 2023.
- 7.6. Product 5: 20% Data Delivered. September 2023.
- 7.7. Product 6: 70% Data Delivered. October 2023.
- 7.8. Product 7: Data entry finalized, and final data delivered. November 2023.
- 7.9. If due to problems encountered during survey fieldwork these deadlines cannot be met, a revision of this time schedule will take place between the IDB/Compete Caribbean Team and the Consultant.

8. Supervision and Reporting

- 8.1. The supervision will be carried out by Matteo Grazzi (IFD/CTI).

9. Schedule of Payments

- 9.1. 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. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 9.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. <i>Product 1</i>	20%
2. <i>Products 2, 3 and 4</i>	40%
3. <i>Products 5 and 6</i>	20%
4. <i>Product 7</i>	20%
TOTAL	100%

Econometric Analysis on the relation between the demographic and socioeconomic characteristics of surveyed firms and their decarbonization and climate resilience strategies

REGIONAL

RG-T4099

Assessing SMEs decarbonization transition readiness in LAC

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adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.

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What you'll do:

The objective of the consultancy is to perform an economic analysis on the relation between the demographic and socioeconomic characteristics of surveyed firms and their decarbonization and climate resilience strategies.

The main responsibilities of the consultant include, but are not limited to:

1. Activity 1. **Work Plan and Methodology:** Prepare a timeline of activities which should include an initial review and assessment of any other secondary firm-level data that can be used to complement the primary data collected in the SMEs survey. Propose an initial methodological approach for the econometric analysis that will be conducted under activity 2. Include a description of potential limitations.
2. Activity 2. Provide a set of descriptive statistics, graphs and visualizations using the survey data. Explore correlations between firm demographic variables, digitalization levels, and variables based on the firms' answers to survey questions about their strategies for decarbonization. Conduct econometric analysis, including but not limited to: regression analysis, and exploration of non-linear relationships and sub-sample differences.
3. Activity 3. Draft a report that contains a description of any other data sources that complement the survey data, tables, graphs and visualizations of the descriptive statistics and the results of the econometric analysis. Interpret the findings in a well-organized and clearly written report.
4. Final report, incorporating feedback from the academic workshop to be held on December 2023, along with a presentation (maximum 20 slides) and a blog post (publishable in the CTI blog) based on the results of the consultancy.

Deliverables and Payments Timeline:

Payments will be made according to the following sequence and based on the deliverables completed by the consultant.

	Deliverable	% payment	Estimated date
#1	Methodology and work plan	20%	September 2023
#2	Draft report including activities 2, and 3	40%	November 2023
#3	Final report that incorporates comments and feedback received to the draft report. This deliverable also includes a presentation of 20 slides and a blog post summarizing the findings in a manner accessible to a broad audience.	40%	January 2024

What you'll need:

- **Citizenship:** You are a citizen of one of our 48-member countries.
- **Consanguinity:** You have no family members (up to fourth degree of consanguinity and second degree of affinity, including spouse) working at the IDB Group.
- **Education:** A master's degree in economics, statistics, public policy or a similar field is required.
- **Experience:** At least 8 years of experience in quantitative and qualitative research in the fields of statistics, innovation, science and technology, economic development and other related topics.
- **Languages:** Proficiency in English and Spanish is required.

Opportunity Summary:

- **Type of contract and modality:** Products and External Services Consultant (PEC)
- **Length of contract:** 5 months
- **Location:** home based
- **Responsible person:** Matteo Grazzi (IFD/CTI)
- **Requirements:** You must be a citizen of one of the [IDB's 48 member countries](#) and have no family members currently working at the IDB Group.

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Because we are committed to providing equal opportunities in employment, we embrace all diversity and encourage women, LGBTQ+, persons with disabilities, afro-descendants, and indigenous people to apply.

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Econometric Analysis on the complementarities between digital technology adoption, innovation performance, and competitiveness of surveyed firms and their decarbonization and climate resilience strategies

REGIONAL

RG-T4099

Assessing SMEs decarbonization transition readiness in LAC

Background of this search:

The Competitiveness, Technology and Innovation Division (IFD/CTI) is looking for a professional to design a questionnaire for a survey in Latin American and Caribbean (LAC) Small and Medium-sized Enterprises (SMEs) decarbonization transition and climate resilience readiness.

LAC is one of the most vulnerable regions to climate change which impacts not only affects region's productivity, but also infrastructure, ecosystems, livelihoods, and human lives losses. Facing the urgent response needed for the devastating impacts of climate change, the Paris Agreement aims to limit the global average temperature increase between 1.5°C and 2°C above pre-industrial levels by the end of this century. Scientific evidence has warned that to stabilize the temperature increase to 1.5°C, it is required reaching net zero CO₂ emissions by 2050 and halve emissions by 2030¹. Therefore, PA signatory countries, regions, cities, companies, investors, and academia have joined in making commitments to achieve net zero emissions in their activities by 2050 at the latest². Furthermore, the intergovernmental body of United Nations, responsible of providing scientific evidence on climate change³, have provided a series of recommendations for reaching net zero emissions. For example, it urges strategies and actions to: (i) reduce energy demand, including instruments and standards for processes and technologies with high energy consumption, and energy-intensive materials; (ii) accelerate adoption of energy efficiency measures; (iii) increase recycling and inter-industry material synergies; (iv) extending product lifetimes⁴. To reach net zero emissions, supply chain greenhouse gases (GHG) must be addressed by businesses globally.

LAC MSMEs represent 99.5% of the region's enterprises, generating 61.1% of jobs, but only 24.6% of total productivity⁵. Although MSMEs individually generate a marginal amount of GHG emissions, taken together they are responsible for a very significant amount. They consume more than 13% of the global energy production⁶. The OECD estimates that SMEs account for 60% to 70% of the GHG emissions of the industrial sector⁷. Also, recent studies in the UK find that SMEs contribute between 43% to 53% to GHG emissions of the country's industrial sector. While 60% of SMEs report some awareness of key net-zero concepts, 53% are not ready to prioritize decarbonization in their activities and processes yet, and 56% report no actions. Finally, only 3% of the surveyed SMEs had measured their carbon footprint and prepared emissions reductions strategies⁸. The transition of SMEs to a net zero emissions and climate resilient economy is not only necessary to reduce emissions, but also to improve their resource efficiency and adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well

¹ IPCC, 2018. [Global Warming of 1.5°C](#). An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways. Intergovernmental Panel on Climate Change.

² Signatory countries pledge commitments through Nationally Determined Contributions and Long-Term Strategies under the United Framework Convention on Climate Change. And non-state actors have pledged net zero emission through the [Race to Zero](#) campaign launched in 2019. These actors represent around 25% of global CO₂ emissions and 50% of GDP globally.

³ The Intergovernmental Panel on Climate Change (IPCC).

⁴ IPCC, 2018. Global Warming of 1.5°C, [Chapter 2](#). Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development.

⁵ Saget, Catherine, Vogt-Schilb, Adrien y Luu, Trang (2020). [Jobs in a Net-Zero Emissions Future in Latin America and the Caribbean](#). Inter-American Development Bank Group and International Labour Organization.

⁶ IEA, 2015. [World Energy Outlook 2015](#). International Energy Agency.

⁷ OECD, 2021. [No net zero without SMEs: Exploring the key issues for greening SMEs and green entrepreneurship](#). Organization for Economic Cooperation and Development.

⁸ British Business Bank, 2021. [Smaller businesses and the transition to net zero](#)

as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.

Given this context and considering the contribution of SMEs to LAC's economy and the lack of information on this matter in the region, this consultancy will provide valuable inputs to the objectives of the Regional Technical Cooperation "Assessing SMEs decarbonization transition readiness in LAC". The TC seeks to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region. This will be pursued through the design, application, analysis, and dissemination of the results of a survey on SMEs decarbonization transition and climate resilience readiness.

The team's mission:

The Competitiveness Technology and Innovation Division (IFD/CTI) – The Inter-American Development Bank (IDB), through the Competitiveness, Technology and Innovation (CTI) Division, provides funding, technical assistance and knowledge products to support governments in key action areas such as firm-level innovation, entrepreneurship ecosystems, green innovation, digital transformation, creative economy, social innovation, and productive development. IDB programs in these areas incorporate common themes, such as training in science, technology and innovation for advanced human capital; strengthening scientific and technological infrastructure; designing public policies to promote innovation; strengthening the institutional capacity of the agencies and ministries that are responsible for implementing these policies.

What you'll do:

The objective of the consultancy is to perform an economic analysis on the complementarities between digital technology adoption, innovation performance, and competitiveness of surveyed firms and their decarbonization and climate resilience strategies.

The main responsibilities of the consultant include, but are not limited to:

1. Activity 1. **Work Plan and Methodology:** Prepare a timeline of activities which should include an initial review and assessment of any other secondary firm-level data that can be used to complement the primary data collected in the SMEs survey. Propose an initial methodological approach for the econometric analysis that will be conducted under activity 2. Give special consideration to the relationship between digital technology adoption and decarbonization strategies. Review existing studies that document this relationship, probe for differences among sectors and technologies.
2. Activity 2. Provide a set of descriptive statistics, graphs and visualizations using the survey data. Explore correlations between firm demographic variables, digitalization levels, types of digital technologies the firm is using, and variables based on the firms' answers to survey questions about their strategies for decarbonization. Conduct econometric analysis, including but not limited to: regression analysis, and exploration of non-linear relationships and sub-sample differences.
3. Activity 3. Draft a report that contains a description of any other data sources that complement the survey data, tables, graphs and visualizations of the descriptive statistics and the results of the econometric analysis. Interpret the findings in a well-organized and clearly written report.
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Deliverables and Payments Timeline:

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	Deliverable	% payment	Estimated date
#1	Work plan and proposed methodology	20%	September 2023
#2	Draft report including activities 2 and 3	40%	November 2023
#3	Final report including that incorporates comments and feedback received to the draft report and includes a presentation of 20 slides and a blog post summarizing the findings in a manner accessible to a broad audience.	40%	January 2024

What you'll need:

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- **Education:** A master's degree in economics, statistics, public policy or a similar field is required.
- **Experience:** At least 8 years of experience in quantitative and qualitative research in the fields of statistics, innovation, science and technology, economic development and other related topics.
- **Languages:** Proficiency in English and Spanish is required.

Opportunity Summary:

- **Type of contract and modality:** Products and External Services Consultant (PEC)
- **Length of contract:** 5 months
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TERMS OF REFERENCE**Consultancy for data visualization and project findings dissemination on LAC SMEs decarbonization transition and climate resilience readiness****REGIONAL****RG-T4099****Assessing SMEs decarbonization transition readiness in LAC****1. Background and Justification**

- 1.1. 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. The Competitiveness, Technology and Innovation Division (IFD/CTI) is looking for a professional to design a questionnaire for a survey on Latin American and Caribbean (LAC) Small and Medium-sized Enterprises (SMEs) decarbonization transition and climate resilience readiness.*
- 1.2. The Competitiveness Technology and Innovation Division (IFD/CTI) – The Inter-American Development Bank (IDB), through the Competitiveness, Technology and Innovation (CTI) Division, provides funding, technical assistance and knowledge products to support governments in key action areas such as firm-level innovation, entrepreneurship ecosystems, green innovation, digital transformation, creative economy, social innovation, and productive development. IDB programs in these areas incorporate common themes, such as training in science, technology and innovation for advanced human capital; strengthening scientific and technological infrastructure; designing public policies to promote innovation; strengthening the institutional capacity of the agencies and ministries that are responsible for implementing these policies.*
- 1.3. LAC is one of the most vulnerable regions to climate change which impacts not only affects region’s productivity, but also infrastructure, ecosystems, livelihoods, and human lives losses. Facing the urgent response needed for the devastating impacts of climate change, the Paris Agreement (PA), signed by 196 countries in 2015, aims to limit the global average temperature increase between 1.5°C and 2°C above pre-industrial levels by the end of this century. Scientific evidence has warned that to stabilize the temperature increase to 1.5°C, it is required reaching net zero CO₂ emissions by 2050 and halve emissions by 2030¹. Therefore, PA signatory countries, regions, cities, companies, investors, and academia have joined in making commitments to achieve net zero emissions in their activities by 2050 at the latest². Furthermore, the intergovernmental body of United Nations, responsible of providing scientific evidence on climate change³, have provided a series of recommendations for reaching net zero emissions. For example, it urges strategies and actions to: (i) reduce energy demand, including instruments and standards for processes and technologies with high energy consumption, and energy-intensive materials; (ii) accelerate adoption of energy efficiency measures; (iii) increase recycling and inter-industry material synergies; (iv) extending product lifetimes⁴. To reach net zero emissions, supply*

¹ IPCC, 2018. [Global Warming of 1.5°C](#). An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways. Intergovernmental Panel on Climate Change.

² Signatory countries pledge commitments through Nationally Determined Contributions and Long-Term Strategies under the United Framework Convention on Climate Change. And non-state actors have pledged net zero emission through the [Race to Zero](#) campaign launched in 2019. These actors represent around 25% of global CO₂ emissions and 50% of GDP globally.

³ The Intergovernmental Panel on Climate Change (IPCC).

⁴ IPCC, 2018. Global Warming of 1.5°C, [Chapter 2](#). Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development.

chain greenhouse gases (GHG) must be addressed by businesses globally.

- 1.4. LAC Micro, Small, and Medium-sized Enterprises (MSMEs) represent 99.5% of the region's enterprises, generating 61.1% of jobs, but only 24.6% of total productivity⁵. Although MSMEs individually generate a marginal amount of GHG emissions, taken together they are responsible for a very significant amount. They consume more than 13% of the global energy production⁶. The OECD estimates that SMEs account for 60% to 70% of the GHG emissions of the industrial sector⁷. Also, recent studies in the UK find that SMEs contribute between 43% to 53% to GHG emissions of the country's industrial sector. While 60% of SMEs report some awareness of key net-zero concepts, 53% are not ready to prioritize decarbonization in their activities and processes yet, and 56% report no actions. Finally, only 3% of the surveyed SMEs had measured their carbon footprint and prepared emissions reductions strategies⁸.
- 1.5. The transition of SMEs to a net zero emissions and climate resilient economy is not only necessary to reduce emissions, but also to improve their resource efficiency and adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.
- 9.3. Given this context and considering the contribution of SMEs to LAC's economy and the lack of information on this matter in the region, this consultancy will provide valuable inputs to the objectives of the Regional Technical Cooperation "Assessing SMEs decarbonization transition readiness in LAC". The TC seeks to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region. This will be pursued through the design, application, analysis, and dissemination of the results of a survey on SMEs decarbonization transition and climate resilience readiness.

2. Objectives

- 2.1. The objective of the consultancy is to design and interactive dashboard that can display in a dynamic and visually appealing format the results of the survey conducted on LAC SMEs on decarbonization transition and climate resilience readiness and the economic analyses performed on the surveyed firms for policy makers, firms, innovators, and researchers to consult.
The resulting dataset will allow to increase awareness of policymakers on the needs of SMEs to embark to a global net-zero and climate resilient pathways, while improving at the same time their economic performance and competitiveness.

3. Key Activities

- 3.1. Propose the content design based on the results of (i) the survey conducted on LAC SMEs on decarbonization transition and climate resilience readiness; (ii) the economic analysis on the relation between the demographic and socioeconomic characteristics of surveyed firms and their decarbonization and climate resilience strategies; and (iii) the economic analysis on the complementarities between digital technology adoption, innovation performance, and competitiveness of surveyed firms and their decarbonization and climate resilience strategies.

⁵ Saget, Catherine, Vogt-Schilb, Adrien y Luu, Trang (2020). [Jobs in a Net-Zero Emissions Future in Latin America and the Caribbean](#). Inter-American Development Bank Group and International Labour Organization.

⁶ IEA, 2015. [World Energy Outlook 2015](#). International Energy Agency.

⁷ OECD, 2021. [No net zero without SMEs: Exploring the key issues for greening SMEs and green entrepreneurship](#). Organization for Economic Cooperation and Development.

⁸ British Business Bank, 2021. [Smaller businesses and the transition to net zero](#).

- 3.2. Carry out the front-end and back-end design of an instrument that will aim to be displayed in a dashboard containing the following functions: (i) elicit data via a mapping, video, text, graphics, and different table formats; (ii) permit the comparison of data in specific tables; (iii) perform customized queries.
- 3.3. Carry out the graphic and UX design of the interactive web page.
- 3.4. Design the migration of the survey and the economic analyses to be transferred to the web page.

4. **Expected Outcome and Deliverables**

- 4.1. Product 1: Finished the content design based on the survey and economic analyses, design with front-end, back end and UX instrument, including the know how to migrate information.
- 4.2. Product 2: Report the final version of the design through a user's experience feedback and how an updated version of webpage would look like.
- 4.3. Product 3: User manual for management of system and maintenance recommendations aligned to the presented design.

5. **Project Schedule and Milestones**

- 5.1. Timeline of the assignment, as follows:
- 5.2. Product 1: Content design, front- and back-end, UX instrument and migration. January 2025
- 5.3. Product 2: User's experience feedback included in an updated version of the interactive webpage. February 2025.
- 5.4. Product 3: User manual and maintenance recommendations. March 2025.

6. **Supervision and Reporting**

- 6.1. The supervision will be carried out by Matteo Grazzi (IFD/CTI).

7. **Schedule of Payments**

- 7.1. 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. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 7.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
Deliverable	%
1. Product 1	30%
2. Products 2	50%
3. Products 3	20%
TOTAL	100%

Consultancy services to support the implementation of the program for Assessing SMEs decarbonization transition readiness in LAC

REGIONAL

RG-T4099

Assessing SMEs decarbonization transition readiness in LAC

Background of this search:

The Competitiveness, Technology and Innovation Division (IFD/CTI) is looking for a professional to design a questionnaire for a survey in Latin American and Caribbean (LAC) Small and Medium-sized Enterprises (SMEs) decarbonization transition and climate resilience readiness.

LAC is one of the most vulnerable regions to climate change which impacts not only affects region's productivity, but also infrastructure, ecosystems, livelihoods, and human lives losses. Facing the urgent response needed for the devastating impacts of climate change, the Paris Agreement aims to limit the global average temperature increase between 1.5°C and 2°C above pre-industrial levels by the end of this century. Scientific evidence has warned that to stabilize the temperature increase to 1.5°C, it is required reaching net zero CO₂ emissions by 2050 and halve emissions by 2030¹. Therefore, PA signatory countries, regions, cities, companies, investors, and academia have joined in making commitments to achieve net zero emissions in their activities by 2050 at the latest². Furthermore, the intergovernmental body of United Nations, responsible of providing scientific evidence on climate change³, have provided a series of recommendations for reaching net zero emissions. For example, it urges strategies and actions to: (i) reduce energy demand, including instruments and standards for processes and technologies with high energy consumption, and energy-intensive materials; (ii) accelerate adoption of energy efficiency measures; (iii) increase recycling and inter-industry material synergies; (iv) extending product lifetimes⁴. To reach net zero emissions, supply chain greenhouse gases (GHG) must be addressed by businesses globally.

LAC MSMEs represent 99.5% of the region's enterprises, generating 61.1% of jobs, but only 24.6% of total productivity⁵. Although MSMEs individually generate a marginal amount of GHG emissions, taken together they are responsible for a very significant amount. They consume more than 13% of the global energy production⁶. The OECD estimates that SMEs account for 60% to 70% of the GHG emissions of the industrial sector⁷. Also, recent studies in the UK find that SMEs contribute between 43% to 53% to GHG emissions of the country's industrial sector. While 60% of SMEs report some awareness of key net-zero concepts, 53% are not ready to prioritize decarbonization in their activities and processes yet, and 56% report no actions. Finally, only 3% of the surveyed SMEs had measured their carbon footprint and prepared emissions reductions strategies⁸. The transition of SMEs to a net zero emissions and climate resilient economy is not only necessary to reduce emissions, but also to improve their resource efficiency and adaptive capacity with a view to both reducing production costs and increasing productivity gains, as well as gaining the possibility to access sophisticated markets and engaging in greener, higher value chains in a competitive matter.

Given this context and considering the contribution of SMEs to LAC's economy and the lack of information on this matter in the region, this consultancy will provide valuable inputs to the objectives of the Regional

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Technical Cooperation “Assessing SMEs decarbonization transition readiness in LAC”. The TC seeks to improve the knowledge of LAC policymakers to design, implement and monitor strategies aimed at reducing greenhouse gas emissions produced by and strengthening climate resilience of SMEs in the region. This will be pursued through the design, application, analysis, and dissemination of the results of a survey on SMEs decarbonization transition and climate resilience readiness.

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What you’ll do:

The objective of the consultancy is to provide technical assistance for implementing the activities of the program for Assessing SMEs decarbonization transition readiness in LAC through coordination, facilitation, and supervision of its components according to program’s objectives, milestone and budget.

Main activities:

7. Support the coordination of activities of the program.
8. Support the selection process of consultancy firms and consultants that will carry out specific activities under each component.
9. Support coordination and information flow between consultancies, review deliverables, coordinate meetings and monitor implementation progress of consultancies.
10. Support the organization, agenda items, identification of key actors and delivery of the workshops, conferences and dialogues proposed by the program.
11. Propose background materials along with the agenda and methodology for delivering the workshops, conferences and dialogues proposed by the program.
12. Prepare background studies, technical notes, presentations, and blogs on the main results of program activities.

What you’ll need:

- **Citizenship:** You are a citizen of one of our 48-member countries.
- **Consanguinity:** You have no family members (up to fourth degree of consanguinity and second degree of affinity, including spouse) working at the IDB Group.
- **Education:** Degree in economics, business administration, industrial engineering, environmental engineering or similar is required.
- **Experience:** At least 5 years of demonstrated experience in working and evaluating industrial facilities and business performance. Extensive knowledge of climate change mitigation and adaptation. Project management is a plus.
- **Languages:** Proficiency in English and Spanish is required.

Opportunity Summary:

- **Type of contract and modality:** Consultant (CNS)
- **Length of contract:** 12 months (with potential extension throughout TC execution)
- **Location:** Home based
- **Responsible person:** Matteo Grazzi (IFD/CTI)
- **Requirements:** You must be a citizen of one of the [IDB's 48 member countries](#) and have no family members currently working at the IDB Group.

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