**Supporting Regulatory Capacity for the Use of Natural Gas and Energy Diversification in the Caribbean**

**REGIONAL**

**(RG-T2694)**

**TERMS OF REFERENCE**

1. **BACKGROUND**
   1. The Inter-American Development Bank (IDB) is supporting a US$300,000 Regional Technical Cooperation (TC) that continues the Bank’s efforts in the Caribbean region to support energy matrix diversification and reduction in green-house gas GHGs emissions. Given the recent fall in oil prices, it is clear that the Caribbean region has a window of opportunity to ensure that investments in a diversified, less volatile energy matrix can result in lower electricity tariffs to end-consumers.
   2. However, realizing the full potential of these cleaner energy investments and ensuring the shift to lower electricity bills for consumers is not as straightforward as it seems. Whilst renewable and LNG investments have been growing in recent years, the associated institutions and regulatory framework are yet to meet with the same momentum and evolution. Regulatory frameworks have been developed to different levels and the Caribbean Community and Common Market (CARICOM) has identified the need for its members to support effective administrative processes and governance structures for implementing and revising their energy policies. The regulatory framework, institutional arrangements and human capacity for managing natural gas (NG) and renewable energy penetration is still very weak in many of the countries in the Caribbean region. Whether NG or renewables are used for generation or how clean energy is distributed within the country, the corresponding national institutions will need to build the capacity, expertise and regulatory framework to oversee that savings using these new technologies are passed onto consumers in the form of lower electricity bills and that electricity provision is reliable.
   3. Whilst previous IDB studies in the Caribbean focused on the investment needs in clean energy infrastructure and the feasibility of a commercial supply chain in NG, this TC focuses more narrowly on institutional and regulatory capacity issues related to promoting an affordable and reliable energy matrix.
2. **CONSULTANCY OBJECTIVES**
   1. The objective of this consultancy is develop and disseminate the findings of ‘Institutional and Regulatory Assessment and Action Plans’ for two countries. The Action Plans will lay out the process and interventions required of institutions responsible for energy regulation, oversight or planning in order for them to adapt and implement strategies reflective of international best practices. The aim is to strengthen institutions and human capacity for energy planning, oversight and coordination in the country leads to affordability and reliability of electricity provision to final consumers.
3. **MAIN ACTIVITIES**
   1. The Contractual will perform all tasks within the scope of work with expected professional skills and based on its research, experience, knowledge and analysis capacities. The Contractual will perform the work in an efficient manner and will avoid unnecessary expenses by assigning appropriate personnel, utilizing appropriate means of communication, optimizing travel schedules (if necessary) and through other appropriate means without compromising the thoroughness or quality of the work. In order to achieve the consultancy objective, the Contractual firm will develop at least the following activities:
   2. **Activity A.** Assessment of the institutional, legal framework and associated human expertise required to adapt the supervisory institutions to reflect international standards on regulatory governance. Special attention must be given to laws and activities that promote reliability and cost reductions to final consumers.
   3. **Activity B:** Interviews with the key energy stakeholders to understand how decision-making is undertaken with respect to critical areas associated with energy supervision and regulation and their recommendations for improvements.
   4. **Activity C**. Action Plans that outline the interventions required for institutional strengthening, regulatory reform and capacity building for the relevant authorities involved in energy supervision, regulation and/or planning.
   5. **Activity D.** The preparation and delivery of seminar that will align with, or build on ongoing capacity building or knowledge-sharing efforts at the national or regional level, providing for experts to share experiences. The consultant hired will propose a methodology to accomplish the objectives of this Component, including agenda topics and experts to be identified for the seminar according to the energy sector needs articulated by the interested countries. The consultant will also facilitate and deliver (in coordinating with local stakeholders) the seminar and final report to stakeholders.
4. **REPORTS AND PAYMENTS**
   1. The consulting firm will prepare the following reports in English:

* **Work Plan**. Presented to IDB one (1) week after the signature of the contract. The work plan should include in detail the methodology, schedule of activities and timeframe for the presentation of all deliverables.
* **Draft Report (50% of the work).** Microsoft Word draft report should be prepared in English and a Microsoft PowerPoint presentation with a summary of the draft report will be presented to the IDB Team. The objective will be to collect comments and discuss the main findings of the Draft Report. The Draft Report must be sent to IDB, fifteen (15) days in advance of the meeting.
* **Final Report (100% of the work).** The final report of the feasibility study will incorporate comments from the IDB team review. The final report will include an executive summary. A separate document based on this executive summary will incorporate IDB team review, comments and contributions, and it will be adequately structured and formatted in order to be published as a co-authored stand-alone product for dissemination purposes by IDB. A Power Point presentation with the final results and findings should be presented to IDB team via videoconference.
  1. **Payments for the consulting services** will be specified in the Contract, using the concept of lump sum, and will be made as follows**:**
* 20% at contract signature and approval of Work Plan.
* 30% upon presentation of Draft Report.
* 50% upon approval by the Bank of the Final Report.

1. **SPECIFICATIONS FOR THE CONSULTING SERVICES**
   1. **Type:** The work is expected to be carried out by an international consulting firm or association of international firms with, at least, 10 years of specific experience in: (i) Natural Gas markets (particularly as it relates to North America, Latin America and the Caribbean) and technologies; (ii) Economics of Natural Gas (including LNG and byproducts); and (iii) Natural Gas applications in small economies. The consultants comprising the team may be international or national. The contract is a lump sum payment to be awarded on a Quality and Cost base. Payments shall be made as established in chapter IV of these TORs.
   2. **Starting date and duration:** Estimated length of five (5) months after signature.
   3. **Place of work:** To be carried out in the place of work of the consulting firm.
   4. **Qualifications of consultants:** It is expected that all members of the team or consortium of firms should have a post graduate level degree (Masters or Ph.D.) with a minimum of 10 years of experience in the field and, at least, 5 years of internationally recognized professional experience in oil and gas commercial markets; oil and gas regulation (including environment regulations), contracts, technology and infrastructure, and infrastructure planning. Highly relevant and proved sector experience in oil and gas market in Latin-America and Caribbean is desirable. Fluency in English is a prerequisite for each team member. All draft and final reports should be prepared in English and familiarity with IDB document is desirable.
2. **COORDINATION**
   1. As team leader, the technical coordination and responsibility for execution of this consultancy rests with Malaika Masson, Regional Energy Specialist (ENE/CJA) of the IDB Country Office Jamaica (e-mail: [malaikac@iadb.org](mailto:malaikac@iadb.org)).

**Payment and Conditions of Employment**: Remuneration will be determined in accordance with Bank regulations and criteria. The Bank may additionally contribute toward travel and moving expenses, if applicable. If a candidate is not a citizen or resident of the country where he/she will be working, the Bank will assist him/her to obtain the corresponding visa or work permit (if applicable). If a candidate cannot obtain a visa to work at the IDB the contractual offer will be canceled.

**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.

**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.