

**TERMS OF REFERENCE – COMPONENT 1 – TECHNICAL SUPPORT, COORDINATION AND PROMOTION OF THE EE FINANCING STRATEGY**

**TECHNICAL CONSULTANCY FOR AN EXPERT ON CLIMATE CHANGE MITIGATION FOR THE INTER-AMERICAN DEVELOPMENT BANK (IDB)**

**I. BACKGROUND**

IDB is supporting FIRA's efforts to rationalize the use of natural resources in the rural areas, while reducing GHG emissions through the development of a financing line with FIRA, a national development bank, for energy efficiency (EE) projects in food-processing firms. In particular the effort aims at: (i) increasing investments in EE in food processing industries; and (ii) building up the capacities of FIRA and other market actors on the structuring, financing, monitoring and evaluation of competitiveness-enhancing, environmentally-friendly projects.

Based on initial market assessment studies regarding opportunities and barriers to finance energy efficiency in the fruit and vegetables processing industries, it was identified that many of the barriers to gain access to credit from a potential financing strategy for EE are either related to lack of knowledge by local financial intermediaries and final beneficiaries and/or by the perceived risks of those intermediaries and beneficiaries. In order to address these barriers, a financing line needs to be accompanied with a set of activities that address the aforementioned knowledge gaps, ensure that any real or perceived risks are addressed, and that the financed projects supported result in actual energy savings and GHG emission reductions.

The main objective of this technical cooperation is to support the implementation of the EE sub-component of operation ME-L1145 by addressing informational and technical barriers and other real or perceived risks that have prevented the supply of and the demand for financing for EE investment projects. In particular, it will support the implementation of the strategy by: (i) providing technical and coordination support to FIRA, training relevant stakeholders, and actively promoting the strategy among food processing firms, energy service and technology providers and local financial intermediaries; (ii) offering independent, technical capacity for the technical validation of project proposals, energy service and equipment providers, monitoring systems as well as verification of actual investments; and (iii) stimulating the demand for EE investment through dedicated incentives.

**II. OBJECTIVE**

An individual consultant with particular expertise on energy efficiency financing in Mexico is required to support FIRA to ensure participation of key partners (e.g. food-processing associations, energy companies, local financial intermediaries, insurance companies, etc.) in the implementation of a financing line to energy efficiency projects in food-processing firms and further promotion of the EE financing line to potential clients and LFIs. In addition to technical skills, it will be critical that the consultant has good understanding of the needs of local financial institutions in Mexico as well as of the characteristics of local energy service providers and potential clients (food-processing firms) in Mexico.

### III. FUNCTIONS, ACTIVITIES AND PRODUCTS

In keeping with the principles and the objectives set for the Program, the consultant will support FIRA in the following actions, but will not be limited to:

1. Supporting the development of partnerships and agreements with different actors relevant for the successful operationalization of a financing line, including with associations of potential clients, local financial institutions, energy service providers, technology providers and technical quality control reviewers.
2. Providing technical backstopping and quality control to work being undertaken by other consultants in the development and initial implementation of the financing line.
3. Developing implementation plans for the financing line operation, including support in the development of FIRA's internal circular and web interface for the EE line, details on eligibility requirements and relevant operational documents to key stakeholders and clients, follow up on operational modalities with local financial institutions, and support development and maintenance of a registry / data base for tracking project requests, credits and reports of activities.
4. Supporting the promotion of the financing lines, including through organization of training and consultation meetings with key stakeholders, identification of potential projects; development of promotion materials and maintenance of a dedicated web page.

### IV. CONSULTANCY CHARACTERISTICS AND QUALIFICATIONS:

1. **Starting date and duration:** The contract will be for 24 months from the date on which FIRA indicates through a written notification when the work of the consultant shall begin. During this period the selected consultant will have to execute the tasks identified above, the ones agreed under the contract and those that would be agreed in the process of the project implementation.
2. **Place of work:** FIRA offices – Morelia - Mexico.
3. **Travel costs:** At the request of FIRA, when travel is needed for attending events organized under the project or promote the financing strategy, FIRA will cover only travel and daily subsistence allowances in accordance with IDB rates.
4. **Monitoring and Evaluation:** The consultant will be requested to prepare quarterly reports of its activities. The work of the consultant will be evaluated after four (4) months and continuation of the work and terms may be reviewed as a result of the evaluation.
5. **Conflict of interest:** The selected consultant that will undertake this contract will refrain from using the contract for promotion of its own services or products.
6. **Qualifications:** The person must have:
  - Graduate and Post graduate degrees in economics, energy, finance, engineering, environmental sciences or a related discipline.
  - At least five years of relevant working experience with energy efficiency in Mexico.

- Excellent knowledge and relevant work experience in project development and management.
- Excellent knowledge of financial institutions and policies and practices on energy in Mexico.
- Excellent drafting ability and communication skills, both written and oral; proven ability to communicate complex concepts and prepare reports that are clear, concise and meaningful.
- Ability to apply theory to the specific policy context to identify creative, practical approaches to overcome challenging situations.
- Good written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports. .
- Good team player, self-starter, has ability to work under minimum supervision and maintain good relationships.
- Fluency in English and Spanish.

#### **IV. PAYMENT SCHEDULE**

The consultant will be paid on a bi-weekly basis. Payment will be based on amount of months worked.

#### **V. COORDINATION**

Overall responsibility for the supervision of the consultant's work and the approval of payments would be taken by FIRA.

## **TERMS OF REFERENCE – COMPONENT 2 –PROGRAM EVALUATION**

### **TECHNICAL CONSULTANCY FOR AN EXPERT ON CLIMATE CHANGE MITIGATION FOR THE INTER-AMERICAN DEVELOPMENT BANK (IDB)**

#### **I. BACKGROUND**

IDB is supporting FIRA's efforts to rationalize the use of natural resources in the rural areas, while reducing GHG emissions through the development of a financing line with FIRA, a national development bank, for energy efficiency (EE) projects in food-processing firms. In particular the effort aims at: (i) increasing investments in EE in food processing industries; and (ii) building up the capacities of FIRA and other market actors on the structuring, financing, monitoring and evaluation of competitiveness-enhancing, environmentally-friendly projects.

Based on initial market assessment studies regarding opportunities and barriers to finance energy efficiency in the fruit and vegetables processing industries, it was identified that many of the barriers to gain access to credit from a potential financing strategy for EE are either related to lack of knowledge by local financial intermediaries and final beneficiaries and/or by the perceived risks of those intermediaries and beneficiaries. In order to address these barriers, a financing line needs to be accompanied with a set of activities that address the aforementioned knowledge gaps, ensure that any real or perceived risks are addressed, and that the financed projects supported result in actual energy savings and GHG emission reductions.

The main objective of this technical cooperation is to support the implementation of the EE sub-component of operation ME-L1145 by addressing informational and technical barriers and other real or perceived risks that have prevented the supply of and the demand for financing for EE investment projects. In particular, it will support the implementation of the strategy by: (i) providing technical and coordination support to FIRA, training relevant stakeholders, and actively promoting the strategy among food processing firms, energy service and technology providers and local financial intermediaries; (ii) offering independent, technical capacity for the technical validation of project proposals, energy service and equipment providers, monitoring systems as well as verification of actual investments; and (iii) stimulating the demand for EE investment through dedicated incentives.

#### **II. OBJECTIVE**

An individual consultant with particular expertise on energy efficiency financing in Mexico and evaluation of financing programs is required to support FIRA to evaluate the overall performance of the EE financing line developed under operation ME-L1145.

#### **III. FUNCTIONS, ACTIVITIES AND PRODUCTS**

In keeping with the principles and the objectives set for the Program, the consultant will support FIRA in the following actions, but will not be limited to:

1. Development of a methodology for evaluating the results of the ME-L1145 program based on provisions for the monitoring and evaluation of the program and its results matrix.

2. Undertake an evaluation of the program results (in particular indicators set forth in the results evaluation matrix) and considering information and reports from supported projects in the registry of activities that will be maintained by FIRA.

#### **IV. CONSULTANCY CHARACTERISTICS AND QUALIFICATIONS:**

1. **Starting date and duration:** The contract will be for 4 months from the date on which FIRA indicates through a written notification when the work of the consultant shall begin. During this period the selected consultant will have to execute the tasks identified above, the ones agreed under the contract and those that would be agreed in the process of the project implementation.
2. **Place of work:** Consultant's office.
3. **Travel costs:** At the request of FIRA, when travel is needed for attending events organized under the project and gather information, FIRA will cover only travel and daily subsistence allowances in accordance with IDB rates.
4. **Monitoring and Evaluation:** The consultant will be evaluated based on 3 drafts reports: one report with the detailed methodology of the evaluation to be executed, one draft report of the evaluation report of the ME-L1145 program results and a final revised evaluation report.
5. **Conflict of interest:** The selected consultant that will undertake this contract will refrain from using the contract for promotion of its own services or products.
6. **Qualifications:** The person must have:
  - Graduate and Post graduate degrees in economics, energy, finance, engineering, environmental sciences or a related discipline.
  - At least five years relevant working experience with evaluation of financing programs, knowledge of energy efficiency in Mexico is highly desirable.
  - Excellent knowledge and relevant work experience in project development, management and results management frameworks.
  - Excellent knowledge of financial institutions and policies and practices on energy in Mexico.
  - Excellent drafting ability and communication skills, both written and oral; proven ability to communicate complex concepts and prepare reports that are clear, concise and meaningful.
  - Ability to apply theory to the specific policy context to identify creative, practical approaches to overcome challenging situations.
  - Good written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports.
  - Good team player, self-starter, has ability to work under minimum supervision and maintain good relationships.
  - Fluency in English and Spanish.

#### **IV. PAYMENT SCHEDULE**

The consultant will be paid as follows:

- 25% upon contract signature.
- 35% upon delivery and approval by the IDB team of an interim report.
- 40% upon delivery and approval by the IDB team of the final report.

#### **V. COORDINATION**

Overall responsibility for the supervision of the consultant's work and the approval of payments would be taken by FIRA.

**TERMS OF REFERENCE – COMPONENT 2 – VALIDATION AND VERIFICATION****TECHNICAL CONSULTANCY FOR AN EXPERT ON CLIMATE CHANGE MITIGATION FOR THE INTER-AMERICAN DEVELOPMENT BANK (IDB)****I. BACKGROUND**

IDB is supporting FIRA's efforts to rationalize the use of natural resources in the rural areas, while reducing GHG emissions through the development of a financing line with FIRA, a national development bank, for energy efficiency (EE) projects in food-processing firms. In particular the effort aims at: (i) increasing investments in EE in food processing industries; and (ii) building up the capacities of FIRA and other market actors on the structuring, financing, monitoring and evaluation of competitiveness-enhancing, environmentally-friendly projects.

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**II. OBJECTIVE**

A consultant firm with particular expertise in monitoring and certification of energy efficiency, greenhouse gas emissions in Mexico is required to support the IFD/CMF team in supporting the following activities relating to the EE financing line from FIRA: (i) validation of projects presented under the EE line; (ii) validation of energy service providers supporting projects presented; (iii) validation of monitoring plans; and (iv) verification of investments on the ground and energy saving results.

**III. FUNCTIONS, ACTIVITIES AND PRODUCTS**

In keeping with the principles and the objectives set for the Program, the consultancy firm will

support FIRA in the following actions, but will not be limited to:

1. Design of validation and verification system for EE projects qualifying to the FIRA financing line based on previous set methodologies and templates and taking into account the internal information flows and systems from FIRA.
2. Validation of technical feasibility of projects presented under the EE line, in accordance with pre-set templates and methodologies;
3. Validation of energy service providers supporting projects presented, , in accordance with pre-set templates and requirements;
4. Validation of monitoring plans and physical investments, in accordance with pre-set templates and methodologies; and
5. Verification of monitoring reports of energy savings and GHG emissions reductions achieved by each of the projects.

#### IV. CONSULTANCY CHARACTERISTICS AND QUALIFICATIONS:

1. **Starting date and duration:** The contract will be for 36 months from the date on which the IDB indicates through a written notification when the work on the consultancy firm's part shall begin. During this period the selected company will have to execute the tasks identified above, the ones agreed under the contract and those that would be agreed in the process of the project implementation.
2. **Place of work:** Offices of the selected consultancy firm.
3. **Travel costs:** At the request of FIRA, when travel is needed for attending events organized under the project, FIRA will cover only travel and daily subsistence allowances in accordance with IDB rates.
4. **Monitoring and Evaluation:** The consultancy firm will be requested to prepare quarterly reports of its activities. The work of the consultancy firm will be evaluated after four (4) months and continuation of the work and terms may be reviewed as a result of the evaluation.
5. **Conflict of interest:** The selected consultancy firm that undertakes this contract will refrain from using the contract for promotion of its own services or products. The firm shall not benefit and / or provide any services to clients and potential clients of the EE financing line of FIRA.
6. **Qualifications:** The consultancy firm must have:
  - Personnel with graduate and post graduate degrees in energy efficiency, climate change and environment, economics, engineering or a related discipline.
  - At least five years of relevant working experience with validation of projects and service providers, certification of GHG emissions inventories, energy efficiency savings, and/or GHG emission reductions assessments in Mexico.
  - Excellent knowledge and relevant work experience in project development and management.



- Excellent knowledge of energy efficiency projects and practices on energy in Mexico.
- Excellent knowledge of national and international climate change policy and standards.
- Excellent drafting ability and communication skills, both written and oral; proven ability to communicate complex concepts and prepare reports that are clear, concise and meaningful.
- Ability to apply theory to the specific policy context to identify creative, practical approaches to overcome challenging situations.
- Good written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports.
- Good team player, self-starter, has ability to work under minimum supervision and maintain good relationships.
- Fluency in English and Spanish.

#### **IV. PAYMENT SCHEDULE**

The lump sum payment for this work will adhere to the following installments:

- 25% upon contract signature.
- 35% upon delivery and approval by the IDB team of an interim report.
- 40% upon delivery and approval by the IDB team of the final report.

#### **V. COORDINATION**

Overall responsibility for the supervision of the consultant's work and the approval of payments would be taken by FIRA.

## **TERMS OF REFERENCE – COMPONENT 2 – WORK FLOW AND TEMPLATES**

### **TECHNICAL CONSULTANCY FOR AN EXPERT ON CLIMATE CHANGE MITIGATION FOR THE INTER-AMERICAN DEVELOPMENT BANK (IDB)**

#### **I. BACKGROUND**

IDB is supporting FIRA's efforts to rationalize the use of natural resources in the rural areas, while reducing GHG emissions through the development of a financing line with FIRA, a national development bank, for energy efficiency (EE) projects in food-processing firms. In particular the effort aims at: (i) increasing investments in EE in food processing industries; and (ii) building up the capacities of FIRA and other market actors on the structuring, financing, monitoring and evaluation of competitiveness-enhancing, environmentally-friendly projects.

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The main objective of this technical cooperation is to support the implementation of the EE sub-component of operation ME-L1145 by addressing informational and technical barriers and other real or perceived risks that have prevented the supply of and the demand for financing for EE investment projects. In particular, it will support the implementation of the strategy by: (i) providing technical and coordination support to FIRA, training relevant stakeholders, and actively promoting the strategy among food processing firms, energy service and technology providers and local financial intermediaries; (ii) offering independent, technical capacity for the technical validation of project proposals, energy service and equipment providers, monitoring systems as well as verification of actual investments; and (iii) stimulating the demand for EE investment through dedicated incentives.

#### **II. OBJECTIVE**

A consultancy firm or individual consultants with particular expertise on energy efficiency, contractual agreements and system management is required to support FIRA in developing the necessary workflow, templates and draft contracts needed to promote and implement the EE financing line, including to set up a registry of projects supported by the financing line and accounting of their resulting energy savings and GHG emissions reductions.

#### **III. FUNCTIONS, ACTIVITIES AND PRODUCTS**

In keeping with the principles and the objectives set for the Program, the consultancy firm or

individuals will support FIRA in the following actions, but will not be limited to:

1. Development of the necessary templates and protocols for the operationalization of the EE financing line, including setting a registry of projects presented to the financing line and their monitoring reports.
2. Development of standard contractual requirements for the operationalization of the EE financing line;
3. Development of options for specific workflow system to check various steps of application and implementation of the EE financing line, including ensuring electronic links with FIRA and other banking system criteria.

#### **IV. CONSULTANCY CHARACTERISTICS AND QUALIFICATIONS:**

1. **Starting date and duration:** The contract will be for 12 months from the date on which FIRA indicates through a written notification when the work on the consultancy firm's part shall begin. During this period the selected company / individual will have to execute the tasks identified above, the ones agreed under the contract and those that would be agreed in the process of project implementation. The work of the consultant will be evaluated after four (4) months and continuation of the work and terms may be reviewed as result of the evaluation.
2. **Place of work:** Offices of the selected consultancy firm / individuals.
3. **Travel costs:** At the request of FIRA or the IDB, when travel is needed to attend events organized under the project, the TC would cover only Travel and daily subsistence allowances in accordance with IDB rates.
4. **Monitoring and Evaluation:** The consultancy firm / individuals will be requested to prepare quarterly reports of its/their activities.
5. **Conflict of interest:** The selected consultancy firm/individuals that will undertake this contract will refrain from using the contract for promotion of its/their own services or products.
6. **Qualifications:** The consultancy firm/individuals must have:
  - Graduate and/or Post graduate degrees in finance, energy efficiency, climate change and environment, economics, engineering or a related discipline.
  - At least five years relevant working experience with banking systems, contractual arrangements and activities tracking information systems and work flow development.
  - Excellent knowledge of EE projects and practices on energy in Mexico.
  - Excellent drafting ability and communication skills, both written and oral; proven ability to communicate complex concepts and prepare reports that are clear, concise and meaningful.
  - Ability to apply theory to the specific policy context to identify creative, practical approaches to overcome challenging situations.

- Good written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports.
- Good team player, self-starter, has ability to work under minimum supervision and maintain good relationships.
- Fluency in English and Spanish.

#### **IV. PAYMENT SCHEDULE**

The lump sum payment for this work will adhere to the following installments:

- 25% upon contract signature
- 35% upon delivery and approval by the IDB Team of an interim report.
- 40% upon delivery and approval by the IDB Team of the final report.

#### **V. COORDINATION**

Overall responsibility for the supervision of the consultant's work and the approval of payments would be taken by FIRA.