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TERMS OF REFERENCE

Green Finance Specialist: Eastern Caribbean

1. BACKGROUND

The COVID-19 pandemic has brought to light the economic and social vulnerabilities of the region that have resulted in a major economic downturn for countries in the Eastern Caribbean Currency Union (ECCU) due to direct or indirect impacts of the pandemic. Additionally, ECCU member countries are increasingly vulnerable to climate change and are now gearing up their efforts towards climate resilience and a better recovery with an economy-wide approach. With Government's fiscal space even more constrained, the financial sector can bring the much-needed innovation to leverage scarce public finance by ensuring an efficient flow of private capital to address climate change risk issues and spur the green transformation of the ECCU economy for a more sustainable and inclusive recovery.

In addition to its monetary and financial stability mandate, the Eastern Caribbean Central Bank (ECCB) plays a critical role in advancing the financial and economic development of ECCU member states. The transition to a green and resilient economy requires scaling up the financing of investments that support of the region's climate transition and sustainable development goal initiatives. As part of the ECCB's ongoing initiatives for strengthening the financial system and development of markets, the Bank is seeking to develop a framework and implement strategic solutions to tackle investment barriers and advance green finance.

The ECCB is receiving support from NDC Partnership and the World Bank to enhance and support its response to the region's climate change challenges in the face of the COVID-19 pandemic and as the ECCU transitions towards a more sustainable future. This will include exploring avenues to mobilise private capital (regionally and internationally) to support green investments that will accelerate the renewable energy transition and create green jobs. This assistance will strengthen the ECCB's capacity to develop and execute various sector-specific interventions that address the adverse effects of climate change and improve the region's ability to attract climate finance.

1.1. About the NDC Partnership

The NDC Partnership is a global coalition of countries and institutions working to mobilise support and achieve ambitious climate goals while enhancing sustainable development. Through the Partnership, members leverage their resources and expertise



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to provide countries with the tools they need to implement their Nationally Determined Contributions (NDCs) and combat climate change to build a better future.

1.2. About the NDC Partnership's Readiness Support for Greening Central Banks

The NDC Partnership Support Unit is calling for international experts to support climate resilient recovery planning in response to the COVID-19 global pandemic. This support comes at a critical time when many countries are revising their commitments to the Paris Agreement in 2020, through the enhancement of their NDCs. The Central Banks have a major role to play in mobilising capital from markets and private sector for sustainable investments and helping to meet NDCs and scaling up efforts towards Paris goals.

While countries design stimulus packages and recovery plans in response to COVID-19, there is opportunity to ensure that national climate ambition is an integral component of financial sector strategies, to aid both short- and long-term recovery from the pandemic.

2. OBJECTIVE OF THE ASSIGNMENT

This assignment aims to support the ECCB in the design and implementation of green financing strategy. The Specialist consultant will have the main task to develop the green financing framework and implementation plan, coach and share knowledge with the implementation unit and team, including other relevant key staff.

3. SCOPE OF WORK AND TASKS

The specialist will be responsible for overall management and implementation of the green finance component along with the following tasks:

- a. Develop a framework for ECCB's green finance strategy, conduct a comprehensive landscape and key stakeholder analysis to determine priority activities for green financing in the ECCU, and the key stakeholders involved in each including implementation agencies and donor partners.
- b. Review and analyse legal and regulatory matters related with green finance and relevant international practices. Prepare recommendations for national strategies, policy recommendations and guidelines for green finance with the key stakeholders. Undertake sector mapping to inform financing priorities and strategies for green projects.
- c. Analysis of barriers for financial institutions in deploying green finance. Assess barriers for private sector access to finance for green investments. Analyze potential incentives for financial institutions to increase lending to green projects and priority investment areas – sectors and sub-sectors.
- d. Assess and advise what should be the ECCB's green focus areas to ensure "additionality" to the market.



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- e. Assist the ECCB in the design, structuring and implementation of green financing instruments (e.g. risk sharing, green and sustainability-linked bonds with accompanying framework document) and green investment funds. Working with the legal experts, identify and evaluate specific legal and institutional environment factors. This will be carried out in collaboration with the WB Treasury team.
- f. Design the financial products that should be offered to support green development/recovery objectives of the Bank and the member states of the ECCU.
- g. Identify risks and risk mitigation mechanisms/instruments and sources of finance for green investments.
- h. Develop green taxonomy and ESG framework for the ECCU to help drive capital more efficiently toward priority environmentally sustainable projects.
- i. Introduce green financing standards of investment based on international good practices for financial intermediaries and financial investors.
- j. Design effective fund mobilisation strategy based on the assessment of the current financing gap to deliver the ECCB green financing agenda, advise on how the ECCB can most effectively mobilise relevant forms of private finance to catalyse the transition of the region towards inclusive and low carbon development, as well as tapping into carbon credit facilities.
- k. Define and implement impact measuring framework to reflect the environmental, social and economic objectives of green financing.
- l. Assist in development of green project pipeline generation in close collaboration with the implementation unit.
- m. Recommendations suitable to address the issues of lack of private sector investment, long-term funding, financial incentives and investments.
- n. Lead stakeholder discussions and workshops to help ensure that international good practices are considered.
- o. Ensure capacity building through workshops, training and outreach.

4. QUALIFICATIONS OF THE EXPERT

The specialist will have:

- a. master's degree in finance, business or economics or a field related to the theme of work;
- b. at least 15 years of relevant professional experience in the relevant field – green, social and sustainability bond space, specialised knowledge for the environmental and structuring of assets, designing green products/ green financial instruments and investment funds and their implementation;
- c. proven international and national experience of working in similar geographies, preferably in Caribbean countries, SIDS and or emerging market economies on green and sustainable finance for governments or public or multilateral funding institutions;



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- d. strong project management skills;
- e. strong English writing and speaking skills.

The specialist will report to the ECCB and The World Bank.

5. DELIVERABLES

- a. Prepare an inception report to outline:
- b. Workplan for key deliverables and timelines
- c. Preparing interim, draft final, and final reports with recommendations.
- d. Plan for regular reporting on project progress and results.
- e. Prepare a report on green finance and investment strategies for the ECCU.
- f. Prepare regional framework document for issuance of green bonds by sovereigns and financial institutions underpinned by an implementation plan in support of the climate transition strategies and policy objectives of member states.
- g. Propose at least three green financing products in line with the proposed investment strategies based on market assessments and international best practices.
- h. Prepare a list of green finance projects (projects pipeline) for ECCB, supported by green project mapping.
- i. Develop green taxonomy and ESG framework. Develop standard criteria to be established for the identification and validation of relevant green assets/projects, including system for tracking of funds and procedures for monitoring.
- j. Deliver capacity building through workshops, training and outreach.

6. DURATION

The work of the Green Finance Specialist is expected to last for three (3) years and will set out as a one-year contract that will be subject to renewal. The contract can be extended to increase the scope, level of effort and/or duration, as determined by ECCB. The consultant's performance will be assessed regularly, based on progress made toward achieving the project development objective as measured by development and implementation of the Bank's sustainable finance strategy, green financing fund mobilisation strategy as well as specific products implemented.

7. PROPOSAL SUBMISSION

Interested candidates should submit a proposal including:

- A statement of interest, summarizing how the proposed applicant meets each of the qualification and experience requirements of this ToR, including



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references with contacts (name, organization and, email) of similar previous work;

- Detailed CV;

Please use the following format for the email subject line: **WB Green Financing Specialist Eastern Caribbean** . All proposals must be submitted by **25 October 2021** to assignorini@worldbank.org and nmukhi@worldbank.org. All proposals must be submitted in electronic format. Please note that only short-listed candidates will be contacted.