



# Regional Accelerator for Agriculture, Climate and Energy (RAACE)

# **Terms of Reference for Onboarding Regional Experts**

#### About Asia LEDS Partnership

The Asia LEDS Partnership (ALP) is a voluntary regional network comprised of organizations and individuals from the public, private and non-governmental sectors active in designing, promoting, and/or implementing Low-Emission Development Strategies (LEDS) in Asia. ICLEI- Local Governments for Sustainability, South Asia (ICLEI South Asia) hosts the ALP Secretariat along with ICLEI South East Asia, ICLEI East Asia Secretariat and ICLEI Kaohsiung Capacity Centre. As the primary host of the ALP Secretariat, this TOR is prepared and circulated by the ICLEI South Asia. The work order to the selected regional expert will be issued by ICLEI South Asia.

ALP is one of the three regional platforms (Asia, Latin America & the Caribbean and Africa regional secretariats) of the LEDS Global Partnership (LEDS GP) which has more than 300 institutions across government agencies, technical institutes, international agencies, and NGOs. LEDS GP is hosted by the GIZ within the Support Paris Agreement (SPA) project, funded by the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), Germany.

The geographical coverage of the ALP includes the sub-regions of East Asia, Southeast Asia, South Asia, Central Asia, and the Pacific. ALP has more than 1260 members-including 417 that consist of 65 Government Ministries/ Agencies from 15 Asian countries and several international organizations.

#### Regional Accelerators to Build Local Capacity to Scale Climate Action Project Pipelines

As many governments begin to formulate their ambitious economy-wide and sectoral-based climate action and other low emission development strategies, the lack of resources, especially from the public sector has become evident. The LEDS GP members have thus identified a need for further support in mobilizing investment into LEDS and NDC actions. From a recent LEDS GP survey, members noted 'access to finance' and 'support developing pilot projects on the ground' as two key areas where they require additional assistance from the development community—if they are to achieve more ambitious climate, social, and economic recovery goals. Based on this input, the LEDS GP Innovation for Climate Action and Green Recovery Task Force has prioritized these topics as focal areas for enhanced collaboration with development finance, government, and other partners.

To address this need, the LEDS GP has designed the Regional Accelerator for Agriculture, Climate and Energy (RAACE). Under RAACE, regional embedded experts will play a **facilitating and advisory role** in assisting project developers and government officials who participate in the LEDS regional, sector-focused communities of practice—in securing financing for priority projects and low-carbon investment. The LEDS GP will deliver this support in a manner that **builds imbedded capacity across countries** and achieves peer learning and replication of successful approaches. The LEDS GP **will focus on investment facilitation for topic areas of common interest to countries defined by regional communities and with regional learning. For the Asia region, efforts will be centered around clean mobility.** 





Given RAACE's focus on building regional capacity, the Asia LEDS Partnership will work with the select applicant in specific countries (2-3 countries that are members of the Clean Mobility CoP) in the Asia-Pacific region, in the manner described below;

## Primary Roles for the Regional Expert:

The select regional expert <u>will work collaboratively</u> with the ALP, Clean Mobility community of practice and the RAACE Secretariat team to:

- Help identify potential projects of ALP member countries under the topic of clean mobility that need fund mobilization support. These projects will serve as models for financing and for broad replication across countries, to be able to aggregate and pool projects. This could build off of some of the good experiences utilized by the Clean Energy Investment Accelerator<sup>1</sup> which has applied project aggregation approaches.
- Screen potential projects for support. The regional expert, in consultation with ALP will help screen potential projects for RAACE support. This can include identifying whether projects align with national climate development priorities and have the potential to be financially viable in accordance with the mechanisms known and available in the region. Preference will be given for ambitious projects or those that could prove to be innovative models for replication regionally. The projects will be categorized according to different stages of development i.e.:
  - a) Projects at the stage of conceptualization
  - **b)** Potential projects that have a basic structure but have not proceeded further due to lack of technical inputs or may need reassessment.
  - *c)* Potential projects approved by the national government for roll out but need support in submitting to relevant funding agencies.

### The select regional expert <u>will lead</u> provision of:

- Technical support to public and private sector project proponents on prefeasibility advisory support, project design, preparation and financing, and risk mitigation mechanisms. Technical assistance will focus on those approaches that can open up the wider market for similar projects as well as opportunities for vertical policy alignment to address project development and finance barriers at the national and subnational levels. Financing solutions will need to be designed to address specific market hurdles for the country, market, and sectoral context. The regional expert will help develop a support plan for ambitious and innovative projects (or preferably project pools or companies) that may need multiple stages of financial and technical support.
- Matchmaking with existing project preparation and other financial support programs. The regional expert will help develop and maintain relationships with key regional project preparation facility and other project support programs. The expert will determine linkage areas and facilitate matchmaking between LEDS GP project proponents and these external support programs. Based on this, the regional expert will provide handholding support to the country to develop/finalize the proposed project and ensure submission of the project to relevant funding agencies.

<sup>&</sup>lt;sup>1</sup> Cleanenergyinvest.org





Tasks	Deliverables	Payment Schedule
		25% of the total payment will be released upon signing of the contract.
Identification of potential projects in the region that require fund mobilization	<ul> <li>Prepare a database of funding organizations/ financial support programs (for a range of project values) than can be approached and key contacts</li> <li>Prepare a programme pipeline – identify projects in 2-3 countries that align with the previously identified financial programs/mechanisms. This would build a portfolio that could be supported under the RAACE initiative for fund mobilization. The portfolio should contain projects at various stages, with identified levels of support.</li> </ul>	On satisfactory completion of the tasks, 25% of the total payment will be released
Support the development/finalization of 1 project proposal and final submission to funding agency	<ul> <li>Support the advancing and development of 1 project proposal, which could be a multi-country proposal.</li> <li>Support may include identifying stakeholders and local partners, possible private public partnerships, where applicable.</li> </ul>	On satisfactory completion of the tasks, 25% of the total payment will be released
	<ul> <li>Support the submission of 1 selected project to a relevant funding agency</li> </ul>	On satisfactory completion of the tasks, 25 % of the total payment will be released

\*Support regional learning. As and when required, the regional expert will provide inputs to the ALP in delivering regional trainings and peer exchanges through the communities of practice to facilitate broader replication of good approaches. Regional learning could center on a variety of topics, such as regionally appropriate practices for project structuring, risk mitigation, project prep facility resources, project standardization and aggregation, and enabling environments to promote private sector investment.

#### Timeline

The project duration will be from the date of signing the contract in November 2021 until 31 March 2022. Based on further resource allocation and mutual consent, the project timeline and deliverables could be revised, but not guaranteed at this time.





# Budget

28,000 Euro inclusive of tax.

## Qualifications

## The regional expert should have the following qualifications:

- 8-10 years experience in working in the area of climate or project finance along with an understanding of basic project development, financial structures and expertise conducting project feasibility assessments.
- At least 3 years of experience in working on projects related to clean mobility, largely in the Asia-Pacific.
- Experience working on enabling environments for mobilizing private sector investment, including relevant policies and regulations
- Experts located within the Asia-Pacific region are preferred, but is not mandatory
- Proficiency in English (spoken and written) is required
- Knowledge of relevant regional project preparation facilities and finance support programs
- Ability to convene country stakeholder groups to ensure project alignment

### Additional Expectations:

The selected regional expert will be expected to work closely with a variety of internal LEDS GP and external partners including:

- The Asia LEDS Partnership and the Clean Mobility CoP
- The RAACE Secretariat team at National Renewable Energy Laboratory (NREL) and GIZ
- The LEDS GP Global technical Transport Working Group
- Regional project prep facilities and developing finance institutions
- The NDC Partnership on Project Identification Note development, country coordination and regional learning
- Other climate development support programs, including potentially The International Renewable Energy Agency (IRENA), International Energy Agency (IEA), and Climate Technology Centre and Network (CTCN)

### Evaluation and selection process

Candidates will be assessed based on their experience and qualifications along with level of engagement in the specified region.

### **Intellectual Property**

All information pertaining to this project belonging to the client, which the consultancy firm may come into contact with in the performance of his/her, duties under this consultancy shall remain the property of the Client (GIZ) who shall have exclusive rights over their use.

Except for purposes of this assignment, the information shall not be disclosed to the public nor used in any form.

### Submission of Application

Please submit your CV with a technical proposal (with a tentative work plan that fits the budget) which should include your expected remuneration (include details on per day cost). Kindly email your application to <u>alpsecretariat@iclei.org</u> and copy <u>soumya.chaturvedula@iclei.org</u> with the subject line: **Application- Asia Regional Expert\_RAACE** 





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# Appendix 1. Background on the LEDS GP and RAACE

#### Context on the LEDS GP:

Launched in 2011, the Low Emissions Development Strategies Global Partnership (LEDS GP) network brings together over 4,700 members to facilitate peer learning, technical collaboration and information exchange. The objective of the LEDS GP is to advance implementation of ambitious LEDS, Nationally Determined Contributions (NDCs), and long-term strategies (LTS) through country and demand-driven efforts to build the capacity of climate development practitioners. The LEDS GP's work is primarily implemented via regional platforms in Africa, Asia, and Latin America and the Caribbean and associated Communities of Practice (CoPs) that focus on specific topics such as e-mobility, mini-grids, private sector engagement, bioenergy, and clean mobility. Broader global learning and technical backstopping is provided by working groups on energy, finance, transport, AFOLU, and resource efficiency.

LEDS GP members have identified a need for further support mobilizing investment into priority LEDS and NDC actions as a priority. From a recent LEDS GP survey, members noted 'access to finance' and 'support developing pilot projects on the ground' as two key areas where they require additional assistance from development community if they are to achieve more ambitious climate, social, and economic recovery goals. Based on this input, the LEDS GP Innovation for Climate Action and Green Recovery Task Force has prioritized these topics as focal areas for enhanced collaboration with development finance, government, and other partners.

#### The Challenge the Regional Accelerator Will Address:

Many governments have formulated ambitious economy-wide and sectoral-based climate action and other low emission development strategies. Some have also conducted preliminary assessments of potential priority investments that could enable them to meet their climate action goals. At the same time, banks and investors have developed

significant climate-oriented funds, but existing investment levels are insufficient if we are to meet the 1.5°C by 2030 goal of the Paris Agreement. According to the Climate Policy Initiative, climate investment reached \$546 billion in 2018. However, these investment levels are well below the nearly \$2 to 4 trillion that is required to cover supply-side energy and adaption costs, as estimated by the IPCC and the Global Commission on Adaptation.<sup>2</sup> Investment by the private sector is especially important given that these resources far outsize public sector funds.

Private sector investment in climate-oriented projects has been limited in large part by a lack of a bankable project pipelines. Developing and least developed countries often lack the resources to take high-level strategies and translate those into a portfolio of bankable projects that align with investor requirements. This often relates to limited public and private sector internal capacity and experience with identifying projects, formulating proposals, and structuring finance. Another challenge in mobilizing investment into climate-oriented project pipelines is that although MDBs have strong relationships with country governments, they may be limited to working with specific organizations within a government that may not have

<sup>&</sup>lt;sup>2</sup> https://www.climatepolicyinitiative.org/press-release/study-annual-money-for-climate-action-surpasses-the-half-trillion-dollar-mark-but-economy-wide-change-needed/





full visibility of the potential investment opportunities. Also, MDBs tend center their efforts around very large infrastructure investments, reducing opportunities for smaller projects.

#### The Regional Accelerator Approach:

The LEDS GP, led by regional embedded experts, will play a facilitating and advisory role in assisting project developers and government officials who participate in its regional, sector-focused communities of practice in securing financing for priority projects and lowcarbon investment. The LEDS GP will deliver this support in a manner that builds imbedded capacity across countries and achieves peer learning and replication of successful approaches. The LEDS GP will focus on investment facilitation for topic areas of common interest to countries defined by regional communities and with regional learning. This will likely include centering efforts on mini grids and off grid energy (Africa), grid integrated renewable energy (Asia), and clean transport/e-mobility (Asia/LAC), and cross-cutting energy-sustainable landscape projects (Africa). Additionally, the LEDS GP will target supporting smaller, community scale projects, e.g., \$1-\$50 million but could also support larger scale projects. The LEDS GP facilitation and matchmaking support will be open not just to government and community partners but may also include working with the private sector and on projects that are aligned with climate development priorities and have great potential to lead the way for additional climate-resilient low-emission development.

The LEDS GP will first partner with existing programs, project preparation facilities, MDBs, and other financing institutions and its regional platforms and thematic working groups to act as a facilitator, linking potential project proponents with existing platforms. The LEDS GP will also serve as a channel for amplifying impacts of partner programs by disseminating trainings and other project investment materials through the LEDS GP regional communities of practice and regional and global platforms. The LEDS GP will seek to work closely with a number of key initiatives, such as the Climate Technology Initiative – Private Finance Advisory Network (CTI-PFAN), REPP, GET Invest, NAMA Facility, the Gap Fund, Felicity, C40 and EPP Africa, all of which will be valuable partners given their relevant experience providing capacity building to project developers and their existing investor and developer networks. The LEDS GP can also work with the NDC Partnership, the Climate Technology Centre and Network (CTCN), IRENA, IEA, and others to inform identification of country project investment needs and links to NDC implementation and to facilitate wider technical support and sharing of experiences.

Priority projects identified by countries and cross-country collaborations for either private sector and government procurements will be matched with financial institutions and investors that provide the best-fit solutions, which could take the form of concessional lending, grants/repayable grants, early-stage working capital, gap financing, risk mitigation mechanisms, and long-term capital. Where there are gaps or a need for initial additional capacity building before potential project proponents access existing facilities, the LEDS GP can provide advisory support for project feasibility assessment, design and financing strategies. Should it be determined that there are specific unmet areas in available resources, the LEDS GP will also seek to establish a fund to support smaller scale, community level pilot projects that may otherwise have no source of funding for initial development and demonstration.

#### Core Activities:

The LEDS GP would support the following primary activities, which will be led by embedded regional experts with backstopping from the technical working groups:

1. LEDS regional CoPs and experts identify focus areas for project pipeline development and engage governments project developers in defining candidate





projects based on alignment with climate and sustainable development priorities, including potential nexus areas (e.g., food, water and energy).

- 2. **Build imbedded capacity** with project development and investment facilitation leads in each country that partner with LEDS GP regional and global teams to deliver services below
- 3. Screen country-identified priority projects to determine which are most viable and where there is alignment with available MDB, private sector, government, and other forms of finance
- 4. Matchmake between project developers, financiers, funds and existing project preparation facilities and related programs. The LEDS GP will encourage donors to funds IFI investment in areas aligned with the country priorities.
- 5. Where gaps exist, offer advisory services on project design and financing for viable projects; companion risk mitigation instruments; and opportunities for strengthening of policy and regulatory frameworks to increase investment
- 6. Pending that any gaps should be identified, work with funding and financing partners to design small funds for scalable pilot projects addressing local, scalable and replicable sectoral solutions linked with the recovery process (e.g., water-to-energy projects, agricultural solutions)

