



Terms of Reference (ToR)

For the provision of consulting services for the Mid-Term Review (MTR) of the Joint Programme: Innovative Finance for Clean Tech Solutions in Uruguay's Renewable (REIF) Project (SAP: 200092)

Date: 15 January 2024

1. GENERAL BACKGROUND INFORMATION

The United Nations Industrial Development Organization (UNIDO) is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability. The mission of UNIDO, as described in the Lima Declaration adopted at the fifteenth session of the UNIDO General Conference in 2013 as well as the Abu Dhabi Declaration adopted at the eighteenth session of UNIDO General Conference in 2019, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States. The relevance of ISID as an integrated approach to all three pillars of sustainable development is recognized by the 2030 Agenda for Sustainable Development and the related Sustainable Development Goals (SDGs), which will frame United Nations and country efforts towards sustainable development. UNIDO's mandate is fully recognized in SDG-9, which calls to "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation". The relevance of ISID, however, applies in greater or lesser extent to all SDGs. Accordingly, the Organization's programmatic focus is structured in four strategic priorities: Creating shared prosperity; Advancing economic competitiveness; Safeguarding the environment; and Strengthening knowledge and institutions.

In the year 2020, the United Nations Industrial Development Organization (UNIDO) Regional Office for Argentina, Chile, Paraguay, and Uruguay, along with the United Nations Development Programme (UNDP), UN Women, and the Government of Uruguay, applied for the United Nations Joint SDG Fund (JP) – Component 2: Additional financing leveraged to accelerate SDG achievement (Joint SDG Fund Outcome2). The proposal titled "Innovative Finance for Clean Tech Solutions in Uruguay's Renewable Energy Sector: The Renewable Energy Innovation Fund (REIF)" was selected to receive support from the Joint SDG Fund.

The purpose of the proposed program (REIF) is to support and promote Uruguay's second energy transition, in line with the 2030 Agenda and the principle of Leave No One Behind (LNOB), with a focus on transforming the renewable energy sector into an inclusive driver of the entire economy. This program aims to decarbonize the industrial and transportation sectors, ensure universal access to renewable sources, and increase innovation and competitiveness in the energy sector by reducing energy costs and increasing women's participation in the clean energy economy. Beyond Uruguay, this program is expected to have a strong demonstration effect on innovative financing for developing countries.

The second energy transition is expected to achieve two main objectives:

- i. Decarbonization of key economic sectors: While Uruguay's electricity matrix has had years of over 98% renewables and an average renewable share of 94% between 2017 and 2021, the primary supply matrix still relies on fossil fuels for about 37%. The transport and industry sectors together represent 70% of energy consumption and have high dependence on fossil fuels.

- ii. Improving the efficiency of the energy system: Utilizing surplus electricity through storage solutions, Power to X, and demand management enabled by smart grid technologies will generate socioeconomic and environmental benefits by shifting energy demand times and increasing internal use of surplus energy, which currently has low opportunity costs.

The Joint Programme proposes four main activities:

- Creation of an innovative financial mechanism: The Renewable Energy Innovation Fund (REIF) to leverage public-private financing for projects related to the second energy transition.
- Technical assistance and feasibility studies: For projects submitted for financing from REIF.
- Regulatory framework adjustment and institutional capacity building: In topics related to the second energy transition.
- Knowledge development, exchange, and technology transfer.

This JP counts with the involvement of the following PUNO's: UNIDO (as leading Agency), UNDP, UN Women and the UN Resident Coordination Office in Uruguay, which acts as UN main counterpart in terms of dialogue and interaction with UN SDG-Fund in NY. From the Governmental side perspective, this JP counts with the leadership of the Ministry of Industry, Energy and Mining (MIEM), the Ministry of Environment, the Office of Budget and Planning (OPP) and the National Electric Company (UTE), which are part of Project Steering Committee.

To learn more about UNIDO go to www.unido.org, to learn more about the project "Innovative Finance for Clean Tech Solutions in Uruguay's Renewable (REIF) Project" visit <https://reifuruguay.org.uy/>.

2. BACKGROUND INFORMATION RELEVANT TO THE REQUIRED SERVICES

General objective:

The objective of the required services is to conduct the Mid-Term Review (MTR) of the JP. The MTR will assess progress towards the achievement of the JP objectives and key results, both developmental and financial, as specified in the Project Document and assess early signs of programmatic success or failure with the goal of identifying the necessary changes to be made, if required, in order to set the JP on-track to achieve its intended results. The MTR will also review the JP's strategy and its risks to sustainability.

MTR Approach and Methodology

The MTR report must provide evidence-based information that is credible, reliable and useful.

The contractor will review all relevant sources of information including documents prepared during the preparation/design phase, the JP Document, JP reports, JP revisions, national strategic and legal documents, and any other materials that the contractor consider useful for this evidence-based review.

The contractor are expected to follow a collaborative and participatory approach ensuring close engagement with the JP team, government counterparts, private and public sector partners, direct beneficiaries, the Joint SDG Fund Secretariat and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR. Stakeholder involvement should include interviews with stakeholders who have programmatic responsibilities, including but not limited to public and private sector partners; executing agencies, senior officials, key experts and consultants in the subject area, JP Board, JP stakeholders, academia, local government and CSOs, etc. Additionally, the contractor are expected to conduct field missions to the relevant investment sites, companies, or projects.

The contractor team must use gender-responsive methodologies and tools and ensure that gender equality and women's empowerment, as well as other cross-cutting issues, principles of Leaving No One Behind and SDGs are incorporated into the MTR report.

The final methodological approach including interview schedule, field visits and data to be used in the MTR should be clearly outlined in the Inception Report and be fully discussed and agreed between the PUNOs, Joint SDG Fund Secretariat, other stakeholders, and the contractor. The MTR report must describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and limitations of the methods and approach of the review.

3. SCOPE OF PROPOSED CONTRACTED SERVICES

The contractor (MTR Team) is expected to provide following services (in collaboration and coordination with UNIDO);

- Completion of the MTR inception report.
- Conduct MTR interviews and field visits in coordination with the JP team. A detailed plan for interview and field visits should be presented.
- Conduct data collection and completion of the presentation of initial findings.
- Completion of the draft MTR report.
- The overall design, writing, quality assurance and completion of the final MTR report and audit trail of how all comments from MTR reference group and other stakeholders have been addressed.

The contractor will perform the review based on the following four categories:

- i) Design;
- ii) Progress/Results to date;
- iii) Management efficiency;
- iv) Risk management and sustainability.

The MTR report must include a conclusion section summarizing the findings and recommendations, and a rating section based on the findings and assessments of the four categories.

- **MTR Activities**

- i. **Design**

- Review how the JP addresses key country priorities especially considering the JP's intended focus on unlocking additional resources for the SDGs.
- Review the relevance and effectiveness of the proposed financial instruments and other programmatic interventions.
- Review the country ownership – both from public and/or private sector partners.
- Review if the JP strategy is in line with the national development priorities and UN Sustainable Development Cooperation Framework of the country.
- Review the extent to which relevant gender issues and other Leaving No One Behind (LNOB) issues were raised in the JP design, including reviewing that the results framework incorporates key considerations on gender and other LNOB dimensions both in their development and financial results.
- Undertake a critical analysis of the JP's log frame indicators and targets, assess how SMART (Specific, Measurable, Attainable, Relevant, Time-bound) the indicators are, and whether the midterm and end-of-project targets are realistically achievable. Suggestions on specific

amendments/revisions to the targets and indicators must be added to the Conclusions and Recommendations section.

ii. Progress/Results to date

- Review the key results achieved against the JP results framework especially in relations to the key outcome indicators and their end-of-project targets. Color code progress in a ‘traffic light system’ based on the level of progress achieved per outcome area, assigning a rating on the progress for the JP objective and each outcome. Recommendations for areas marked ‘yellow’ and ‘red’ must be added to the Conclusions and Recommendation section. In corporate assessments of progress made at output level when assessing the outcome areas.
- Identify remaining barriers to achieving the JP objective for the remainder of the project.
- By reviewing the aspects of the JP that have already been successful, identify ways in which the JP can further expand these benefits. Assess the extent to which the solution(s) developed to date could be scaled to other countries/regions of economic sectors. The corresponding suggestions must be added to the Conclusions and Recommendations section.
- Review the scope and scale of additional financing leveraged by the JP including whether co-financing targets are being realized using the Financial Leverage Monitoring Table (below) based on inputs from the JP team. Assess the reported financial leverage based on evidentiary documents and direct financial flows to the financial instruments. Provide reflections on ways in which the JP has been able to unlock additional financing or why additional financing has been limited.

Financial Leverage Monitoring Table:

Source of financing (e.g. private, public, IFI, bilateral, etc.)	Name of investor	Type of financing (e.g. grant, loan, bond, guarantee, equity, etc.)	Actual Amount Leveraged at MTR (US\$)	Note on supporting documents, targets and linkages to specific financial instruments
TOTAL			US\$	% of target at MTR

- Review whether the results/progress to date has the potential to achieve transformative change and/or demonstrative impact in the future beyond the JP to catalyze change, innovation and evolution in the financial sector – either public, private or developmental – in the country to devise new means or solutions to unlock additional financing for the SDGs.
- Review whether the financial solutions/instruments developed have led to (or has the potential to lead to) developmental impact for the local communities and population with a focus on geographies and people left behind in terms of accelerating SDG achievements.

iii. Management efficiency

Management arrangements:

- Review overall efficiency of JP management as outlined in the Project Document. Have changes been made and are they efficient? Are responsibilities and reporting lines clear? Is

decision-making transparent and undertaken in a timely manner? Is a JP governance body formally established with clear roles?

- Review the quality of execution of the PUNOs/Implementing Partner(s).
- Review the role and quality of coordination and oversight provided by the RC/O.
- Recommendations on the above areas must be added to the Conclusions and Recommendations section.

Work planning and financial management:

- Review any delays in JP start-up and implementation, identify the causes and examine if they have been resolved.
- Are work-planning processes results-based?
- Evaluate the financial management of the JP, with specific reference to the cost-effectiveness of interventions.
- Has the JP developed and leveraged the necessary and appropriate partnerships – both public/private and developmental – to achieve its intended results?
- Recommendations on the above areas must be added to the Conclusions and Recommendations section.

Reporting and communications:

- Assess how well the JP team and partners undertake and fulfil Joint SDG Fund reporting requirements.
- Assess how lessons derived from the JP have been documented, shared with key partners, and internalized by partners.
- Review external communication: Are proper means of communication established or being established to inform the JP progress and intended impact to the stakeholders and the public at large? Was a JP communication strategy developed and is it being followed? Do communications products reflect the “joint” nature of the programme?

iv. Risk Management and Sustainability

- Validate whether the risks identified in the Project Document, Annual Reports are the most important and whether the risk ratings applied are appropriate and up to date. Suggestions to revise the risk matrix must be added to the Conclusions and Recommendation section.
- What is the likelihood of financial sustainability of the financial solutions/instruments devised and launched once the Joint SDG Fund support ends?
- Are there any socio-economic, political or other risks that may jeopardize sustainability of the JP outcomes?
- Does the financial solution/instrument have sufficient country buy-in from the relevant public and private partners, from the demand and supply sides, to ensure sustainability following the completion of the JP? Does the programme have a realistic and feasible exit strategy and approach to phase out assistance? Are the actions and results from project interventions likely to be sustained, ideally through ownership by the local partners and stakeholders?
- What are the key factors that will require attention to improve prospects of sustainability, scalability, or replication of project outcomes/outputs/results?
- Can any unintended or unexpected positive or negative effects be observed because of the JP interventions?

• Conclusions & Recommendations

The contractor will include a section in the MTR report for evidence-based conclusions and recommendations, considering the findings. Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. For each

recommendation, the contractor must provide the “how to” aspects, i.e., steps to be taken (as well requirements) to implement the recommendation.

The contractor must also include recommendations to update the Results Framework considering the findings.

A recommendations summary table should be included in the MTR report’s executive summary.

Ratings

The contractor will include its ratings of the four categories outlined above in a MTR Ratings Summary Table (below) in the Executive Summary of the MTR report. No overall JP rating is required. The Table should include a brief 1-3 sentence description of the rationale for the rating and achievements.

Rating summary table:

Category	Sub-category	Rating ¹	Rationale and Achievement Description
Design			
Progress/ Results to date	Overall Objective		
	Outcome 1		
	Outcome 2		
	etc.		
Management efficiency			
Risk management & sustainability			

- **MTR management arrangements**

JP team:

The principal responsibility for managing this MTR resides with the JP team. The JP team will be responsible for liaising with the MTR team to provide all relevant documents, set up stakeholder interviews, and arrange field visits as necessary.

MTR reference group:

Oversight of the MTR will be provided by a MTR reference group composed of representatives from the RC/O, Joint SDG Fund Secretariat, select evaluation officials from PUNOs, and other JP stakeholder groups as relevant. The MTR reference group will have the responsibilities described in section five (deliverables). The MTR reference group members could also accompany the MTR team during field visits, if necessary.

- **Ethics**

The MTR team will be held to the highest ethical standards. This MTR will be conducted in accordance with the principles outlined in the UNEG ‘Ethical Guidelines for Evaluation’. The MTR team must safeguard the rights and confidentiality of information providers, interviewees and stakeholders through measures to ensure compliance with legal and other relevant codes governing collection of data and reporting on data. The MTR team must also ensure security of collected information before and after the MTR and protocols to ensure anonymity and confidentiality of sources of information

¹ To use the traffic light (3-point scale) signifiers: ‘Green’ signifies on-track to fully achieve results by end date or satisfactory/highly satisfactory. ‘Yellow’ signifies majority of results on-track, but with 1-3 months delays in implementation or moderately satisfactory. ‘Red’ signifies not on-track to achieve with major delays and complications or unsatisfactory.

where that is expected. The information, knowledge and data gathered in the MTR process must also be solely used for the MTR and not for other uses.

4. LOCATION

The proposed contracted services will be conducted in Uruguayan territory, both in-person and remotely.

5. DELIVERABLES AND GENERAL TIME SCHEDULE

The contractor is obliged to commence the activities within one week from the contract signing. The duration of the activities will be one month from the contract signing.

The monitoring of the work carried out and the approval of the consultancy's deliverables will be under the responsibility of the United Nations Industrial Development Organization (UNIDO).

The total duration of the MTR will be 30 working days, as follows:

ACTIVITY	# WORKING DAYS
Document review and preparing MTR Inception Report	5 days
MTR data collection: stakeholder meetings, interviews, field visits	10 days
Preparing draft MTR report	10 days
Incorporating audit trail on draft report and complete the final MTR report	5 days
Total	30 days

Deliverables

#	Deliverable	Description	Timing	Responsibilities
1	MTR Inception Report	MTR consultant team describes in the inception report the approach and methodology that has been set for the MTR.	Within 1.5 week of completion of contract.	MTR consultant team submits inception report to JP team. JP team to share inception report with MTR reference group and receives feedback and validation (via call or email).
2	Presentation of initial findings	Data collection, assessment and Initial findings	Within 2 weeks of inception report.	MTR consultant team presents to JP team and the MTR reference group (via call or email).
3	Draft MTR Report	Full draft MTR report including major annexes	Within 2 weeks of presentation of initial findings.	MTR consultant team submits draft MTR report to JP team. JP team to share draft MTR report with MTR reference group and

				receive feedback and validation (via call or email).
4	Revised MTR report with audit trail and final MTR report	Revised MTR report with audit trail detailing how all received comments have (and have not) been addressed in the final, clean version of the MTR report	Within 1 week of receiving comments on draft MTR report. (Deadline, 6 weeks after signing contract)	MTR consultant team submits revised MTR report to JP team. JP team to share with MTR reference group.

6. PERSONNEL IN THE FIELD

The respective experts assigned by the contractor must possess the following skills/areas and maximizing the overall “team” qualities;

- More than 10 years of proven professional experience of undertaking/participating in projects and/or evaluations in areas of sustainable development financing or investments.
- More than 5 years of proven professional experience in designing and conducting development evaluation that apply relevant mixed-methods evaluation approaches with good understanding of mainstreaming gender and other cross-cutting priorities.
- Knowledge and experience of working for the UN system and the UN development system reform is highly preferred.
- Competences in results-based management and adaptive management.

An MTR team of two independent consultants, national or international, will compose the MTR team: one team leader with experience in sustainable development financing or investments, and one team expert, with specialty in conducting programme/project evaluations.

In the case, where there is a strong independent consultant with both programme evaluation and sustainable financing/investment experience, the MTR team could be composed by one consultant.

The MTR team leader (or sole consultant) will be responsible for:

- Completion of the MTR inception report in coordination with the team expert.
- Conduct MTR interviews and field visits in coordination with the team expert and JP team.
- Completion of the presentation of initial findings.
- Completion of the draft MTR report.
- The overall design, writing, quality assurance and completion of the final MTR report and audit trail of how all comments from MTR reference group and other stakeholders have been addressed.

The MTR team expert will;

- Work closely with the MTR team leader and the JP team.
- Contribute to the inception report including a detailed plan for interview and field visits.
- Conduct data collection and contribute to the presentation on initial findings and the draft MTR report.
- Conduct and confirm any follow up data/information requirements to complete the revised, final MTR report with audit trail and the final MTR report.

The consultants involved cannot have participated in the JP preparation, formulation, and/or implementation (including the writing of the Project Document) and should not have a conflict of interest with JP related activities.

7. LANGUAGE REQUIREMENTS

The working languages for the activities to be carried out under this Terms of Reference are Spanish and English. The reports will be presented in English. The deliverables will be sent via email to the person in charge of supervising the work/results.

8. PAYMENT TERMS

The timeline and payment terms based on the deliverables, as well as documents requested for each payment to be processed, are presented in the following table:

No.	Deliverables	Documents required for a payment to be processed	Expected completion	Payment
1.	MTR Inception Report	- Countersigned contract - Report - Invoice - Completed/signed Banking Information- Invoice	2 weeks after signing the contract	40%
2.	Revised MTR report with audit trail and final MTR report	- Revised MTR report with audit trail detailing how all received comments have (and have not) been addressed in the final, clean version of the MTR report - Invoice	6 weeks after signing the contract	60 %

Payments will be payable within 30 days upon receipt and acceptance of deliverable and invoice (electronic version) indicating the contract number and instalment requested.

9. QUALIFICATION REQUIREMENTS

Organizational requirements

Following are qualification requirements for bidder’s technical offer to be considered;

- Corporate registration or certificate of incorporation
- Completed/signed Statement of Confirmation
- Completed/signed financial proposer

10. EVALUATION CRITERIA

The bidder should meet following evaluation criteria;

- Presentation of bidder’s background related to the objective of this Terms of Reference.
- Technical proposal in compliance with the ToR
- The names, resumes, and specific roles of the proposed team members, along with their qualifications according to the description provided in section 6 of this Terms of Reference.
- Presentation of an economic proposal that includes all the activities described in this Terms of Reference including an indicative timeline of the activities and deliverables (in gantt chart format) and a detailed budget/cost breakdown.

- **FINANCIAL PROPOSAL** in United States Dollars (USD), with all taxes and costs included.

UNIDO General Terms and Conditions of Contract (Annex A)

When submitting the offer to UNIDO through UNIDO Procurement Portal, the bidder should confirm the acceptance of UNIDO General Terms and Conditions of Contract including payment terms.

The contract shall be awarded to the qualified bidder whose Technical Proposal has been found substantively responsive and whose Commercial Proposal is the lowest cost to UNIDO.

Note to suppliers: A **circular economy** is an economic system that tackles global environmental challenges like climate change, biodiversity loss, waste, and pollution. It is a framework of four principles, driven by design: eliminate waste and pollution, keep products and materials in use, regenerate natural ecosystems and use of renewable energy. **Bidders are encouraged** to display the products' circularity and sustainability compliance with the Economic, Social and Governance principles under the UN Compact (<https://www.unglobalcompact.org/take-action/leadership/integrate-sustainability/roadmap/supply-chain>).

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