

Terms of reference (ToRs) for the procurement of services

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| Developing Climate Budgeting Tool and Conducting training on the tool management | Project number/ cost centre: 20.9015.7-003.00 |
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0. List of abbreviations

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| AVB | General Terms and Conditions of Contract (AVB) for supplying services and work 2022 |
| ToRs | Terms of reference |
| CSCAF | Climate smart cities Assessment Framework |
| GHG | Green House Gases |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| MoHUA | Ministry of Housing and Urban Development Authority |

1. Brief Information on the Project

Under the ambit of Indo-German Development Cooperation, "Integrated Urban Climate Action for Low-Carbon & Resilient Cities' (Urban Act)- a technical cooperation (TC) project has been initiated with Ministry of Housing and Urban Affairs. The project is funded under the Internationale Klimaschutzinitiative (IKI) by The Federal Ministry for the Economic Affairs and Climate Action (BMWK) and will be implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ). The project duration is December 2022 till September 2026.

The Integrated Urban Climate Action for Low-Carbon & Resilient Cities (Urban-Act) project is a regional project which aims to support a transformation towards low-carbon and resilient urban development in India, the Philippines, Thailand, China, and Indonesia and contributes to the implementation of NDCs and the 2030 Agenda. Urban-Act focuses on enabling conditions at country level and strengthens capacities of cities for mainstreaming climate change into urban development. At local level, the project intends to support cities to develop climate-sensitive urban development plans with underlying budgets. Innovative climate projects are identified and access to project preparation and finance is facilitated. At country level, policy frameworks are further developed with a focus on technical services, cross-sectoral and multi-level coordination, and incentives for urban climate action. At Asia-Pacific level, the project aims to support regional level advocacy through intergovernmental and city-to-city dialogue and facilitates knowledge sharing to enable scaling-up of projects results and good practices within the region.

2. Context

The project aims at improving the systematic integration of climate change perspectives into urban development, to address key gaps and barriers that currently hinder cities to understand their contribution to climate change, the climate risks they face, and the opportunities that come from implementing high impact urban climate actions.

These can be elaborated as the following outputs:

i. Improving Institutional Environment for Urban Climate Policies

The project will assist national and/or state level agencies to address barriers in the policy environment (policies, regulations, coordination mechanisms, guidance, or services) that hinder the localization of climate change and sustainability targets.

ii. Evidence-based and inclusive climate- sensitive spatial and urban planning

The project targets for evidence-based and inclusive climate-sensitive spatial and urban planning considering the revision of Master Plans and Local Area Plans incorporating urban climate change aspects to plan low carbon and resilient cities through participatory planning approach.

iii. Project concepts for urban climate action investments identified

The project identifies technical and institutional capacities at city level for the development of viable project concepts for urban climate action investments. The cities will be provided further support to explore access to finance in line with national climate policy frameworks and the SDGs. The project provides analytical support for screening and climate proofing urban investment plans or municipal budgets of the selected pilot cities.

iv. *Enhanced knowledge through regional networking, exchange and learning*

The project facilitates to enhance the knowledge of urban practitioners and strengthen institutional capacities for climate action through regional networking, exchange, and learning. This effort aims to complement the technical and process support provided in Outputs I-III

The project will facilitate dialogue among climate data providers, academia and users to identify needs and data requirements (incl. approaches for addressing data gaps) reflecting the urban planning and development context as well as conditions in medium and small cities. This includes policy dialogues on urban planning regulations at state level with regards to needs, priorities and opportunities for mainstreaming urban climate change into city-level Master Planning or Local Area Planning processes.

Rapid urbanization demands an immediate need for sustainable urban infrastructure and city municipal corporations to plan and provide basic and best services to its citizens. The increasing demand has also drastically impacted the city's finances. Unprecedented urban growth and changing climate pose a huge risk to the cities regarding increased water stress, heat island effect, and increased frequency and severity of extreme weather events such as urban floods/ droughts. These climate shocks and stresses have negatively impacted the inhabitants quality of life. It is of utmost importance that the city relooks its finances from a climate lens and prioritises climate-sensitive projects and activities.

Climate budgeting for cities is yet to evolve as a concept as many aspects of climate change adaptation (and, to some extent, mitigation) are blended in with other ongoing development initiatives. Many Indian cities have not prepared a separate budget for climate; however, climate-related projects are initiated and financed through budgetary allocation and state and central schemes. In the city budget preparation stage, guidance and recommendations, including climate change issues, are required for cities.

In addition, the current municipal accounting and reporting systems and the existing climate tools, like the Climate Smart Cities Assessment Framework (CSCAF), GHG emission, etc., do not cover climate finance aspects. There is a need to develop a climate budget tool to support cities in tagging budget transactions related to climate mitigation projects and for cities to prepare their budget submissions through a climate lens. Also, the tool kit will help cities assess climate mitigation and adaptation funding mechanisms.

The objective of the contract is to develop a Climate Budget Tool for cities based on the ClimateSmart Cities Assessment Framework (CSCAF) indicators and conduct training

based on the tool. The tool will be tested in Urban Act project cities (Coimbatore, Panaji, Shimla).

3. Tasks to be performed by the contractor

The contractor is responsible for providing the following services:

Baseline study and Review of existing regulations and tool kits– National and State level

- The consultant must conduct a baseline study on Municipal finance and budgeting conditions.
- Review existing measures undertaken by the city in the Climate aspects of revenue and spending, etc.
- In addition, GIZ will provide the report on 17 cities with municipal budget assessments linked with Climate Smart Cities assessment framework (CSCAF).
- The consultant must review the existing and ongoing tools implemented by MHoUA, any state and cities policies & regulations related to municipal finance/budget and climate budget and identify gaps/ challenges and opportunities.

Develop a Climate Budget tool:

- The consultant will develop a Climate budget tool based on municipal budget allocation and climate-related project revenue and expenditure and adapt it to the Indicators in the CSC Assessment Framework. The tool will be excel based so that the cities can use it to monitor their budget and dashboards.
- Identify the sources of finance.
- Obtain inputs from the key stakeholders in this context in close coordination with the GIZ and NIUA team.
- The draft tool kit will be presented with GIZ, NIUA and MoHUA.

Develop a Manual for the tool:

- The consultant will develop a technical handbook/manual for cities, giving step by step guidance on how to use the tool

Test-run of the tool:

- The consultant will test the tool kit in 3 project cities - Panaji, Coimbatore and Shimla; and further improve the tool based on the test run, as required.

Training module to be prepared and training & capacity development:

- The consultant will develop a training module based on the tool, provide training to the cities on how to use the tool and conduct training on the tool for all 100 + cities. GIZ will organize the training (one day), and up to 3 trainings are envisaged (locations to be finalized later). One report on the training conducted along with final training material to be submitted.

Inception report – (work plan including days utilization, etc) should be submitted within 1 week of signing of contract.

Certain milestones, as laid out in the table below, are to be achieved by certain dates during the contract term, and at particular locations:

| Milestone | Deadline/place/person responsible |
|--|---|
| Baseline study | Within 1 month (s) of signing of contract |
| Draft Tool and test run | Within 3 month (s) of signing of contract |
| Manual for Tool | Within 4 month (s) of signing of contract |
| Draft Training material | Within 5 month (s) of signing of contract |
| Final deliverable – Tool, manual and training material and report on trainings conducted | Within 6 month (s) of signing of contract |

The requested input should be delivered in a form editable and non-editable format of a brief report and presentation commenting on the work of GIZ, including reports and tables, calculations and Excel files. The consultant will also prepare a presentation on the tool and submit it along with the final deliverable. The consultants will take part in a weekly project meeting with GIZ to update the work progress.

Please note the Final tool developed by the contractor shall be handed over to the ministry (NIUA) upon completion of the assignment by GIZ

Period of assignment: From May 2024 until October 2024.

4. Concept

In the bid, the bidder is required to show how the objectives defined in Chapter 2 are to be achieved, if applicable under consideration of further specific method-related requirements (technical-methodological concept). In addition, the bidder must describe the project management system for service provision.

Technical-methodological concept

Strategy: The bidder is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1). Following this, the bidder presents and justifies the strategy with which it intends to provide the services for which it is responsible (see Chapter 2).

The bidder is required to describe the key **processes** for the services for which it is responsible and create a schedule that describes how the services according to Chapter 2 are to be provided. In particular, the bidder is required to describe the necessary work steps and, if

applicable, take account of the milestones and contributions of other actors in accordance with Chapter 2.

The bidder is required to describe its contribution to knowledge management for the partner and GIZ and promote scaling-up effects (**learning and innovation**).

Other specific requirements

Not applicable

Project management of the contractor

The bidder is required to explain its approach for coordination with the GIZ project.

- The contractor is responsible for selecting, preparing, training and steering the experts (national, short and long term) assigned to perform the advisory tasks.
- The contractor makes available equipment and supplies (consumables) and assumes the associated operating and administrative costs.
- The contractor manages costs and expenditures, accounting processes and invoicing in line with the requirements of GIZ.

The contractor reports regularly to GIZ in accordance with the AVB of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH from 2022

In derogation from GIZ AVB, the contractor makes contributions to reports to GIZ's commissioning party instead of submitting its own reports.

In addition to the reports required by GIZ in accordance with AVB, the contractor submits the following reports:

- Inception report
- Contributions to reports to GIZ's commissioning party
- Brief quarterly or half-yearly reports on the implementation status of the project (5-7 pages)

The bidder is required to draw up a **personnel assignment plan** with explanatory notes that lists all the experts proposed in the bid; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

The bidder is required to describe its backstopping concept. The following services are part of the standard backstopping package, which (like ancillary personnel costs) must be factored into the fee schedules of the staff listed in the bid:

- Service-delivery control
- Managing adaptations to changing conditions
- Ensuring the flow of information between GIZ and field staff
- Contractor's responsibility for seconded personnel
- Process-oriented technical-conceptual steering of the consultancy inputs

- Securing the administrative conclusion of the project
- Ensuring compliance with reporting requirements
- Providing specialist support for the on-site team by staff at company headquarters
- Sharing the lessons learned by the contractor and leveraging the value of lessons learned on site

5. Criteria for Eligibility of firms *(Please refer grid for assessing of eligibility of firms)*

Note: Bidders have to submit the documentary evidence for the criteria's specified below.

I. Commercial eligibility assessment

- The bidder must be registered national entity of India.
- The average annual turnover for the last three financial years should be of Euro 60000. Please take Euro rate from [InforEuro, the exchange rate of the Euro currency \(europa.eu\)](http://inforeuro.europa.eu)
- The average number of employees and managers for the past three calendar years should be at least 5 persons.

II. Technical eligibility assessment

- The technical assessment is only based on reference projects with a commission value of Euro 15000.
- Experience of at least 3 reference projects any of these technical fields of municipal finance, climate finance budgeting, investment plan, climate finance policy, dashboard for municipal finance, tool kit development). Experience of at least 2 reference projects of working in india in last 3 years

III. Weighted Criteria

1. Technical Experience

- Must have 08 years of experience in municipal finance or climate finance sector.
- Must have 3 years of experience in projects of Municipal Finance (Analysis of ULBs Budget / Investment plan / Dashboard for Municipal finance / Climate Budgeting).
- Must have 3 years of experience of developing dashboard, toolkits
- Must have 3 years of experience in developing project training manual and Capacity development

2. Should have regional experience of working in India

3. Should have experience of working in development project (ODA – Financed)

5A. Personnel concept *(Please refer technical assessment grid)*

The bidder is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

The below specified qualifications represent the requirements to reach the maximum number of points.

Team leader

Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the project
- Personnel management, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments and supporting local and international short-term experts
- Regular reporting in accordance with deadlines

Qualifications of the team leader

- Education/training (2.1.1): University qualification (German 'Diplom'/Master) in Post Graduation degree in Economics/ Urban Finance / Urban policy / Urban planning with public finance or other related subjects
- Language (2.1.2): Good business language skills in English.
- General professional experience (2.1.3): 15 years of professional experience in the Urban Finance
- Specific professional experience (2.1.4): 10 years' experience in area of the municipal finance /Budgeting / climate finance sector. He/she should have excellent knowledge of various Municipal finance planning, budgeting processes and measures practiced in India as well as internationally with respect to urban/ climate finance.
- Leadership/management experience (2.1.5): 5 years of experience in management/leadership experience as project team leader or manager in a company
- Regional experience (2.1.6): 7 years of experience in projects in India
- Development Cooperation (DC) experience (2.1.7): 3 years Experience in DC projects
- Other (2.1.8): Experience from other countries in Asia related to municipal fiancé sector. Having experience in development of training modules and undertaken trainings related to the subject will be an advantage. He/she should be proficient with the acts, guidelines, and practices prevalent in the Indian state. Experience from other countries in Asia related to municipal fiancé sector. Having experience in development of training modules and undertaken trainings related to the subject will be an advantage. He/she should be proficient with the acts, guidelines, and practices prevalent in the Indian state.

Expert 1 - Urban Finance

Tasks of expert 1

- Data collection for field
- Preparation of reports and presentations
- Regular coordination with GIZ team

Qualifications of expert 1

- Education/training (2.2.1): Post Graduation degree in Economics/ Urban Finance / Urban policy / Urban planning with public finance or other related subjects
 - Language (2.2.2): Good business language skills in English.
 - General professional experience (2.2.3): 7 years of professional experience in the Urban Finance
 - Specific professional experience (2.2.4): 5 years' experience in area of the municipal finance /Budgeting / climate finance sector. He/she should have excellent knowledge of various Municipal finance planning, budgeting processes and measures practiced in India as well as internationally with respect to urban/ climate finance.
 - Regional experience (2.2.6): 7 years of experience in projects in India
Other (2.2.8): He/she should have excellent research and analytical skills to accomplish the tasks mentioned above. He/she should be proficient in digital tools like MS Office, statTool, Financial tools etc.
- Expert 2 : IT Expert

Tasks of expert 2

- Data process and design a dashboard.
- Preparation of reports and presentations
- Regular coordination with GIZ team
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Qualifications of expert 2

- Education/training (2.3.1): Graduate degree in Computer science / Information Technology or other related subjects
- Language (2.3.2): Good business language skills in English
- General professional experience (2.3.3): 7 years' of experience in area of work experience in the developing websites, dashboard interfaces for toolkits etc such as HTML, CSS and java script etc . He/she should have excellent knowledge and experience in web and software development for data analytics, data visualisation and database design and management for government, bilateral and multilateral agencies
- Specific professional experience (2.3.4): 3 years' of experience in area related to web and software development for data analytics, data visualisation and dashboard development
- Regional experience (2.3.6): 3 years' of experience in India.

Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills

- Initiative
- Communication skills
- Sociocultural competence
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

The bidder must provide a clear overview of all proposed short-term experts and their individual qualifications.

Technically qualified bidders may be called for financial negotiations.

6. Costing requirements

Assignment of personnel

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a lump sum price. Therefore, please divide the lump sum price into the milestones described below. The price per milestone must contain all relevant costs (fee, travel expenses etc.).

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also provide the underlying daily rate. A breakdown of days is not required.

The agency is requested to submit cost per below mentioned deliverables (For detailed task in mentioned deliverables can be referred in chapter 3 of the TOR).

- Baseline study and Review of existing regulations and tool kits– National and State level
- Develop a Climate Budget tool
- Develop a Manual for the tool:
- Test-run of the tool
- Training module to be prepared and training & capacity development:

Travel

The bidder is required to calculate the travel by the specified experts and the experts it has proposed based on the places of performance stipulated in Chapter 2 and list the expenses separately by daily allowance, accommodation expenses, flight costs and other travel expenses.

The field trips and number of days envisaged in mentioned in the table below. The consultant has to travel to the Delhi and other 02 regional training location (tbc) and presentation to Ministry.

Team leader and Expert 1(Urban Finance expert) is only permissible for travels as per below listed.

| Travel expenses | Quantity | Sector | Comments |
|--|---------------------|--|------------------------------------|
| Per-diem allowance in country of assignment | 20 | Delhi and other 2 regional training locations which shall be confirmed later upon confirmation from ministry | Total of 20 per diem is envisaged |
| Overnight allowance in country of assignment | 20 night stays | | Total of 20 nights is envisaged |
| Domestic flights | 10 trips (To & Fro) | | 5 trips for each individual expert |
| Local Travel expenses/vehicle hire/Airport transfers | 15 | | Total of 15 local travel envisaged |

The travel cost as per above table must be included in lumpsum cost of work and to be separately quoted in financial template for information purpose only. Please refer to financial bid template for more details.

Workshops, training

The contractor has to undertake training for city officials on the topic identified during the course of the project in mutual discussion with GIZ.

The cost for organizing the training will be borne by GIZ.

Other costs

The cost for IT cloud space has to be quoted by bidder. The said cost shall be inhouse or external service provider, this should be stated in the financial proposal by the bidder.

7. Inputs of GIZ or other actors

GIZ will support in facilitating meetings with city officials and other official approvals needed for the project's completion. All the correspondences to partners and city officials will go from GIZ.

All the expenses related to training or workshop will be taken by GIZ.

8. Requirements on the format of the bid

The structure of the bid must correspond to the structure of the ToRs. In particular, the detailed structure of the concept (Chapter 3) is to be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). It must be legible (font size 11 or larger) and clearly formulated. The bid must be drawn up in English.

The complete bid shall not exceed 30 pages (excluding CVs & other supporting company documents)

The CVs of the personnel proposed in accordance with Chapter 5A of the ToRs. The CVs shall not exceed 3 pages. The CVs must clearly show the position and job the proposed person held in the reference project and for how long. The CVs should be submitted in English only.

If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment.

9. Option

Not applicable

10. Annexes

Not applicable