

Section II: Schedule of Requirements

UNOPS eSourcing reference: RFP/2022/40577

TERMS OF REFERENCE FOR SERVICES

Request for Proposal for the Provision of Technical Advisory Services

Support to the National Governments to Strengthen Investment Readiness for Sanitation, Hygiene and Menstrual Health and Hygiene Financing related to the Sanitation and Hygiene Fund (SHF)

1. General Background

The United Nations Office for Project Services (UNOPS) is an operational arm of the United Nations, supporting the successful implementation of its partners' peacebuilding, humanitarian, and development projects around the world. Mandated as a central resource of the United Nations, UNOPS provides sustainable project management, procurement, and infrastructure services to a wide range of governments, donors, and United Nations organisations. With over 6,000 personnel spread across 80 countries, UNOPS offers its partners the logistical, technical, and management knowledge they need, where they need it. By implementing around 1,000 projects for our partners at any given time, UNOPS makes significant contributions to results on the ground, often in the most challenging environments.

UNOPS offers short- and long-term work opportunities in diverse and challenging environments across the globe. We are looking for creative, results-focused professionals with skills in a range of disciplines. With over 4,000 UNOPS personnel and approximately 7,000 personnel recruited on behalf of UNOPS partners spread across 80 countries, our workforce represents a wide range of nationalities and cultures. We promote a balanced, diverse workforce — a strength that helps us better understand and address our partners' needs, and continually strive to improve our gender balance through initiatives and policies that encourage recruitment of qualified female candidates.

The Sanitation and Hygiene Fund (SHF) is part of UNOPS. SHF is dedicated to progressing Sustainable Development Goal 6, Target 2: by 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.

2. Justification of consultancy

SHF/UNOPS is looking for a technically compliant, suitably qualified and experienced supplier (hereinafter referred to as 'Supplier') to provide specific technical advisory services for up to 12 SHF priority countries in the area of financial investment readiness (i.e. bankable project pipelines and associated enabling actions that are attractive to a diverse range of investors, investment vehicles and structured products) for sanitation, hygiene and menstrual health and hygiene (MHH).

Poorly managed sanitation and hygiene has become a business risk that affects all sectors, and that can no longer be ignored - affecting the health of workers and customers, their families and communities, well-being and productivity, environmental contamination of soil and water, and climate change.

3. Development objective:

Sanitation Economy¹ models promote sanitation infrastructure cost recovery and identify sanitation waste as valuable resources that can be up-cycled into reusable water, energy and nutrients. Digitising sanitation systems enables optimal efficiencies and information about human health and behaviour to protect lives.

Such market-based approaches combined with national leadership and strengthened public investment can deliver greater and more sustainable scale. However, in many countries, market-based approaches to sanitation, hygiene and menstrual health and hygiene are nascent. Also, in the wider context, such countries have not yet attracted non-traditional financing into the sector and hence many are over-reliant on limited bi-lateral grant funding.

Furthermore, the sector is not adequately positioning itself to attract new innovative financing for scale and nor is it sufficiently able to leverage new development finance. Roadmaps and investment cases to reach national targets do not readily include criteria sought by a range of investors from multilateral development banks, to social impact and commercial investors. Returns on investment, including social impact are not adequately explained and the risks not managed from the perspective of incoming investors. The role of the local and international private sector in the sanitation economy is poorly understood.

However, SHF considers that sanitation, hygiene and menstrual health and hygiene, present an opportunity which can provide financial returns to investors as well as very high social returns in health, education, gender equity and job creation. Thus by catalysing the sanitation economy in partner countries in Africa and Asia, SHF seeks to incentivise and stimulate new public and private investment into the sector which will be more sustainable.

SHF also pays special attention to country-ownership, government driven processes, mutual accountability of all stakeholders and the development principles of leaving no-one behind, equality and non-discrimination.

4. SHF funding model:

The SHF aims to do the following:

- To increase the number of individuals with inclusive and sustainable access to improved sanitation, hygiene and MHH;
- Increase the volume of investments in the sanitation economy; and
- Realising the value of national sanitation economies, delivering inclusive and sustainable goods, services and jobs.

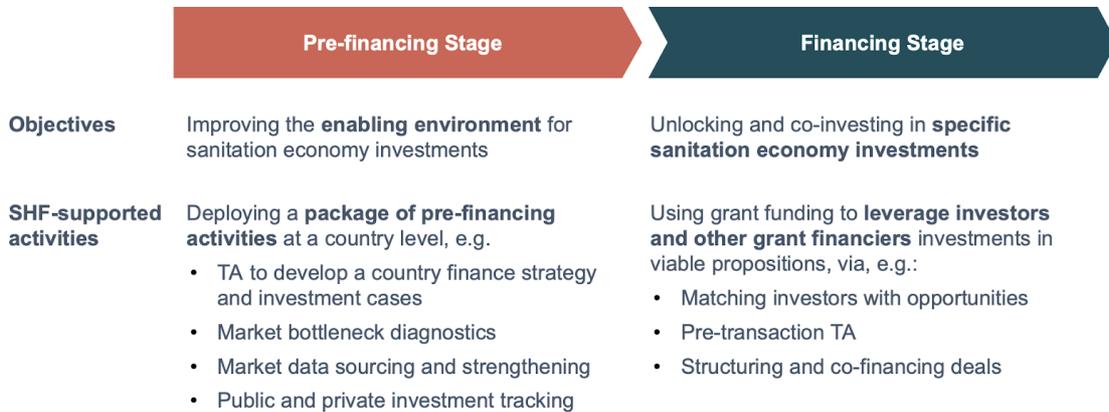
To achieve this, the SHF has a two stage funding model, which depending on the country context, may or may not be linear.

The stages, i) pre-financing and ii) financing are outlined in Figure 1 and described in detail in the SHF strategy.

SHF also has a provision for programmatic grants. This complements but is not included in the main funding model.

The SHF strategy document can be found at <https://www.shfund.org/our-work/our-strategy>

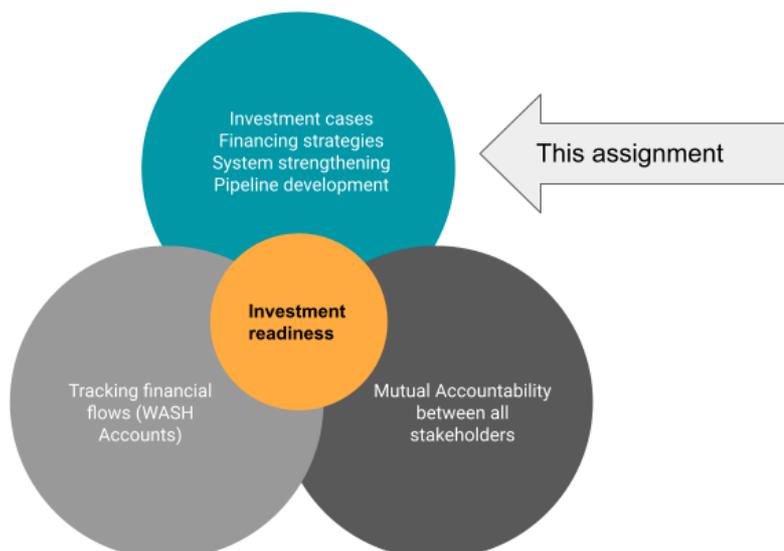
¹ The Sanitation Economy comprises the *toilet economy* which includes sanitation product and service innovation to provide toilets fit for purpose for all environments and incomes; The *circular sanitation economy* that turns human waste into a profitable commodity, feeding into a circular economic system that replaces traditional waste management. This approach has the potential to unlock 3.8 trillion litres of human waste every year from toilets and sanitation systems; and the *smart sanitation economy* which involves digitised sanitation systems that optimise data for operating efficiencies, maintenance, plus consumer use and health information insights (Toilet Board Coalition 2020).

Figure 1: SHF Funding Model


5. Objective of the assignment:

With reference to the SHF funding model, this assignment contributes to Stage 1, Pre-Financing. The outputs from the assignment will inform decisions taken by SHF for Stage 2, Financing. The assignment is one of a small number of assignments that contribute to the success of Stage 1, Pre-Financing. See Figure 2. This assignment focuses on investment cases, financing strategies, system strengthening and project pipeline development (investable propositions).

The objective of this assignment is to assist investment readiness in up to 12 SHF priority countries by ensuring that investment cases, financing strategies, system strengthening and a project pipeline are in place. In 2022 the countries are: Benin, Burkina Faso (to be confirmed or replaced), Kenya, Nigeria, Sierra Leone and Uganda. Up to 6 more countries will be supported in 2023. The names of these countries will be available at the end of December 2022 once they are approved by the SHF Board.

Figure 2: Pre-financing activities


6. How the consultancy to be performed:

The starting point for the assignment is a Country Terms of Reference that is negotiated and agreed between SHF and the national government of each country. The Terms of Reference contains all activities to be included under Stage 1 Pre-financing support, including those activities that fall under this assignment. Using this, the Supplier will:

1. Agree upon the precise **scope and weight of activities** to be undertaken per country, along with the number of days per activity, and the level of expertise required to undertake each activity.
2. Devise and share a **schedule of work** describing, by country, the inputs, outputs and timeframes to complete the activities.
3. Upon notice to proceed chrome SHF, **undertake agreed support to countries**, maintaining dialogue with designated SHF staff
4. **Monitor and report progress** on a monthly basis; and
5. Produce a **final report** of the process and outputs by country package, with a summary of lessons learned

7. Country support outputs:

The following outputs are expected for each country:

- An investment case
- A financing strategy
- Detailed concept notes for up to 3 pipeline projects
- A description of agreed public sector reforms/system strengthening actions; along with
- A results framework to monitor progress; and a
- Costed action plan for implementation

8. Expected Activities:

The following activities are indicative of those necessary to complete the assignment. The Supplier, based on its technical knowledge and expertise may suggest additional relevant activities to achieve the expected objectives.

- a. Initial briefing and regular dialogue with the SHF country fund portfolio team (based in various locations including Geneva, Cambodia and Nairobi), to provide updates, feed thinking into SHF resource mobilisation and country investment options and decisions. Collaborate with and regularly update the SHF M&E team with a focus on monitoring/data systems strengthening and progress on results frameworks, and to ensure alignment of activities with SHF portfolio results indicators and data needs.
- b. Initial virtual meeting(s) and consultation with key government officials and their development partners to assess where the country is, to explore expectations, explain roles and responsibilities and confirm inputs, deliverables, activity schedules and timeframes.
- c. Facilitating (e.g webinars, 1:1 meetings), amongst government and key stakeholders, a better appreciation of the scope for market-based approaches, the sanitation economy and the private sector as a means to accelerate sustainable sanitation, hygiene and menstrual health and hygiene national targets.
- d. Facilitating (e.g webinars, 1:1 meetings), amongst government and key stakeholders a common understanding of the potential for innovative financing models and the leveraging of grant funds to

crowd in new investments and finance to sustainably expand the sanitation, hygiene and/or menstrual health and hygiene sector.

- e. Producing a succinct situation analysis paper, outlining the status of rural and urban sanitation, hygiene and/or menstrual health, listing of domestic and international actors, the status of market based approaches/a summary of activities in the sanitation economy, the existence/status of national costed plans, investment plans and the estimated finance gap (by sub-sector)
- f. Producing or strengthening a robust sanitation, hygiene and /or menstrual health and hygiene investment case and financing strategy that includes a pipeline of investable propositions and a results framework to monitor public sector reforms / system strengthening actions. These should reflect national priorities, account for those left behind and include a strong market based and sanitation economy approach, and fall within the scope of the SHF Strategy 2022-2025. Where a country already has a sector investment case and/or finance strategy, assist the government to strengthen these documents.
- g. Working with other SHF contracted agencies (for example, working on mutual accountability, WASH accounts and finance) to assist the identification of key bottlenecks in the enabling environment that prevent investors (domestic and/or international) from entering the local market. This may include consideration of existing bottleneck analysis and its updating.
- h. Identifying and recommending the public sector reforms and system strengthening actions, (e.g. finance, policy, institutional arrangements, regulation, tariff reform/affordability, reporting, data, coordination etc) that must be addressed by the government to support the success of the pipeline; and support for the development of a results framework to monitor implementation; and producing a costed action plan for all related actions.
- i. Prioritising and producing concept notes for up to 3 projects (investable propositions) for funding consideration by SHF and/or for investment by others.

9. Expected Inputs required from the Supplier

The supplier shall be responsible for the complete set of actions necessary for the provision of the consultancy services, including, but not limited to the following.

- Provide qualified and suitable key personnel
- Management of day to day relationships and logistical arrangements (including the setting up of meetings) with country and government counterparts and focal points
- Participation in agreed meetings with SHF.
- Elevate any issues of concern with SHF in a timely manner.
- Liaison with other agencies contributing to Stage 1, Pre-financing

10. Key Personnel

The Supplier should outline the composition and structure of the personnel they are proposing to manage and implement the assignment and any key in-country partnerships that will be leveraged/utilised. The Supplier should demonstrate the quality and relevance of any partners and the key personnel therein that will be involved in developing and delivering the consultancy services.

The Supplier should, as a requirement, identify one Senior Leader for the assignment and ensure that his/her qualifications, skills and experience meet the requirements in relation to the requirements set out in the terms of reference.

The Supplier has the freedom to identify their own partners and team structure and composition, including the possibility to merge some of the areas of expertise suggested below.

Of utmost importance is that the team demonstrates the breadth of expertise, knowledge and experience required, whilst paying keen attention to efficiency and effectiveness. Individuals and entities must have a demonstrated track record in working with governments in a development setting. The Supplier must also factor in the geographical spread of countries, and so include personnel that are proficient in English, and French.

Team members' qualifications and experience should generally reflect the minimum requirements that are specified in the terms of reference.

Core areas

- Development finance, preferably with a focus on social impact financing, structuring and a range of innovative financing models and approaches that can be applied to the sanitation, hygiene and/or menstrual health and hygiene sector to accelerate the sanitation economy .
- Market based approaches to development programming; private sector engagement
- Institutional development: diagnostics for public sector reform, systems strengthening and addressing a range of bottlenecks in the enabling environment that prohibit investment readiness
- Risk identification and management
- Impact data analysis
- Writing skills

Also required:

- Working with governments in a multi-stakeholder setting - dialogue, planning and mutual accountability for gender, equality, nondiscrimination and leaving no-one behind
- Working with low-income and lower-middle income countries in Africa and Asia

To the extent possible, the SHF encourages suppliers to maintain gender equal representation and geographic diversity in defining the consortium. This should be detailed in the proposal or in Form "Format and Resume of Proposed Key Personnel".

The following functions are deemed essential for execution of the assignment.

Assignment Leader (One person)

Education

Advanced university degree (or its university equivalent) in institutional development, business administration/policy, international relations, law, finance, economics, or another related field and a 7-10 years professional experience.

Technical

- 7-10 years professional experience at least one of the following areas: frontier and /or emerging markets, creating and developing new financing models for scale; social and outcome based financing, market based approaches for sustainability and economic growth; development of strategic alliances for scale
- Proven knowledge of policy and technical implementation issues related to impact investment and the SDGs

- Highly organised, self-motivated person with demonstrated experience of client management and team leadership
- Multi-disciplinary team leadership
- Risk & Control mindset
- Excellent ability to engage with stakeholder in the development and/or finance sectors, for example, governments effectively, and/or executives of business, international organisations, and civil society, and /or experience working directly with national administrations including ministries of finance, national treasuries, central banks, and/or other investment promotions entities.
- Ability to translate complex technical ideas into documents for non-sector audiences
- Written and verbal communication skills

Language

Excellent oral and written communication skills in English.

Excellent oral and written communication skills in French an asset

Economic and Investment Specialist (up to two persons)

Education

Advanced university degree (or its university equivalent), in Business Administration, Finance, or related fields with a minimum 5-7 years work experience in at least one related field.

Technical

- 5-7 years professional experience in at least one of the following areas: frontier and /or emerging markets, project pipeline development, investment risk analysis, public-private sector engagement and transactions, market based approaches for sustainability and economic growth
- Proven knowledge of policy and technical implementation issues related to impact investment and the SDGs
- Assessment and positioning of complex information, concepts and ideas and making sure these are attractive and address concerns of investors and the needs of innovative finance models
- Development of investment cases, financing strategies and pipeline projects with different audiences, for example commercial lenders and other financial partners, investors and donors governments
- Undertaking of due diligence, quality assurance of content and pipeline ideas

Public Sector Reform and Regulation Specialist (up to two persons)

Education

Advanced university degree (or its university equivalent) public policy, institutional development, or related fields with a minimum 5-7 years work experience in at least one related field.

Technical

- 5-7 years professional experience in at least one of the following areas: high level policy advisory and diagnostics in public sector environment, creating a conducive enabling environment for private sector service provision and investment, national strategy development in developing country settings, regulation and inclusive service provision

- Building of consensus around change requirements, policy, regulation and strategic issues related to institution building, governance and equality and non-discrimination with senior government officials, donor representatives and civil society
- Bottleneck and problem analysis, risk identification; addressing outdated structures and systems, systemic weaknesses in public administration, and corruption issues, standard operating procedures, and regulatory factors through efficiency and effectiveness, and agreeing what is critical and doable in different contexts, with often limited resources.
- Taking the needs of investors in to account when identifying public sector reforms and system strengthening actions to ensure that investment cases remain attractive to the financing sector
- Applying conceptual models in support of designing investment cases and advising on structural needs for implementation, monitoring and evaluation of development programmes and projects pipeline

Emerging/Frontier Markets and Innovative Finance Specialist (up to two persons)

Education

Advanced university degree (or its university equivalent) public policy, development finance, or related fields with a minimum 5-7 years work experience in at least one related field.

Technical

- 5-7 years professional experience in the following areas: frontier markets in the context of less developed political institutions, economic structures and financial market development; raising capital for investment in emerging and frontier markets
- Influencing policy makers, governments and stakeholders to see the value of market-based approaches, and correlation between social and commercial returns
- Understanding the economic, institutional and socio-economic factors that prohibit and promote new markets; driving willingness to embrace change in support of market development
- Supporting decision makers to understand the relationship between grant funding and innovative financing; social impact investing and returns, outcome based financing, cost-benefit, return on investment and apply in the context of sanitation, hygiene and menstrual health and hygiene
- Developing investment strategies and optimising the linkages between social sectors (basic services and infrastructure, climate, environmental, health, education, gender)
- Development of public and private financing strategies to accelerate emerging and frontier markets and applying to sanitation, hygiene and menstrual health and hygiene investment cases

11. Contribution from the SHF

SHF is Core Stakeholder of the consultancy services and expects to work in close partnership with the supplier towards achieving the objectives of the terms of reference. The core stakeholder therefore intends to support the supplier administratively for the successful performance of its services. In this spirit, the stakeholder intend to provide the supplier with the following inputs for the execution of the services undertaken by the supplier:

- Contract management and monitoring
- Technical advice as necessary.
- The sharing of Country Terms of Reference and any other relevant country material or information.
- Introductions with government counterparts and focal points, and participation in selected meetings.
- Introductions with other agencies supporting the Stage 1, Pre-financing.

- Assistance with troubleshooting.
- Independent, peer review for draft outputs (i.e. for the country investment case, financing strategy and country-level results framework)

12. Timeframe of the consultancy services:

Key deliverables from the Supplier are expected to begin upon signing the contract on or before 1st April 2022 and are expected to be completed over 24 months from that date.

SHF/UNOPS request interested suppliers to submit a proposal and budget for the entire project. A UNOPS contract for professional services will be issued to cover the period from April 1st 2022 through December 31, 2023.

13. Key milestones and estimated payment schedule:

Key deliverables from the Supplier are expected to begin upon signing the contract on or before 1st April 2022 and are expected to be completed over 24 months from that date. Payments will be based on milestone deliverables upon submission of invoice and upon certification of the work completed.

No	Outputs	Estimated Delivery Date	Estimated payment weightage %
1	Scope and weight of work agreed and submission of an inception report approved by the SHF	Within one month of signing the contract	5%
2	Development of schedule of work describing, by country, the inputs, outputs and timeframes to complete the activities In 2022 the countries are: Benin, Burkina Faso (to be confirmed or replaced), Kenya, Nigeria, Sierra Leone and Uganda.	Within one month of signing the contract for country support in 2022	10%
3	Development of schedule of work describing, by country, the inputs, outputs and timeframes to complete the activities Up to 6 more countries will be identified and supported in 2023. The names of these countries will be available at the end of December 2022 once they are approved by the SHF Board.	End of December 2022 for countries in 2023.	10%
4	Specific country deliverables	The implementation and delivery of the output for each country is	Country 1: 5% Country 2: 5% Country 3: 5%

	<p>Up to 12 sets of country outputs (as described under Section 6. Country Support Outputs²)</p> <p>The following outputs are expected for each country:</p> <ul style="list-style-type: none"> ● An investment case ● A financing strategy ● Detailed concept notes for up to 3 pipeline projects ● A description of agreed public sector reforms/system strengthening actions; along with ● A results framework to monitor progress; and a ● Costed action plan for implementation 	<p>subject agreement at time of "Notice to Proceed".</p> <p>The process in each country is expected to take no longer than 6 months (allowing for in-country stakeholders to conduct support tasks etc).</p>	<p>Country 4: 5%</p> <p>Country 5: 5%</p> <p>Country 6: 5%</p> <p>Country 7: 5%</p> <p>Country 8: 5%</p> <p>Country 9: 5%</p> <p>Country 10: 5%</p> <p>Country 11: 5%</p> <p>Country 12: 5%</p>
5	Monthly written progress reports	End of each month, starting month 2 until month 23.	10%
6	Final report and presentation	Draft by 1st December 2023, final by 31st December 2023	5%

14. Travel

Travel will be determined in accordance with Covid travel restrictions and rules of specific countries. It is envisaged that one visit of 5-10 working days should be included for each country. If travel is not an option, the assignment will be undertaken remotely using virtual communication.

15. Performance management

The Supplier will report to the Deputy Executive Director, SHF, responsible for monitoring overall performance. This will take the form of monthly reporting and presentation of a final report. The Contract Manager, and day to day focal point for the assignment is the Head of Country Fund Portfolio.

SHF will oversee a simple and short annual evaluation of the first year of the assignment (end 2022) which will be based on participant feedback and short surveys related to the provision of consultancy services.

The following KPIs will be used to assess the performance of the supplier:

KPI	KPI description
Delivery/Performance	<ul style="list-style-type: none"> - Delivery of services on time - Delivery of services in full - Delivery of services as per milestone table

² Each set of country outputs will have: An investment case; A financing strategy; Detailed concept notes for up to 3 pipeline projects; A description of agreed public sector reforms/system strengthening actions; along with a results framework to monitor progress; and a costed action plan for implementation

Quality	<ul style="list-style-type: none"> - Quality of goods/services delivered in accordance with specifications/TOR - Handling of feedback and complaints and rate of errors - Technical and professional competence
Communication	<ul style="list-style-type: none"> - Responsiveness of contractor - Appropriate handling, timely and complete submission of documents (inception reports, progress reports, final reports, country packages, invoices submission as per the agreed price schedule)
Sustainability	<ul style="list-style-type: none"> - Innovation - Cost saving initiative or economic development - Environmental considerations - Social considerations

16. Communications

Communications will be by email, phone and Google Meet.

17. Sustainability considerations

Supplier Sustainability: UNOPS is committed to maintaining the highest level of integrity. This includes respect for universally recognized principles on human rights including labour rights, equality, health and safety, environmental responsibility, quality management and anti-corruption. Offerors must complete the attached DRiVE Supplier Sustainability Questionnaire.

Gender: Supplier must provide a clear statement and supporting documentation that outlines how gender is mainstreamed internally. This should include the organization's current or future plans/activities with regards to: gender diversity in the recruitment process, equal pay, equal opportunities between men and women, prevention of sexual exploitation and abuse or any form of discrimination, paid parental leave policies for men and women.

The supplier is able to avoid the use of single-use/disposable plastics (no single-use disposable plastic cups, plastic plates, plastic knives, plastic forks, plastic spoons) for the implementation of UNOPS contract