

Climate Finance Adviser to Lagos State Government Request for Proposals

A. Context

The megacity of Lagos is particularly exposed to flooding events, with 40% of the city's land at risk of flooding at least once per decade and yearly losses estimated at USD 4bn (4.1% of Lagos State's GDP). Flooding particularly affects poor and informal communities, which are rapidly expanding across (inland) flood plains.

Rapid urbanisation in Lagos increases the risk of rain-fed flooding because it limits the space for rivers and coast to expand. This is exacerbated by environmental management challenges (poor debris removal, lack of bed and bank erosion prevention), sub-optimal design (location, size/capacity, material, structural design) and insufficient water and flood management infrastructure installations. Furthermore, waste management is often inadequate, which is caused by non-availability of capital for waste management companies and unclear regulation of the waste management sector.

The Lagos State Government (LASG) has adopted a strategic approach to climate resilience (incl. against climate-related disasters such as flooding) in recent years. The Lagos Resilience Strategy (2020) takes a broad view of resilience, in particular highlighting the need for improved infrastructure (e.g. transportation, water & sanitation) and socio-economic development (SMEs, youth, inclusive development, health). The "Climate Action Plan" (2020) identifies "Flood Proof Lagos" as one of five adaptation goals for the State, with flood risk monitoring, a drainage master plan and network expansion and improved waste management among the key measures to achieve this goal.

B. The project "Flood Resilience Finance in Lagos State"

In early 2022, FSD Africa and Lagos State Government (LASG) agreed the joint project "Flood Resilience Finance in Lagos State". The general aim of the programme is to significantly improve the financial resilience of Lagos State Government's public infrastructure and budget to flood-related risks, and to generally improve climate resilience.

This will be achieved by pursuing two primary objectives:

- Developing and implementing a comprehensive flood risk finance framework (the Flood Resilience Finance Framework) that specifically provides for the private financial sector and its different financial instruments to play a role in mitigating and managing flood risk in Lagos State
- Identifying, structuring and facilitating financial transactions in the commercial market (both investment and risk transfer) that will result in Lagos being more resilient to flooding. This will involve supporting the origination, structuring and execution of relevant transactions, particularly in public infrastructure as well as risk transfer contracts

The project has the following technical work streams:

1) *Risk Assessment and Exposure & Loss Mapping*

This workstream will deliver an advanced understanding of the factors that drive flooding, the scale and severity of flood events, and the affected locations, communities and social and economic sectors.

2) *Development and Agreement of the Flood Resilience Finance Framework*

This work stream will define the role of financial instruments and the financial sector in the policy approach to disaster risk management and climate resilience in Lagos State. It includes an assessment of the available financial instruments, as well as of the policy, legal and administrative frameworks relevant to LASG's utilisation of risk finance transactions with public and commercial financial institutions. The work stream's key result is a policy paper on flood resilience finance that sets out principles and priorities for utilising financial instruments and for entering partnerships with financial sector stakeholders.

3) *Advisory on Resilience Transactions*

LASG and FSD Africa will collaborate to prioritise, structure and execute transactions and investments that improve flood disaster resilience, and other climate finance objectives, with financial sector stakeholders in Nigeria and globally. This includes commercial investors in infrastructure and relevant services (e.g. waste and water management), but also insurance companies that would cover losses from flooding and other climate related natural disasters. In this work stream, a criteria framework and decision-making process that aligns with the Flood Resilience Finance Framework (see work stream 2) will be developed and a list of priority investments and transactions will be agreed. Subsequently, the project will provide technical and facilitation support to realise these transactions.

Implementation and success of the project relies on complex collaborations and communication across several Ministries, Departments and Agencies (MDAs) of Lagos State Government, as well as on collaboration of LASG with private sector stakeholders. The LASG stakeholders include, but are not limited to, the Ministries of Finance, Economic Planning and Environment, offices of several Special & Senior Advisers to the Governor, the Lagos Resilience Office, the Lagos State Emergency Management Agency, the Lagos State Residents Registration Agency, and others. The private sector stakeholders include Nigerian and global companies and investors in the infrastructure, waste management and insurance sectors. The project will complement work on a flood insurance policy currently being developed by several global insurers, African Risk Capacity and UNDP.

C. Purpose and Scope of the Consultancy

FSD Africa and LASG have agreed to create the role of Climate Finance Adviser (the "Consultant") within LASG, who will deliver technical advisory and coordination support on climate finance and urban resilience finance to LASG.

The Climate Finance Adviser will be accountable for the implementation, and continuous review and development, of the agreed strategy and workplan between FSD Africa and LASG. The Climate Finance Adviser will act as technical resource and provider of thought leadership and capacity-building on climate (resilience) finance for all MDAs of Lagos State Government.

The Climate Finance Adviser is also expected to contribute to, and to advise (where appropriate) on, the implementation of other consultancy assignments and partnership agreements, experiencing between FSD Africa, LASG and the Nigerian and global financial sector. Lastly, the Adviser is also expected to engage in advocacy concerning climate finance within the public and private sector in Lagos State and engage in communications activities that advance the programme's goals and the broader climate finance agenda.

D. Key Tasks and Deliverables

Key Tasks and Deliverables will be agreed on a quarterly basis and will be closely linked to the evolving requirements, progress and strategy of the project.

Therefore, the following list of tasks and deliverables is indicative:

- establish and manage continuous and effective coordination and strategy review mechanisms between LASG, FSD Africa, contracted consultants, and other relevant stakeholders (both Nigerian and international)
- ensure that relevant MDAs of LASG are actively contributing to, and benefitting from, the programme's work, both through formal coordination and engagements, as well as through informal liaison with key officers across LASG
- guide or support the engagement, work and communication between contracted external consultants and LASG MDAs
- monitor developments across LASG administrative and political processes that are relevant to the programme, and recommend relevant responses and adjustments
- provide capacity building on climate finance, resilience finance and disaster risk finance to LASG, both through ad-hoc initiatives as well as the development and implementation of a capacity building programme
- provide regular written reports on programme implementation and progress, in close coordination with LASG, to FSD Africa
- promote climate finance and disaster risk finance as a key strategic policy objective within LASG, and the broader public sector in Lagos and Nigeria; also through supporting appropriate communications and advocacy activities
- Liaise with, and support where relevant and feasible, other development partners' initiatives on disaster risk finance in Lagos State, in particular the planned flood risk transfer programme of global insurers, African Risk Capacity and UNDP
- Proactively initiate and execute advocacy, dialogue and training as relevant to the programme and the broader climate finance theme
- Identify and engage with sources of available funding for climate finance initiatives, strategies and specific projects

- Support further development of LASG's pipeline of climate grants and investments, experiencing identifying opportunities to influence the design and implementation of potential projects to improve chances of obtaining funding
- Support further improvement of available repositories of, and operational frameworks for, gathering relevant data on climate related issues in Lagos State
- Support development of and implementation of the Lagos State Climate Action Plan as well as any other policies experienced in the course of this process (for the duration of the term)
- Develop and present reports and presentations that provide adequate information on the LASG/FSD Africa project, as well as on resilience/disaster risk finance and climate finance in the context of Lagos State, Nigeria and Africa, for diverse stakeholder groups, experiencing LASG, financial sector, development partners and civil society

E. Contractual and Operational Arrangements & Reporting Relationships

The Consultant "Climate Finance Adviser to Lagos State Government" will be contracted by FSD Africa and report to the Assistant Director (Risk & Resilience) at FSD Africa.

The Adviser will be hosted by the Office of Sustainable Development Goals (SDGs) and Investment of Lagos State Government and, thus, also report to the Special Adviser on the Sustainable Development Goals (SDGs) and Investments to the Governor of Lagos State, especially concerning day-to-day programme implementation, technical advisory and capacity building. Therefore, the Adviser is expected to integrate with the structures, processes and programmes of the LASG office.

The consultancy will run for a period of two (2) years and the deliverables will be expected in accordance with the timelines outlined. The consultant is also expected to commit to substantial in-person presence at the LASG office.

The contract will be valid for two years from 1st November 2022 (or earlier) and is subject to the continued availability of funds at FSD Africa, as well as the appointed Consultant's performance to the satisfaction of FSD Africa and LASG.

The Advisor will have authority over, and responsibility for, a limited budget for travel, meetings and communications related to the implementation of the assignment.

F. Skills and Experience of the Consultant

Mandatory requirements

Master's degree or equivalent academic qualification

Excellent written and spoken English

At least 12 years of experience (incl. at senior level) in the areas of public finance, disaster risk finance, insurance, climate finance, infrastructure investments, and similar (a broad combination of experience is preferred)

Comprehensive understanding of the administrative and policy making processes of Nigeria, preferably Lagos State Government

Demonstrated ability to develop, manage and leverage relationships with senior executives across the Nigerian and global private (financial) and public sector

Substantial track record of coordinating complex stakeholder groups across the public and private sector towards an agreed and shared objective and work plan

Substantial track record of managing concurrent work streams, consultancy assignments and communications/advocacy activities, preferably in the financial sector

Extensive knowledge and understanding of concepts, stakeholders, instruments and processes in climate finance and disaster risk finance, incl. relating to global climate finance institutions

Desirable:

- Experience of working in a multi-cultural environment
- Knowledge of donor policies and procedures, incl. impact monitoring/M&E
- Previous experience of working in FCDO-funded projects
- Track record of successful capacity building for public sector stakeholders

G. Request for Proposals

We request proposals from qualified individual consultants. The proposal should contain:

- A description of the Consultant's understanding of the context, objective and purpose of the assignment as outlined in these terms of reference and their role in fulfilling this objective
- A detailed description of the qualifications and professional experience of the Consultant, including an explanation of the transferrable skills and experience relevant to this assignment
- A professional CV not exceeding 3 pages
- A minimum of two individuals (and their contact details) who can provide references for the Consultant's experience, skills and overall suitability for this assignment
- An indication of the expected monthly remuneration (in GBP or USD currency), incl. any relevant details on reimbursable expenses, taxes, etc.

Proposals should be submitted by email to bids@fsdafrica.org by **1200hrs (EAT) on 03 October 2022** under a subject line reading 'Proposal: Climate Finance Adviser to LASG'.

H. Basis of Award

A contract will be awarded to the most economically advantageous tender based on the skills and experience of the Consultant as outlined above, and the following assessment criteria:

Assessment Criteria	Weighting (%)
Relevant technical capacity and qualifications	35%
Relevant work experience and record of success (also as demonstrated by results of previous assignments, references, etc.)	35%
Quality of the proposal (understanding of the context & assignment, writing style, etc.)	15%
Value for money (based on fee rates and total cost of the assignment Fee basis and total costs will be computed as follows: $FS = 15\% \times LB/BP$ where: FS = is the financial score LB = is the lowest bid quoted BP= is the bid of the proposal under consideration. The lowest bid quoted will be allocated the maximum score of 15%. Fee quoted must be inclusive of applicable withholding tax	15%
Total	100%

I. Contact

Questions or comments in respect to these terms of reference should be directed to bids@fsdafrica.org and received **no later than 10:00am (EAT) on 21st September 2022**. Responses and clarifications will be provided by **10:00am (EAT) on 23rd September 2022** through the same advertisement channels.

J. Applicable Taxes

As per Kenya's tax law, FSD Africa will pay the Consultant after withholding the appropriate taxes at the applicable rate between Kenya and the Consultant's country of tax residence, considering any tax treaties in force. It is the responsibility of the Consultant to keep themselves apprised of these applicable taxes. The below table however provides guidance on the applicable rates as per tax regimes

Country	WHT Rate
Kenya	5%
United Kingdom	12.5%
Canada	15%
Germany	15%
Zambia	20%



India	10%
Non-resident rate for citizens of EAC member countries	15%
All other countries	20%