



TERMS OF REFERENCE (TOR)
For ICLEI – Local Governments for Sustainability
EU SWITCH Asia Circular Textiles Project - Finance Consultant to develop knowledge products focusing on financing opportunities

ICLEI World Secretariat seeks to appoint an individual expert or a company to develop and translate (English and Chinese) two finance-related knowledge products in the [EU SWITCH Asia project](#): Transitions to circular economy practices in textile and apparel Micro, Small & Medium Enterprises (MSMEs) along the lifecycle in Huzhou and Shaoxing. These knowledge products, as detailed below, aim to gather information and guide MSMEs to access finance.

Timeline for proposal submission

Date of publication: 10 May 2023

Last day for submission: 9 June 2023, 18:00 CEST

Notification of decision: Within 10 working days of submission close date

Send all enquiries and proposals (with the subject title: “Enquiry: External expert application_3_Switch Asia” or “Application: External expert application_3_Switch Asia”) to cecilia.rivera@iclei.org.

Background

The overall goal of the EU SWITCH Asia project: Transitions to circular economy practices in textile and apparel MSMEs along the lifecycle in Huzhou and Shaoxing is to facilitate the transition to circular economy practices in the textile and apparel industry in Huzhou City and Shaoxing City, China.

The specific objectives are:

1. Improved sustainable management, resource efficiency and adoption of circular economy principles by the local textile and apparel industry;
2. Conditions enabled for a conducive policy environment among key stakeholders for the circular textile and apparel industry in Huzhou and Shaoxing; and
3. Increased access of the textile and apparel industry to financing for eco-design, recycling investments and clean technology transfer (Access Finance Component).

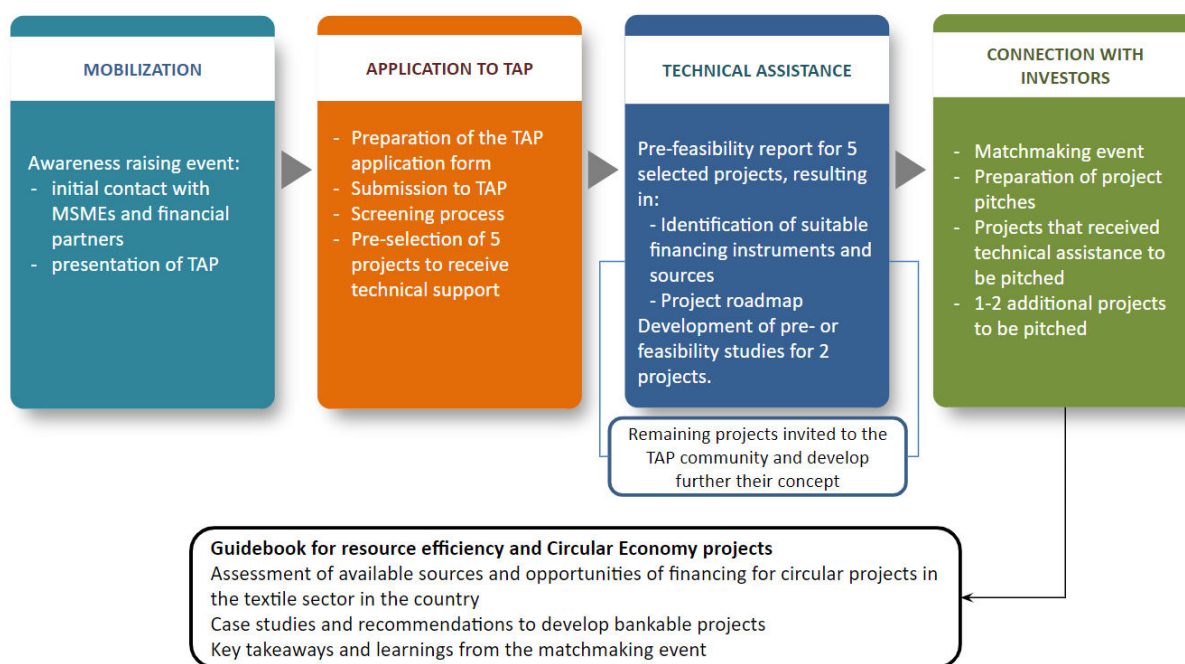
This Terms of Reference (ToR) is issued to support the Access Finance component, which aims to:

- Mobilize MSMEs to develop and submit project ideas/interventions to the Transformative Actions Program (TAP);
- Provide Technical assistance to MSMEs for further development of their project concepts with the goal to increase capacity, bankability and access to finance;
- Assess financial sources and opportunities to finance circular projects in the textile sector in China;
- Connect MSMEs with Project Preparation Facility providers, and national and international financial institutions;



- Gather the learnings and knowledge from events and relevant activities, and provide guidance for projects seeking green and circular finance (*Accessing Finance - Guidebook for Resource Efficiency and Circular Economy Projects*).

To illustrate the above, Figure 1 gives an overview of the steps of the overall workflow and the planned activities of the Access Finance component in the EU SWITCH Asia project: Transitions to circular economy practices in textile and apparel Micro, Small & Medium Enterprises (MSMEs) along the lifecycle in Huzhou and Shaoxing.



Specific Tasks

Through this activity the consultant will support to implement the third objective of the EU SWITCH Asia project: Transitions to circular economy practices in textile and apparel Micro, Small & Medium Enterprises (MSMEs) along the lifecycle in Huzhou and Shaoxing, and undertake the following tasks:

Task 1: Develop Accessing Finance - Guidebook for Resource Efficiency and Circular Economy Projects

The Guidebook shall provide consolidated information that supports textile and apparel MSMEs to access finance for the implementation of circular economy interventions and practices along their business activities/value chains.

- **Sub-task 1:** Conduct a mapping exercise to review relevant and available national and local financing institutions and initiatives for MSMEs with a focus on the cities of Huzhou and Shaoxing. This assessment will serve as a basis to invite and engage potential funders of the Awareness-raising event taking place in September 2023.
- **Sub-task 2:** Gather key recommendations, lessons learned from the submitted project ideas and throughout the project EU SWITCH Asia, as well as building on Task 1



Sub-Task 1, and information provided from ICLEI, provide an assessment of available sources and opportunities of financing for projects regarding the circular economy principles implemented in the textile industry in China. Besides the focus on China, the Guidebook shall also contain information on financing instruments, case studies and recommendations on how to reach bankability that are globally relevant and applicable.

Task 2: Develop a pre-feasibility analysis report

As described in Figure 1, after the awareness-raising event MSMEs will be invited to submit their project/ intervention ideas to TAP, out of which ICLEI will select five. The consultant will work closely together with these MSMEs and prepare a pre-feasibility analysis report with the aim to:

- (i) Gain a sound understanding on the projects’ recent status, strengths, weaknesses, needs and priorities, with a particular focus on their technical and financial viability; and
- (ii) Set clear targets for the next necessary steps in their development towards reaching bankability and technical feasibility.

- **Sub-task 1:** develop a detailed questionnaire to assess the five projects considering key factors of investment-readiness such as:
 - Availability of quantitative and qualitative data on environmental, social and economic impact;
 - Current technical and financial challenges;
 - Mapped and engaged stakeholders;
 - Compliance with local/national policies;
 - Availability of resources and capabilities;
 - Technical risks and constraints and ability to mitigate them; and
 - Availability of business models, including data on OPEX, CAPEX, revenue streams.
- **Sub-task 2:** Based on the findings of Task 2 Sub-task 1, develop and present project-specific business plans (roadmaps), including recommendations regarding the most suitable financing instruments, models, and the most relevant and accessible financing sources to be considered. These suggestions shall take into account the initial mapping of the potential TAP partners, national and international financial institutions and opportunities, and their engagement since the Awareness-raising event.

Deliverables and time frame

The following tasks and sub-tasks will need to be undertaken in order to meet the deliverables of this ToR. The indicated time frames below might be adjusted due to external and internal influences and project development.

Task	Sub-task	Indicative deadlines*
1. Develop Accessing Finance - Guidebook for resource efficiency and	1. Map relevant and available local and national financial and technical assistance sources for MSMEs with a focus on the cities of Huzhou and Shaoxing	25 July 2023



Circular Economy projects (ca. 30 pages in Chinese and English)	2. Develop and finalize the Guidebook based on Task 1 Sub-Task 1, gathered key recommendations, lessons learned from each intervention throughout the project EU SWITCH Asia	First draft: July 2024 Final product: July 2025 (after the matchmaking event)
2. Develop a pre-feasibility analysis report (ca. 5 pages per project, altogether ca. 30 pages in Chinese and English)	1. Develop a detailed questionnaire to assess the five selected projects' investment-readiness	January 2024
	2. Based on the findings develop and present the five MSMEs project-specific business plans (roadmaps)	May 2024

* The indicative deadlines are subject to change.

ICLEI, and project partners where relevant, will provide content and additional relevant guidance for the tasks.

Assumptions

- The period of work sought in this Terms of Reference is approx. 26 months, starting in June 2023 and ending in July 2025.
- Proposals should include budgets that are in Euros. Payment will be in Euros, and ICLEI will not be liable for fluctuation in the exchange rate to the Renminbi. The budget included in the submitted proposal should include all costs. No additional costs will be provided by ICLEI or other partners.
- The successful organization/person appointed for this work is free to engage in other work during the remainder of their time, as long as the activity does not bring ICLEI, its partners or the project into disrepute.
- The consultant agrees to a 3-month notice period for any cancellation. The consultant is allowed to engage additional human resources, as approved by ICLEI and within the stipulated budget, for the successful completion of deliverables.
- Belgium law will be utilized in case of disputes.
- Subcontracting is not permitted for this Terms of Reference.

Payment

Payment of the consultant will be discussed and finalized during the contract negotiation. While the total contract duration is for 26 months.

Terms and conditions

All content, documents, reports, and other materials prepared as part of this assignment shall be the property of ICLEI and shall be handed over upon completion of the assignment. The provider shall not pass on to any third party any data, document, reports, or other materials prepared or obtained during the assignment.



Proposal content

- A technical offer:
 - Work plan;
 - Approach;
 - References of similar work done during the past three years; and
 - If applying as an organization:
 - CVs of team member(s) and an organizational profile.
 - If applying as an individual:
 - CV.
- A financial offer (**Please use Template in Annex 1**):
 - Budget ; and
 - Proposed Payment Schedule.
- Filled out administrative information sheet (**Please use Template in Annex 2**)
- Signed disclaimer on exclusion criteria (**Please use Template in Annex 3**)

Exclusion criteria

Applicants will have to **complete and sign Annex 3**. Failure to meet those criteria will mean that the bid will be discarded and not be evaluated.

The exclusion criteria are:

- Not Based in China, since for this assignment the consultant will have to be based in China;
- Unable to travel to attend the events described in the Deliverables and time frame section;
- Have a criminal record or ongoing criminal investigation/case;
- Being bankrupt or is involved in an insolvency process;
- Not fluent in Chinese and English.

The consultant will be assessed according to the requirements set out in this section and the next (Evaluation).

Evaluation

Assessment will take the form of functionality and thereafter price. Parties will be evaluated on the following criteria:

- Assessed Criteria
 - Years of relevant experience working with both EU and Chinese-funded projects. Maximum: 25%
 - Work Plan. Maximum: 30%
 - Financial Offer (Price): 30%
 - Years of relevant experience in the circular development sector. Maximum: 15%

Reporting requirements and management



- The successful applicant will report to Eszter Mogyorosy, Head Innovative Finance, ICLEI World Secretariat and Cecilia Rivera, Officer, Innovative Finance, ICLEI World Secretariat.
- Regular meetings/calls to report on progress on specific tasks and deliverables will be required in Central European Time.

Proposal validity

Only proposals which are complete (see “Proposal Content”), received before the deadline, and are in line with the exclusion criteria, will be evaluated.

Applying

Please submit all information via email with the subject “**Application: External expert application_3_Switch Asia**” by 9 June 2023, 18:00 CEST to: cecilia.rivera@iclei.org with eszter.mogyorosy@iclei.org in copy.

Applications that do not comply with the instructions contained in this document will not be considered.

Please use English for all communications. Only successful candidate/s will be contacted.

About ICLEI

ICLEI - Local Governments for Sustainability is a global network working with more than 2,500 local and regional governments committed to sustainable urban development. Active in 125+ countries, ICLEI influences sustainability policy and drives local action for low emission, nature-based, equitable, resilient and circular development. For more information about ICLEI, visit: <https://www.iclei.org>



Annex 1 - Financial offer

Document	Task	Daily rate in Euro (a)	Number of days (b)	Sum in Euro (c) = (a) x (b)
Accessing Finance - Guidebook for resource efficiency and Circular Economy projects (ca. 30 pages)	Map relevant and available local and national financial and technical assistance sources for MSMEs with a focus on the cities of Huzhou and Shaoxing in English*			
	Translation into Chinese			
	Research & writing of the Guidebook in English			
	Translation into Chinese			
Pre-feasibility analysis report (ca. 5 pages per project, altogether ca. 30 pages)	Questionnaire for the assessment in English			
	Translation into Chinese			
	Research & writing business plans (roadmaps) in English			
	Translation into Chinese and presenting to MSMEs			
Final sum				

* This mapping will also be part of the Guidebook.



Annex 2 - Administrative information sheet

Name of individual / organization	
Relevant registration numbers & country	
VAT ID (if applicable)	
Contact information Address E-mail Phone number	



Annex 3 - Disclaimer on exclusion criteria

Terms of Reference: EU SWITCH Asia Circular Textile Project_Policy documents

I hereby declare that we are / I am not triggering any of the following exclusion criteria:

- Have no presence of at least one team member in China since for this assignment the consultant will have to be based in China.
- Being unable to travel to attend the events described in the deliverables and time frame section.
- Have a criminal record or ongoing criminal investigation/case.
- Being bankrupt or involved in an insolvency process.
- Not being fluent in Mandarin/Chinese and English.

Place & date

Signature