



## Terms of Reference

### Identifying a new intervention in the field of Green Economy in the frame of the Swiss Cooperation Programme in Bosnia and Herzegovina

Place of mandate:	Bosnia and Herzegovina
Duration of mandate:	10 September – 20 November 2022
Deadline for applications:	20 August 2022
Email address for the submission of offers	<a href="mailto:mersiha.alijagic@eda.admin.ch">mersiha.alijagic@eda.admin.ch</a>
Local and international consultant:	To be selected by the open call procedure

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## 1) Background

### 1.1. Green transition

The current global economic growth path is environmentally unsustainable. Present patterns of production and consumption degrade and deplete many of the world's environmental resources. There is thus a need for new approaches that can promote inclusive and environmentally sustainable economic development – a Green economy (GE).

An Inclusive Green Economy (IGE) is a thriving economy that delivers the linked economic, social and environmental outcomes sought by the Sustainable Development Goals (SDGs) and the Paris Agreement. It follows five key principles, each of which draws on important precedents in international policy, and which together can guide economic reform in diverse contexts:

- ✓ The Wellbeing principle: The economy enables all people to create and enjoy prosperity.
- ✓ The Justice Principle: The economy promotes equity within and between the generations.
- ✓ The Planetary Boundaries Principle: The economy safeguards, restores and invests in nature.
- ✓ The Efficiency and Sufficiency Principle: The economy is geared to support sustainable consumption as well as sustainable production.
- ✓ The Good Governance Principle: the economy is guided by integrated, accountable and resilient institutions.

GE accounts for the environment and the value of natural assets in planning and decision-making, and focuses on the quality and sources of economic growth – as opposed to today's focus on the growth number only. Economic growth is necessary to reduce poverty in low income countries, but it needs to be socially and environmentally sustainable.

In order to transition to a GE, green business models need to be promoted. These can encompass either developing and offering green products and services (e.g. waste management, renewable energy) or making products and services in an environment-friendly way (e.g. resource-efficient products). However, green business models face a number of challenges that can be clustered in six groups<sup>1</sup>: i) information, ii) finance, iii) partners and networks, iv) markets, v) capacities, and vi) policy.

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<sup>1</sup> GIZ «Green and Inclusive Business toolbox», 2019

For small, open economies as the one in BiH, access to the EU market and expected financial assistance of the EU will critically depend on the progress achieved in transition towards green economy. The EU is the largest trade partner of all Western Balkan countries, having a 70% share in total trade in the region. Over the past 10 years, trade between EU and the Western Balkans increased by 130%.

With the adoption of the Western Balkans Green Agenda in 2020, the Western Balkan countries adopted the European Green Deal (its key elements), making commitment to implement measures and achieve compliance in five areas: climate action, including decarbonisation, energy and mobility, circular economy, biodiversity, fighting pollution, and sustainable food systems. The first pillar, decarbonisation, remains central to achieving climate neutrality by 2050.

So far, BiH made limited progress in all areas of the Green Agenda. Transformation of resource-intensive industry in the Balkan countries towards green and circular economy is not a simple task. Brown industries have a long tradition, employ a significant share of labour force, and have developed value chains and market infrastructure. Cheap primary resources, combined with relatively cheap labour force, represent comparative advantage in many sectors and attract foreign investments.

## **1.2 Swiss Cooperation Programme in Bosnia and Herzegovina**

The objectives of the Swiss international cooperation<sup>2</sup> for the period 2021–2024 are to: 1) Contribute to sustainable economic growth, market development and the creation of decent jobs (economic development), 2) Address climate change and its effects and managing natural resources sustainably (environment), 3) Save lives, ensuring quality basic services, especially in relation to education and healthcare, and reducing the causes of forced displacement and irregular migration (human development) and 4) Promote peace, the rule of law and gender equality (peacebuilding and governance).

The **Swiss Cooperation Programme Bosnia and Herzegovina 2021–2024** is focusing on three main portfolios: Economic Development and Employment, Health, and Local Governance and Municipal Services.

*The overall objective of the Economic Development and Employment Portfolio is: Women and men contribute to, and benefit from, economic growth, sustainable prosperity and more decent jobs.*

*Outcome statement 1: An improved innovation-friendly business environment paves the way for a more competitive, productive and growth-oriented private sector and attracts more investments in BiH companies*

Switzerland supports its partners in designing an efficient and transparent legal economic framework in BiH both at national and local level. This reduces bureaucracy and cost of doing business as well as uncertainty for companies and investors, laying the ground for sustainable economic growth. Enabling an innovation-friendly business environment and by granting access to knowledge and finance, improves the competitiveness and productivity of start-ups and SMEs.

Switzerland as well facilitates access to Swiss and EU markets for selected industries, allowing to increase exports and for further job creation in BiH.

*Outcome statement 2: Fostered by a favourable environment, entrepreneurship development is more inclusive and creates more decent income opportunities for women and men.*

Entrepreneurship and start-ups are seen as crucial for the creation of more income opportunities in BiH. To thrive, these need a conducive social, legal and economic environment. Switzerland therefore advocates for government policies which encourage and safeguard entrepreneurs. It promotes the expansion of local support services such as entrepreneurship training, professional networks and business service providers and access to funding. Particular attention is paid to youth and female-led start-ups. Thus, the Programme contributes to the country's objective of fostering quality employment through youth entrepreneurship and by simplifying the creation of start-ups.

*Outcome statement 3: Male and female Technical and Vocational Education and Training (TVET) students are made more employable as a result of an initiated dual oriented and widely accepted TVET system.*

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<sup>2</sup> Switzerland's International Cooperation Strategy

Switzerland facilitates the establishment of a dual-oriented TVET system in BiH. This is pursued by supporting selected Vocational Education Training (VET) schools and through the establishment of a formalised dialogue between VET schools, education authorities and companies, so as to foster market orientation of the TVET system.

### **1.3 Possible areas of intervention**

In order to support BiH sustainable economic growth and the transition to a greener economy, Switzerland is interested to identify possible entry points for future interventions in the field of Green economy and in the promotion of green business models. The new intervention will complement the existing portfolio and could entail the following elements/areas:

- Existing economic opportunities and policy responses (Green technology; new production methods)
- Converting traditional business models to green business models
- Green innovation and research
- New markets for green goods, services and technologies
- Awareness raising
- Capacities for green and inclusive business models

The planned intervention has a time frame of approx. 12 years, divided into 3 phases of 4 years and a budget of around 1-1.5 million CHF per year. Depending on the identified opportunities, the intervention could combine several complementary lines of action.

### **2) Overall objective of the mandate**

The overall objective of the mandate is to support the Embassy of Switzerland in **identifying possible areas and entry points for a future Green economy related intervention in BiH**, taking into account country's priorities and all relevant ongoing and planned activities of other donors and IFIs.

### **3) Expected outcomes/results**

- I. The Embassy of Switzerland has a clear overview of the actors, ongoing interventions and their current status in the area of green economy in BiH, including regional initiatives.
- II. The Embassy of Switzerland has identified promising entry points/ niche for its future engagement.

### **4) Specific tasks and questions**

In close cooperation with the Embassy of Switzerland the consultant will undertake the following tasks:

- Review legal, strategic and institutional priorities in the area of green economy in BiH
- Review ongoing and planned donor and IFIs' interventions in this area in BiH, including regional ones.
- Identify and recommend areas and level of intervention for possible new Swiss interventions in the field of green economy, as well as the potential modalities of its implementation.

### **Guiding questions:**

- a. What are the relevant strategic documents related to Green economy in BiH?
- b. Which opportunities in the green economy field are existing? Which are the most relevant? How can they be realized? What is missing? Please structure along the six clusters that represent challenges for the promotion of green business models, with a specific focus on information, partners and networks, markets and capacities.
- c. For the identified opportunities, are there BiH private sector actors who are ready to invest that are willing to work on said opportunities? If yes, who are they? What about the authorities and civil society?
- d. What opportunities exist in the field of Green economy and entrepreneurship promotion?
- e. How could business environment reforms make use of regulations and tax reforms to promote greener technologies, resource efficiency, and sustained or renewed access to natural resources?

- f. How could the identified opportunities complement the engagement of other donors?

#### 4.1 Expected deliverables

- 1) Technical proposal (max. 4 pages), which shall include:
  - Understanding of the consultancy:
    - Proposed approach and methodology to complete the task
    - Competences, roles and responsibilities of the consultant
    - Proposed timeframe
  - Annexes:
    - Curricula vitae of the proposed consultant
    - Relevant references from previous successful mandates
- 2) Financial proposal  
The financial proposal shall be submitted in CHF using the standard form<sup>3</sup> attached to these Terms of References.
- 3) Draft and Final Scoping Mission report  
The **report** shall be written in English and not be longer than 25 pages (excluding annexes and executive summary); it shall comprise the following sections:
  - Table of content
  - Acronyms and abbreviations
  - Executive summary (max two pages)
  - Background of the mission and applied methodology
  - Key findings, conclusions and recommendations
  - Annexes

The Embassy of Switzerland in BiH reserves the right to request changes in the structure of deliverables or the inclusion of additional information.

A first draft report shall be delivered to the Embassy of Switzerland in BiH by the international consultant no later than 10.10.2022. The final report addressing comments and remarks of the Embassy shall be submitted on 05.11.2022 at the latest.

#### 5) Scope and methods of work

The evaluation will be conducted by a team composed of one international expert, accompanied by a local one. The overall responsibility lies with the international expert who is the team leader. The methodology, specific roles and tasks of the individual team members is to be team internally discussed (also depending on the expertise of the individual team members) and agreed upon in consultation with the Embassy in BiH.

The local consultant, which will be chosen by the embassy (recommendations from the international consultants are welcome) should lead the organizational part of the mission (identify the local stakeholders, organize interviews with them and identify the key readings and documents, relevant policy papers including legislation for this specific mission. The local consultant will have a separate contract. It is expected from both consultants to show the readiness to contribute to a team effort and to manage and coordinate the work with the another consultant.

Responsibilities of **the consultants** will be as follows:

- Review current priorities of BiH related to Green economy at national, subnational (entities, cantons), and local level;
- Interview international actors (EU, Sweden, Germany, UNDP, WB, IFC, EBRD, KfW, etc.) on their ongoing and planned activities in the area of Green economy;
- Identify and interview local actors active in Green economy (public and private sector, civil society, academia) field.

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<sup>3</sup> Local Mandate Offer (please see Annex 1.)

- Identify and recommend areas for possible Swiss interventions in the field of Green economy and potential modalities of its implementation in BiH;
- Schedule and organise meetings, interviews and transportation for his/her mandate related activities;
- Both consultants will be selected through an open call.

Responsibilities of **the Embassy of Switzerland** (responsible program officer) will be as follows:

- Provide consultant with necessary inputs and information for his/her work;
- Inform interviewees about the consultant's engagement on behalf of the Embassy, if required;
- Review consultant's reports on the assigned tasks.

## 6) Requirements for consultant(s)

The consultant must meet the following requirements:

- Proven track record of professional experience in Green economy and related fields;
- Good knowledge of the local context and active actors in the field of interest;
- Excellent analytical skills;
- Excellent spoken and written English;
- Strong communication, presentation and writing skills.
- Ability to work in a team.

The offer is to be submitted until 25<sup>th</sup> August 2022 by email to: [mersiha.alijagic@eda.admin.ch](mailto:mersiha.alijagic@eda.admin.ch)

## 7) Overview of expected workload

Table below presents expected workload per activity, deadlines for its implementation and expected deliverables. The Consultant can propose a different workload in the technical proposal. Final workload within the contracted number of workdays will be adjusted to specific needs and approved by the Embassy.

Activity	Deadline for completion	Internat. Consultant (max. days)	Local Consultant (max. days)
Review of the relevant guidance and reference documents of the Swiss Cooperation Programme	Upon signing of the contract	0.5	0.5
Briefing, debriefing and communication with the Swiss Embassy	As required	1	1
Identifying niches for future Swiss interventions: <ul style="list-style-type: none"> <li>• Desk review of relevant documents</li> <li>• Collection of information, visits, meetings, interviews and consultations for identifying potential entry points and modalities for future Swiss intervention</li> </ul>	10 September 2022	15	15
Scheduling meetings, logistic preparation and coordination			2
Draft Scoping Mission Report submitted to the Embassy	10 October 2022	3	2
Final draft Scoping Mission Report submitted to the Embassy following its comments	5 November 2022	1	1
Travel to BiH		2	
Validation WS (preparation, moderation)			2
	<b>TOTAL max. workdays</b>	22.50	23.5

The consultant shall submit to the Embassy the Scoping Mission Report, presenting an overview of ongoing and planned activities of other international actors in the area of green economy, and

recommendations (project ideas) for possible new Swiss interventions in the field of Green economy which are aligned to the Swiss Cooperation Programme 2021-2024 as well as potential modalities for implementation of the new interventions. The report shall not be longer than 20 pages, excluding annexes. Additions to the report might be requested by the Embassy.

**Selection of the Consultant**

The consultant will be selected by the Embassy based on his/her professional experience relevant to the mandate, as per CV and references (criteria weight: 50%), the “Understanding of the consultancy” (criteria weight: 30%) and the financial offer (criteria weight: 20%).

The consultant will sign the contract with the Embassy of Switzerland in BiH.

**Note:** Arrangement of meetings and transportation in the country for the contracted services will be organized by the Consultant.

**Reference documents**

- Switzerland`s International Cooperation Strategy  
<https://www.eda.admin.ch/eda/en/fdfa/fdfa/publikationen.html/content/publikationen/en/deza/diverse-publikationen/broschuere-iza-2021-24>
- Swiss Cooperation Programme Bosnia and Herzegovina 2021-2024  
<https://www.eda.admin.ch/countries/bosnia-and-herzegovina/en/home/international-cooperation/strategy/effectiveness.html>
- GIZ «Green and Inclusive Business toolbox», 2019  
<https://www.enterprise-development.org/wp-content/uploads/GIZ-green-inclusive-business-toolbox-2019.pdf>

Sarajevo, .....	.....
The Embassy of Switzerland	The Consultant
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Annexes:

- Annex 1: Fromular Offer B
- Annex 2: Fact sheet on compensation for fees and expenses