

TERMS OF REFERENCE

for N.N., Consultant

Evaluation Synthesis on “CEB grant-funded projects”

1 - INTRODUCTION

The **Council of Europe Development Bank (CEB)** is a multilateral development bank with a social vocation. Established on 16 April 1956 in order to bring solutions to the problems of refugees, its scope of action has been progressively broadened to include other sectors of action that directly contribute to strengthening social cohesion in Europe.

The CEB considers itself an instrument of solidarity policy in Europe, aimed at helping its 41 member States achieve sustainable and equitable growth: it thus participates in the financing of social projects, responds to emergency situations and, in so doing, contributes to improving the living conditions of the final beneficiaries of said projects.

The CEB contributes to the implementation of socially-oriented investment projects through four sectoral lines of action, namely:

- strengthening social integration
- managing the environment
- supporting public infrastructure with a social vocation
- supporting micro-, small and medium-sized enterprises.

In order to buttress the fulfilment of its social mandate, the CEB disposes of a **Social Dividend Account (SDA)**¹, which is almost exclusively funded by allocations from the CEB's annual profits. First set up in 1995 to provide interest rate subsidies on CEB loans or grant funding for stand-alone projects implemented through partner institutions (including, but not exclusively limited to, UN Agencies), the purpose and scope of the SDA were recently reviewed and expanded to also cover technical assistance costs and provide loan guarantees. To date, € 113 million in grants have been approved in favour of 98 initiatives. In 2013, grants amounting to € 4.8 million were approved, of which € 2 million for interest rate subsidies, €1.5 million for loan guarantees and € 1.3 million for technical assistance.

2 - BACKGROUND

As part of the CEB's operational procedures, and in line with the practice of other International Financial Institutions (IFIs), the **Evaluation Department (EVD)** carries out independent evaluations of a sample of operations financed by CEB with the purpose of assessing their impact, enhancing accountability and formulating lessons and recommendations aimed at improving the quality of future operations.

The evaluation activities of EVD are organised on the basis of “evaluation cycles”, structured around the CEB's sectors of action or on specific themes. Individual evaluations are the key

¹ See <http://www.coebank.org/Contenu.asp?arbo=154&theme=2&ChangeLangue=EN>

building blocks for an Evaluation Synthesis in which the findings from individual evaluations are summarised with the objective of discerning and analysing overarching strategic issues and lessons learned.

3 - OBJECTIVE AND SCOPE OF THE ASSIGNMENT

The present assignment refers to the EVD evaluation cycle concerning a series of stand-alone SDA grant-funded projects, for which the individual evaluations have been completed. The objective is to draft the Evaluation Synthesis on “CEB grant-funded projects”.

Said Evaluation Synthesis is primarily intended to (i) distil **lessons learned from the implementation of past SDA grant-funded projects** and (ii) **contribute to internal reflection on the CEB’s corporate position regarding this type of financing instrument**. It should at the same time propose a **prospective view on the SDA**, by taking into account the opportunities presented by its recently-reformed framework and broadened scope for a more diversified use of grant funds in supporting the preparation and implementation of investment projects (as described above). To do so, the assignment should therefore also build on the experience of a selected number of Multilateral Development Banks/International Financial Institutions (MDBs/IFIs) that have a longer tradition of using grant contributions in support of their core lending activities.

3 - TASKS & DELIVERABLES

The tasks to be carried out by the consultant and the deliverables related thereto are detailed hereunder. The consultant will remit all deliverables to EVD in writing, in Microsoft Word file or equivalent. EVD may request the assistance of the consultant for other tasks on an *ad hoc* basis, not yet defined, related to this assignment.

3.1 - Selection of MDBs/IFIs for comparison/reference

The consultant shall propose, and subsequently confirm with EVD, the **final list of comparator MDBs/IFIs** that will be used to feed and illustrate lessons learned into the Evaluation Synthesis.

Based on preliminary EVD explorations, potential comparator MDBs/IFIs include both (i) European IFIs and (ii) other development banks that have a geographical overlap with the 41 member countries in which CEB operates:

- (i) EIB², EBRD, BSTDB, NIB, KfW Development Bank³;
- (ii) World Bank⁴, AsDB⁵, IFAD⁶.

With regard to the selection, the following elements (the list is not exhaustive) are suggested for consideration:

- Availability of strategy documents and policies for integrating grants with loan operations;
- Availability of guidelines for grant fund use in support of the corporate mandate: complementarity between grant instruments and classic loan instruments;
- Evaluation evidence on grant strategies and grant projects.

² EIB distinguishes grant-financed instruments for EU 28 member and non-member States.

³ KfW has 8 common countries of activity with CEB.

⁴ The World Bank still has ongoing projects on IDA or IDA-blend terms in 7 CEB-member countries.

⁵ AsDB has one country (Georgia) of activity with CEB.

⁶ IFAD has 4-6 common countries of activity with CEB.

The results of this selection process shall be submitted with the annotated outline (see 3.2).

3.2 - Drafting of an annotated outline

So as to ensure a common understanding of the overall “storyline” for said Evaluation Synthesis, and prior to embarking on the drafting of the latter, the consultant shall submit to EVD – for comment and approval – an **annotated outline** presenting the key issues and findings that will be covered, combining findings from past EVD evaluations of SDA grant-funded projects with lessons from the experience of other MDBs.

Volume: The annotated outline should have approximately 5 pages of text.

3.3 - Drafting of Evaluation Synthesis report

The consultant will prepare a **draft Evaluation Synthesis report** on which EVD will provide comments. The draft Evaluation Synthesis report will subsequently be revised and the **final Evaluation Synthesis report** will be submitted to EVD.

The Evaluation Synthesis report shall include dedicated sections on the following elements, *ad minima*:

- overview of the current CEB grant instruments, their characteristics and fund use.
- findings that emerged from the already-completed individual evaluations of SDA grant-funded projects (for efficiency reasons, this section will be drafted by EVD staff, in coordination with the consultant).
- overview of the use of grant instruments at the selected comparator MDBs/IFIs. For further illustration and in support of the presentation of comparator MDB/IFI experience in the main text of the report, appendices of approximately 5 pages of text per MDB/IFI will be prepared.
- conclusion with outlook of important lessons for the CEB to take into consideration upon embarking on its recently-revised policy for a broadened use of grant instruments in project preparation and implementation.

Volume: the final report is expected to have approximately up to 40 pages (including figures and tables), plus suitable appendices.

4 - INFORMATION SOURCES

Upon contract signature, EVD will provide relevant information on, *inter alia*, the *Policy for Loan and Project Financing*; the policy on the SDA; information prepared by EVD on potential comparator MDBs/IFIs, based on the aforementioned preliminary exploration of accessible information sources; the evaluation reports of SDA grant-funded projects; and other internal documents on current CEB grant instruments.

The consultant will seek and provide complementary sources of accessible information from the selected comparator MDBs/IFIs themselves; higher-level evaluations published by the CEB’s peers that assess the performance of grant/trust fund policies and strategies should constitute key sources of input.

5 - TIMEFRAME & VENUE

The assignment is estimated at approximately **30 person-days**.

All person-days are to be performed by teleworking. No travel is foreseen.

The tentative timeline for the assignment is as follows:

- submission of annotated outline to EVD: by **30 January 2014**
- submission of draft Evaluation Synthesis report to EVD: **by 30 April 2015**
- submission of final Evaluation Synthesis report to EVD: **by 30 June 2015**