



TERMS OF REFERENCE FOR THE SELECTION OF A CONSULTANT FOR AN ASSISTANCE TO UCLG AFRICA ON OPERATIONALIZATION OF ATIA

I- Mission background

African continent is the most rapidly urbanizing region in the world. Experts estimate that by 2050, the urban population of the African continent will be close to 1.2 billion, three times the population of the European Union or the United States of America. As a result, Africa is the region of the world with the greatest need for settlement investments. Also, Africa's urban population is extremely young. The median age of the population is 19 years. Compared to other regions, the weight of young people in the population of African cities is both a challenge and an opportunity: a challenge to train and integrate thousands of young people into economic and social life while employment opportunities are not up to expectations; an opportunity to have a large and increasingly well-trained workforce grateful to advances in education, and which is ready to invest in exploiting the many potentialities that the continent has to offer.

This is why, the recurring problems raised by the members of UCLG Africa is the difficulty encountered by African subnational and local governments in accessing financing. Taking account of this huge demand for urban and subnational governments infrastructure, and at the request of its members, the UCLG Africa secretariat has been working for several years to set up the Africa Territorial Trade and Investment Agency (ATIA), a financial vehicle that will provide African cities and subnational governments with financial resources from diversified capital pools including equity, debt and capital markets mainly from international development banks. A Steering Committee have been set up and organized around 3 workstreams: legal risk, financial risk and operational risk.

Since December 2023, the Development Bank of Southern Africa (DBSA) will host the Fund and act as the Fund Manager of ATIA responsible for amongst other fund formation, fundraising and investing, day-to-day operations including portfolio and stakeholder management as well as return realization and delivering a development dividend.

II- General objective of the mission

The purpose of this mission is to support the operationalization of the Africa Territorial Trade and Investment Agency (ATIA).

III- Specific objectives of the mission

The specific objectives of the mission are :

1. Ensure that the Development Bank of Southern Africa (DBSA) host and operationalise the Africa Territorial Trade and Investment Agency.
2. Develop partnerships between DFIs incl. MDBs, Commercial lenders, Institutional investors, Private capital, ECAs, Trade Financiers, Insurers / GuaranteeCos etc and the Africa Territorial Trade and Investment Agency through an investors Forum platform
3. Support the activities developed by UCLG Africa for a better exposure of the Africa Territorial Trade and Investment Agency
4. Support the activities developed by UCLG Africa for the cities and subnational governments preparation

IV - Mission content

1. DBSA to host ATIA

In December 2023 at COP 27, UCLG Africa sign an MOU with the Development Bank of Southern Africa (DBSA) so that DBSA will host ATIA during its start-up phase. It should be recalled that the original option was to set up a bank for local authorities; and given the complexity of the process, it was decided to opt finally for an investment vehicle with the eventual establishment of a bank as initially desired. Internal discussions within DBSA led to the consensus that DBSA would invest in ATIA and act as fund manager.

The expert will provide support in implementing the various provisions that will enable ATIA to operate within DBSA.

2. Developing partnerships with pan-African and international financial institutions

The Africa Territorial Trade and Investment Agency is new to the African institutional landscape. It is therefore important for ATIA to make itself better known to the ecosystem of financial institutions, and to raise financial resources to prepare African cities and local authorities to improve their financial management and develop bankable projects. The aim of these partnerships will also be to mobilize financial institutions to mobilize resources in favor of ATIA, with a view to financing investment projects in our cities and local authorities.

The expert will provide support in identifying and mobilizing these financial institutions, as well as support in formalizing their relationship with ATIA.

3. Support activities developed to give ATIA greater exposure

Each year, UCLG Africa develops a number of activities to give ATIA greater exposure. Workshops, seminars and forums are planned around the important issue of municipal and sub-sovereign investments in Africa, in conjunction with DFIs incl. MDBs, Commercial lenders, Institutional investors, Private capital, ECAs, Trade Financiers, Insurers / GuaranteeCos etc. Ces activités sont développées grâce à des séminaires, d'ateliers et de sessions organisées dans le cadre de certains événements globaux (Forum Mondial Urbain, Forum Africain Urbain, etc) ou de Forums et ateliers organisés par CGLU Afrique aux fins de drainer des acteurs de l'écosystème des investissements municipaux et sous-souverains.

The expert will support the preparation and holding of ATIA seminars and exhibition forums, and the follow-up of these activities.

4. Support activities developed to prepare cities and subnational governments

In addition, the activities developed within the framework of ATIA will also aim to support ATIA's members in two directions. The first direction is the strengthening of the capacities of African cities and subnational to improve their financial management. It is essential that they improve long term financial and tariff management; Protect and enhance revenue; Ensure efficient and effective asset management utilization and maintenance; improve the quality of local public spending, mobilize more financial resources, etc. The second direction is to support cities and subnational governments in preparing a sustainable pipeline of bankable projects by strengthening the capacity of their Chiefs projects to elaborate project to present to institutional and private investors and the Green Climate Fund.

The expert will support the preparation and holding of these capacity building seminars and workshop, and the follow-up of these activities

V Deliverables

- 1) – Terms of Reference of the ATIA's project manager,
- 2) - Terms of Reference of ATIA's fund manager,
- 3) - The Facility Information Memorandum (FIM),
- 4) – The Joint Development Agreement (JDA)
- 5) – The proof of resources mobilization from financial institutions,
- 6) – Concept Note for the US-Africa Municipal and Sub-Sovereign Investors Forum with the list of participants and the way to mobilize them
- 7) – Report of the US-Africa Municipal and Sub-Sovereign Investors Forum
- 8) – DBSA's ATIA Internal Concept note
- 9) – The agenda and reports of the seminars/forums,
- 10) – The submission of application in Mauritius for the International Business License -

VI - Mission duration and number of working days

The duration of work for this mission is a maximum of seventy five (75) working days, to be implemented from 23th October 2024 to December 31, 2024.

VII - Terms of payment

The total budget 45 000 USD.

Payment for services will be made in the form of instalments, subject to the approval of the Director in charge, by bank transfer to the Consultant's account, the details and Tax Identifier of which will be indicated on the invoices, in accordance with the following schedule:

- 15% of the amount of the contract at the submission of the two first deliverables to UCLG-Africa,
- 25% of the amount of the contract at the submission of two others deliverable to UCLG-Africa
- 60% of the amount of the contract at the end of the mission and after acceptance of the remaining deliverables by UCLG Africa.

Payment on account will be made no later than thirty (30) days after presentation of the corresponding invoice and acceptance of the deliverables submitted.

Invoices should be addressed to the attention of the Secretary General of UCLG Africa at 22 rue Essaadyine, quartier Hassan, CP 10020, Rabat, Morocco.

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VIII- Qualifications required of the Consultant

The consultant must have sufficient qualifications and skills to undertake the mission. The consultant must justify :

- a university degree (at least Bac+5) in Finance and/or banking;
- an experience as senior professional in Banking and/or Finance with over 20 years regional and global experience,
- proven executive/ director positions in banking including corporate and investment banking;
- proven strategic working relationships with Banks and Development Banks in Africa and in the USA with African American Mayors and National Black Caucus for State Legislators, US EximBank, US Africa, US Development Finance Corporations ;
- excellent analytical, writing and summarizing skills;
- Excellent oral and written communication skills in French and/or English.