

Republic of Serbia
Ministry of Finance
IBRD Loan 94850-YF
Catalyzing long term finance through capital markets project

**TERMS OF REFERENCES
FOR
ENVIRONMENTAL AND SOCIAL SPECIALIST – POST ISSUANCE REVIEW**

Background

The International Bank for Reconstruction and Development has granted a USD 30 million loan to the Republic of Serbia (hereinafter: RoS) to support the reform of capital markets through the implementation of the Catalyzing long term finance through capital market project (hereinafter: The Project).

The Financial System Department of the Ministry of Finance (hereinafter: MoFFS) is the entity responsible for all technical aspects of the Project implementation. The Project is built upon the MoFFS's successful experience in implementing previous World Bank Group projects.

Given the specific nature of the Project, the MoFFS is closely working with the Republic of Serbia Securities Commission (hereinafter: SSC), Central Security Depositary and Clearing House (hereinafter: CSD), Belgrade Stock Exchange (hereinafter: BELEX), and other relevant institutions on the implementation of this Project in order to properly align it with regulatory requirements prescribed by the law.

The Project is governed by a Stakeholder Committee with the operational activities performed by a dedicated Taskforce appointed by the MoFFS.

In order to efficiently implement all planned activities additional professional support will be required and engaged throughout the Project lifecycle.

Objectives of the Project

The Project's overall objectives are the development of the legal, regulatory and economic environment under which the capital markets operate, and to deepen the corporate bond market, including green and other thematic bond issuances. The Project is structured around two main components: Component 1 - Institutional, Legal and Regulatory Reforms and Component 2 - Corporate Bond Issuance.

Strengthening the capital market institutions, particularly the SSC, CSD, and BELEX by aligning them with the relevant international standards is the focus of Component 1.

Component 2 will be focused on expanding the supply side and the corporate bond issuer base (issuing more corporate bonds and/or other non-government securities instruments) starting from the identification of potential issuers and supporting the process that will lead to the final issuance. Specific focus will be on green and other thematic issuances (with an explicit emphasis on climate financing). Additionally, deepening the demand side (attracting more investors) by simplifying the taxation regime for capital markets is also an important part of the Component 2 activities.

Bearing in mind all above mentioned, it is necessary to secure TA to the MoFFS and engage consultant, who will be enhancing the capacity of the MoFFS for implementing and overseeing the Project, the CMDS, and its Action Plan and capital market development.

Scope of Work – Environmental and Social Specialist – Post Issuance Review

The Environmental and Social Specialist's primary responsibility within the Project Implementation Unit (PIU) will be coordination and management of actions, procedures and plans to ensure full compliance with World Bank's ESF, EU E&S standards, and Serbian regulations in the period following bond issuance, in line with the project's POM. Key responsibilities include site visits, preparing E&S reports, addressing non-compliance and developing corrective action plans to manage environmental and social risks throughout the Project.

Republic of Serbia
Ministry of Finance
IBRD Loan 94850-YF
Catalyzing long term finance through capital markets project

The scope of work of the Environmental and Social Specialist responsible for the post issuance review shall include, but will not be limited to the following:

- Confirm compliance with World Bank ESF standards and European Union E&S standards through regular review and visits, as per risk categorization of supported entity's activities, in line with the environmental and social aspects of the project's POM.
- Identify and report changes in the project risk profile and unforeseen E&S impacts, especially negative ones like E&S incidents, complaints and public allegations related to E&S compliance
- Preparation of semi-annual progress reports on ESIA/ESMP implementation
- Conducts required on-site visits if applicable, following a model of semi-annual on-site visits for initial high-risk and substantial projects, annual or more frequent (if needed) visits for moderate to low-risk projects and trigger-based visits if E&S concerns are raised
- Preparation of annual E&S compliance reports as well as ad-hoc E&S reports (if concerns are identified) based on reports submitted by the corporates
- Immediate conduct of a compliance assessment if concerns are raised, to determine their severity, and notification of the PIU and World Bank
- Preparation of and supporting the PIU on getting agreement with the Bond issuer, on time-bound corrective E&S action plan, the content of which would be publicly available if the E&S incident is affecting the public, the environment and/or endangering the Bank's reputation in any way
- Other duties and tasks to enable the Project to meet the environmental and social requirements within the legal framework of the Republic of Serbia and in accordance with the WB Environmental and Social Framework (ESF) and the ESP of the project's POM.

Reporting requirements

The Consultant will report to the Project Manager and/or Assistant minister in charge. In addition, the Consultant shall regularly inform the Project Manager and/or Assistant minister in charge on the progress in respect to the Project's E&S performance to the project's POM, as well as on any environmental and social issues which might occur in the course of the implementation of the Project.

Deliverables

Deliverables of this assignment are as follows, but not limited to:

- Reports on changes in the project risk profile, such as E&S incidents, complaints and public allegations related to the E&S compliance
- Semi-annual progress reports on ESIA/ESMP implementation
- On-site visit reports to inform/be included in the Semi-annual progress report/s
- E&S compliance reports and ad-hoc E&S reports based on information delivered by the corporates
- Compliance assessment reports if concerns are raised and need to be analyzed
- Draft Corrective E&S action plan in case of non-compliance with the project's POM; the draft action plan will need to be agreed between the MoF PIU and the Bond Issuer.

Profile of the Environmental and Social Specialist – Post Issuance Review

The Environmental and Social Specialist should possess:

- University degree in environmental engineering, environmental sciences, biology, geography, chemistry, chemical engineering, civil engineering, or other closely related natural or environmental sciences. Degrees in sociology, international development, law, psychology, or related social sciences

Republic of Serbia
Ministry of Finance
IBRD Loan 94850-YF
Catalyzing long term finance through capital markets project

may also be considered when combined with strong experience in environmental and social management.

- Minimum 3 years of professional experience of which minimum 3 years of experience in environmental and social risk management activities with the World Bank or any other International Finance Institution
- Experience in areas of conducting a comprehensive Environment and Social Impact Assessments and Analyses
- Work experience as environmental and/or social specialist in/with the WB funded projects and knowledge of the WB ESF policies and requirements will be considered an advantage
- Track record of successfully working with governments on environment and social safeguarding, and sustainable development agenda is preferable
- Excellent verbal and written communication skills in Serbian and English
- Excellent knowledge of MS office.

Length of assignment

The Environmental and Social Specialist will provide part –time services for the life of the Project, i.e. until August 31, 2028. It is estimated that the inputs of the Consultant will be up to 10 days per month over the Contract period.

Facilities to be provided to the Consultant

MoF will provide the Consultant with suitable office space and office equipment (PC, telephone, internet connection, etc.) and access to office services as required.

Services are to be performed predominantly in Belgrade.

Confidentiality

The Consultant undertakes to maintain confidentiality on all information that is not in the public domain and shall not be involved in another assignment that represents a conflict of interest to the prevailing assignment.

Selection of Consultant

Selection procedure will be conducted in accordance with the World Bank's Procurement Regulations for IPF Borrowers – Procurement in Investment Project Financing Goods, World, Non-Consulting and Consulting Services, July 2016, revised November 2017, August 2018 and November 2020, as given in articles 7.36 and 7.37 "Open Competitive Selection of Individual Consultants".

The candidates will be evaluated applying the following evaluation criteria:

- Qualifications and General experience (60 Points)
- Specific Experience relevant to the Assignment (40 Points)