



Date: 25 Aug 2015
Reference: RFP 2015/PSF4

Request for proposals (RFP 2015/PSF4)

For the Design of Investment and Industry Guidelines

1. Background

1.1 The Green Climate Fund (the "GCF") was established in December 2010 with the purpose of making a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change. In the context of sustainable development, the GCF will promote a paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change.

1.2 The GCF was designated as an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change ("UNFCCC"). It is governed and supervised by a Board that has responsibility for funding decisions pursuant to the Governing Instrument for the Green Climate Fund. It is supported by an independent Secretariat, accountable to the Board, having management capabilities to execute day-to-day operations of the GCF, providing administrative, legal and financial expertise. The GCF's headquarters are located in Songdo, Incheon City, Republic of Korea.

2. Invitation

2.1 Through this request for proposals ("RFP"), the GCF is seeking to employ a firm to design and draft standardized Credit and Investment Guideline manuals (hereafter referred to as "CIG") for GCF's Private Sector activity, and a template Risk Assessment Framework ("RAF"). The work will include RAFs and guidelines for products in lending, capital markets, trade finance, investments in Private Equity funds, guarantees and grants. Guidelines for industry segments will also be required. Proposals must be submitted to the Secretariat not later than 30 September 2015 at 3.00 pm Korean time.

2.2 The RFP includes the following annexes:

Annex 1	Terms of Reference
Annex 2	Requirement for Firm's Financial Proposal
Annex 3	Evaluation Criteria
Annex 4	Company Profile Form
Annex 5	Acknowledgement Letter
Annex 6	Timeline



Annex 7	GCF's Investment Criteria and Impact Areas
Annex 8	Markets and Products

2.3 Please note that this document is an RFP and not an invitation to bid. The terms set forth in this RFP, including all the annexes listed above, will form part of a contract, should the Secretariat accept your proposal. Any such contract will require compliance with all factual statements and representations made in the proposal, subject to any modifications agreed to by the Secretariat in the context of any negotiations entered into it.

2.4 The GCF may, at its discretion, cancel the requirement in part or in whole. It also reserves the right to accept or reject any proposal and to annul the selection process and reject all proposals at any time prior to selection, without thereby incurring any liability to proposers/firms.

2.5 Proposers may withdraw the proposal after submission provided that written notice of withdrawal is received by the GCF prior to the deadline prescribed for submission of proposals. No proposal may be modified subsequent to the deadline for submission of proposals. No proposal may be withdrawn in the interval between the deadline for submission of proposals and the expiration of the period of proposal validity.

2.6 All proposals shall remain valid and open for acceptance for a period of 90 calendar days after the date specified for receipt of proposals. A proposal valid for a shorter period may be rejected. In exceptional circumstances, the GCF may solicit the proposer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

2.7 Effective with the release of this solicitation, all communications must be directed only to Procurement Specialist by email at procurement@gcfund.org. Proposers must not communicate with any other personnel of the GCF regarding this RFP.

2.8 This RFP is issued under the GCF Administrative Procurement Guidelines¹. Information regarding to the guideline can be found at

http://www.gcfund.org/fileadmin/00_customer/documents/MOB201410-8th/GCF_B.08_31_GCF_Procurement_Guidelines_fin_20141005.pdf

2.9 The Guidelines apply for the interpretation of this procurement process.

3. Request for Clarification of RFP documents

3.1 A prospective proposer requiring any clarification of the solicitation documents may notify the GCF in writing via the GCF email address indicated in the RFP by the specified date and time mentioned in Annex 6. The GCF will respond in writing to any request for clarification of the

¹ Annex II "Corporate Procurement Guidelines on the Use of Consultants"



solicitation documents that it receives by the due date published on Annex 6. Written copies of the GCF response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective proposers that have received the solicitation documents.

3.2 If the RFP has been advertised publicly, the results of any clarification exercise (including an explanation of the query but without identifying the source of inquiry) will be posted on the GCF website.

4. Amendments to RFP Documents

4.1 At any time prior to the deadline for submission of proposals, the GCF may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective proposer, modify the RFP documents by amendment. All prospective proposers that have received the RFP documents will be notified in writing of all amendments to the RFP documents. For open competitions, all amendments will also be posted on the GCF website in the opportunities section, procurement.

4.2 In order to allow prospective proposers reasonable time in which to take the amendment into account in preparing their proposals, the GCF may, at its sole discretion, extend the deadline for the submission of proposal.

5. Language of Proposals

5.1 The proposals prepared by the proposer and all correspondence and documents relating to the proposal exchanged by the proposer and the GCF, shall be written in English. Supporting documents and printed literature furnished by the proposer may be in another language provided they are accompanied by an appropriate translation of all relevant passages in English. In any such case, for interpretation of the proposal, the translation shall prevail. The sole responsibility for translation and the accuracy thereof shall be the responsibility of the proposer.

6. Submission of Proposals

6.1 Proposers shall submit their proposal by email. Technical and financial proposals must be submitted simultaneously but in separate documents with the RFP reference and the clear description of the proposal (technical or financial) by the date and time stipulated in Annex 6.

6.2 Proposals must be sent ONLY to the address detailed below. Proposals sent to other addresses or to individuals will put offerors' proposals at risk of being rejected.

6.3 Technical proposals shall be submitted in one email with the subject heading:

RFP No (RFP/2015/PSF4) – For the Design of Investment and Industry Guidelines



Technical proposals should be attached in pdf format with the document title:

RFP-2015-PSF4 - TECHNICAL PROPOSAL - (name of proposer)

Technical proposals should be attached in pdf format with the document title:

RFP-2015-PSF4 – FINANCIAL PROPOSAL- (name of proposer).

Copies must be delivered to the procurement specialist:

Email: procurement@gcfund.org

All prospective proposers are kindly requested to return the completed Acknowledgement Letter of RFP receipt (Annex 5) by 25 September 2015, duly signed by an authorized representative advising whether it intends to submit a proposal by the designated closing date/time. Please also notify the Procurement Specialist immediately if any part of this RFP is missing and/or illegible.

7. Late proposals

Any proposals received by the GCF after the deadline for submission of proposals prescribed in Annex 6 of this document, may be rejected.

8. Opening of Technical Proposals

8.1 Proposals will be opened on 30 September 2015 at 3.00pm Korea time in the room designated for this purpose at the premises of the Secretariat. The purpose of this public opening is to record the names of proposers having submitted proposals by the due date and time. Only technical proposals will be opened at the public opening. The financial proposals will not be opened.

9. Opening of Financial Proposals

After the technical evaluation is completed, the GCF shall notify those Proposers whose Proposals did not meet the minimum qualifying technical score that their Financial Proposals will not be opened. GCF shall simultaneously notify in writing those Proposers that have achieved the minimum qualifying technical score and inform them of the date, time and location for the opening of the Financial Proposals.

At the opening, the names of the Proposers, and their overall technical scores shall be read aloud. The Financial Proposals shall be then opened, and the total prices read aloud and recorded.



10. Corrupt, Fraudulent, Coercive, Collusive and other Prohibited Practices.

The GCF requires that all GCF staff, proposers/bidders, suppliers, service providers and any other person or entity involved in GCF-related activities observe the highest standard of ethics during the procurement and execution of all contracts. The GCF may reject any proposal put forward by proposers, or where applicable, terminate their contract, if it is determined that they have engaged in corrupt, fraudulent, coercive, collusive or other prohibited practices.

11. Conflict of Interest

In their proposal, proposers must (i) confirm that, based on their current best knowledge, there are no real or potential conflicts of interest involved in rendering services to the GCF, and (ii) set out their policy on dealing with conflicts of interest should these arise.

12. Confidentiality

Information relating to the evaluation of proposals and recommendations concerning selection of Firms will not be disclosed to Firms that submitted proposals.



Annex 1 Terms of Reference

A. Introduction

1. GCF's Private Sector Facility will engage a firm to design and draft credit and investment guidelines, industry guidelines and a template Risk Assessment Framework. These must be in line with GCF's eight strategic impact areas (Annex 7), and its overall risk management framework.
2. These terms of reference (TOR) seek to identify a firm that will undertake the design of the above, by undertaking the tasks described in this TOR.

B. Scope and focus of the assignment

1. **The scope of work under this RFP.** The objective of this assignment is to select the Firm which would design and deliver credit and investment guidelines for the operation of GCF's Private Sector Facility. The scope of the work conducted by the Firm will be divided in the following two "Phases":

Phase 1: Produce draft RAFs by market segment

Phase 2: Provide GCF credit and investment guidelines, and industry guidelines

Phase 1: Produce draft RAFs by market segment

2. The selected firm is expected to complete the following:
 - i. Conduct a review of GCF's expected risk appetite (based on its mission and the risk appetite framework currently being developed). This review should include review of relevant board documents and key interviews with GCF staff and the Private Sector Facility team.
 - ii. Advise GCF on an appropriate market related Risk Assessment Frameworks (RAFTs) that would enable it to achieve its mandate and engage its Accredited partners (multi-lateral development banks, commercial banks, not-for-profit organizations, think-tanks, government entities, etc). The RAF will be the key guiding tool to review potential deals by the Fund with respect to both risks and overall strategic alignment with the GCF.
 - iii. Based on the scope of the above findings, produce draft RAFs for the following market areas:
 - Commercial Lending
 - Project Finance
 - Capital Markets
 - Trade Finance
 - Fund of Funds (Private Equity)



- Guarantees and Grants

For more detail on the sectors required within each of these markets, please see Annex 8.

Products falling outside of this scope could also be considered after validation from GCF.

- iv. Deliver the drafts to GCF's private sector team for review and discussion.
3. In preparing these draft RAFs, the appointed Firm is expected to rely on diverse sources of information available to it, including industry standard risk assessments, and to draw on its experience with a wide range of organizations – including commercial banks, multilateral banks and private equity funds, from around the world, including in emerging markets.
4. The completed document is due to GCF according to the Schedule and Work Plan indicated in this proposal.

Phase 2: Provide GCF credit and investment guidelines

5. Upon GCF approval of Phase 1, the selected firm is expected to complete the following:
 - i. Produce a revised set of RAFs, according to GCF comments and adjustments (if required).
 - ii. Produce a set of Credit and Investment Guidelines to guide the process of origination of all transactions. Additionally, produce a set of Industry Guidelines to be applied, along with the credit and investment guidelines, to transactions in certain industries. Please see Annex 8 for more details. These guidelines should comply with the GCF's investment guidelines and be consistent with standards of global financial institutions.
6. In preparing the credit and investment guidelines, the appointed Firm is expected to produce guidelines that are in line with standards used by GCF's peers (international financial institutions, multi-lateral banks), and to draw on its experience with a wide range of organizations - including commercial banks, multilateral banks and private equity funds, from around the world, including in emerging markets.
7. The completed document is due to GCF according to the Schedule and Work Plan indicated in this proposal.

C. Monitoring and progress controls, including reporting requirements

1. The selected firm shall work closely with GCF's Private Sector Facility team, to which it will provide bi-weekly updates.

D. Duration of the consultancy

1. This consultancy is expected to take up to a maximum of 2 months starting from the date of signature of the contract by both parties, subject to adjustments as required.



Annex 2

Requirements for Firm's Financial Proposal

1. The Financial Proposal must provide a detailed cost breakdown by activity and Phases. Provide separate figures for each functional grouping or category, including fees and cost-reimbursable expenses, which must be capped.
Any estimates for cost-reimbursable items, such as travel and out-of-pocket expenses, should be listed separately and capped.
2. The Proposer is required to prepare the Financial Proposal in a separate document from the Technical Proposal and included inside the outer envelope containing the RFP. Pricing information should not appear in any other section of the proposal. GCF will not be responsible for any costs incurred by bidders in the preparation of their submissions.
3. The Financial Proposal shall be expressed in United States Dollar ("USD").



Annex 3 Evaluation Criteria

A. Acceptance of Submissions

1. All proposers are expected to adhere to the requirements for submitting a proposal. Any proposals that fail to comply will be disqualified from further consideration as part of this evaluation. In particular:
 - Full compliance with the formal requirements for submitting a proposal;
 - Submission of all requested documentation

B. Evaluation and Comparison of Proposals

A two-stage procedure will be implemented to evaluate the Proposals. In the first stage, the Technical Proposals will be evaluated before any Financial Proposal is opened and compared. Only those Financial Proposals of the offers that meet at least the minimum score in the evaluation of the Technical Proposals will be opened. Although price is obviously an important factor for the selection, GCF has decided to use weightings across a list of selection criteria for determining the best choice. The Technical Proposal will account for 70% of the evaluation score, and the Financial Proposal will account for 30% of the evaluation score.

All respondents to this RFP are expected to adhere to the formal requirements for submitting a Proposal and failure to do so will result in disqualification of the Proposal from consideration as part of this evaluation.

C. Evaluation of the Technical Proposal

The technical proposal will constitute 70% of the evaluation score. It should be structured in the following format. Proposals will be judged largely on the information provided under the following sections.

1. **Response to the Terms of Reference.** The bidder will provide a detailed description of the proposed work plan for the services covered by this RFP. It must include sufficient information to demonstrate understanding of the requirements and the bidder's capability to successfully complete the project.

This section should include an initial proposal summary, including key deliverables.

2. **Relevant Experience.** This section should describe the bidder's experience and ability to perform the required services. It should include the following information.
 - Size and geographic scope of the Firm, including office locations in Korea and developing countries
 - Relevant track record of carrying similar tasks
 - Existing networks, relationships with financial intermediaries, investment firms



and funds, and with the climate change investment community.

- The ability to obtain information for the development of the deliverables

3. **Key Personnel and Subcontractors.** The bidder should describe the role and responsibility of each member of the proposed team and the skills they bring to the drafting of the guidelines and risk frameworks. Include a description of the team’s experience of this type of work. GCF expects that all personnel proposed in the project will, in fact, conduct the work.

If some or all of the proposed work is to be subcontracted to another company or individual for any reason, the bidder must identify the work items that will be subcontracted, to whom, and the relevant experience and qualifications of the organization or individual. GCF reserves the right to approve all subcontractors.

4. **Awareness of Challenges (if any).** The bidder must describe what difficulties it anticipates in a project of this type (if any), and describe how it would avoid or overcome such potential difficulties.

5. **List of References.** The bidder shall provide a minimum of two references for similar types of engagements. Include a brief description of the work done as well as client names, titles, emails and phone numbers to enable GCF to contact the references.

6. **Schedule and Work Plan.**

The work plan for the RFP-MSME will be structured in four phases:

- Phase I To be delivered no later than 9 October 2015
- Phase II To be delivered no later than 30 October 2015

A more detailed schedule and work plan is to be provided by the bidder detailing all deliverables and how they meet the above deadline.

A review committee established in the Secretariat will evaluate each Technical Proposal submitted. Each Technical Proposal will be evaluated on the basis of its responsiveness to the requirements detailed in this RFP, and will be assessed and scored according to technical evaluation criteria listed below:

Selection Criteria	Max. Points
A proposal detailing all work activity and how deliverables will be achieved	25
Relevant company experience in carrying out similar tasks	20
A list of proposed staff, including CVs, and areas of expertise they will oversee under the various Phases	10



Existing networks, relationships with financial institutions, and experience in developing countries.	5
The ability to obtain information for the development of the deliverables	5
The bidder's size and geographic reach, including office locations in Korea and developing countries.	5
TOTAL	70

Only the top four submissions in the technical evaluation qualify for financial review.

D. Evaluation of Financial Proposal. The Financial Proposal will account for 30% of the evaluation score. It will be evaluated using the following criteria.

1. **Fee Structure and Pricing for Services.** The proposal must detail the pricing for all services proposed, including any discounts. It must show a breakdown by deliverables and Phases.
2. **Transparency and Feasibility.** Transparency and feasibility of the pricing of services will be assessed. The pricing structure should include a fee estimate and cap for each Phase.
3. **Billing and Invoicing.** Billing/invoicing procedures, including the proposer's policy for charging disbursements.
4. All Proposals are evaluated as follows:

Selection Criteria	Max. Points
Fee structure/pricing for Services, including any discounts. Please show a detailed listing by deliverable.	20
Transparency in, and feasibility of, the pricing of services	5
Billing/invoicing procedures, including the proposer's policy and timing of payments. Please note that the pricing should be inclusive of general office costs (not a separate line item).	5
TOTAL	30

The proposals that qualify for financial review will be given the maximum score of 30 points.

E. Consolidated Evaluation

The total score of 100 points will consist of 70 points from technical evaluation 30 points from



financial evaluation. Proposals that received below 60 points in total will NOT be considered as short-listed proposers.

F. Award

The Award will be made to the responsive proposer which achieves the highest combined technical and financial score, following negotiation of an acceptable contract. GCF reserves the right to conduct negotiations with the Proposer regarding the contents of their offer. The award will be in effect only after acceptance by the selected proposer of the terms and conditions and the technical requirements.



**Annex 4
Company Profile Form**

Please respond to all questions.

Company details - vendor's name

Name:

General Information

Primary contact this RFP	
Address	
	Postal Code: Country:
Telephone:	Fax:
E-mail:	Web site:
Parent company, if any	
Subsidiaries, Associates, and/or Overseas Rep(s), if any	
Year established	
Type of organization	Private company () Other (please specify): ()
Type of Business	Financial Intermediary () Consulting Company () Other (please specify): ()
Summary of main business activities	
No. of employees (by location)	
Staff turnover rate	
In-house working language (s)	
Bank Name: Bank Address: Account Holder: Account Number: IBAN: SWIFT:	



Conflict of interest

<i>Are there any likely circumstances or contracts in place that may introduce a conflict of interest with the parties to this contract? If so, explain how this will be mitigated</i>
1
2

Certification

I, the undersigned, confirm that the information provided in this annex is correct. In the event of changes, details will be provided.

Name: _____ Title: _____

Signature: _____ Date: _____



**Annex 5
Acknowledgment Letter**

Dear Sir/Madam,

We, the undersigned, acknowledge receipt of your Request for Proposal (RFP) No. 2015/PSF4 dated 25 August 2015, and hereby confirm that we:

INTEND DO NOT INTEND

to submit a proposal to the secretariat of the Green Climate Fund (GCF) by the deadline date of **30 September 2015**.

We acknowledge that this RFP is confidential and proprietary to the secretariat, and contains privileged information. Upon request, we will return this RFP or any part thereof, and all copies thereof, to the secretariat.

Name of Authorized Representative: _____

Signature: _____

Title: _____

Name and Address of Vendor: _____

Telephone: _____

Facsimile: _____

If you do not intend to submit a proposal to the secretariat, please indicate the reason:

We do not have the capacity to submit a proposal at this time.

We cannot meet the requirements for this RFP.

We do not think we can make a competitive offer at this time.

Other (please specify): _____

Kindly return this acknowledgement letter immediately via e-mail to procurement@gcfund.org

NOTE: Due to current security arrangements, your authorized representative must present a completed copy of this letter in order to observe the public opening procedure.



Annex 6 Timeline

1. The Green Climate Fund will follow the timeline below for this RFP. Any changes to this timeline will be posted on the GCF website. Please note that the target dates and may be adjusted.

	Event	Responsible Party	Date (and time, KST*)
1	Posting of RFP	GCF	25 August 2015; 15.00
3	Last date for requests for clarification of the RFP	Tenderer	1 September 2015
4	Last date to reply to questions received/ Last date for amendment	GCF	3 September 2015
5	Return of Acknowledgement Letter	Tenderer	25 September 2015
6	Last date for submission of proposal	Tenderer	30 September 2015
7	Notice of successful provider	GCF	5 October 2015
8	Contract signing	GCF/Tenderer	9 October 2015
9	Work start	Tenderer	As specified in the contract.

* KST: Korean Standard Time (Seoul Time)

**Annex 7
GCF's Investment Criteria and Impact Areas**

A) GCF's Investment Criteria

GCF's initial investment criteria are activity-based and composed of six criteria and 24 coverage areas, articulated in the table below. All activity should be consistent with the climate change mitigation and adaptation strategies and plans of targeted countries.

Criterion	Definition	Coverage Area
Impact potential	Potential of the programme/project to contribute to the achievement of GCF's objectives and result areas	<ul style="list-style-type: none"> - Mitigation impact – promote low carbon development consistent with a temperature increase of less than 2 degrees Celsius. - Adaptation impact – promote resilience to climate change.
Paradigm shift potential	Degree to which the proposed activity can catalyse impact beyond a one-off project or programme investment	<ul style="list-style-type: none"> - Promote the potential for a project or programme to be scaled-up and/or replicated. - Engender knowledge and learning - Create an enabling environment - Contribute to the regulatory framework and policies - Contribute to climate-resilient development pathways
Sustainable development potential	Wider benefits and priorities	<ul style="list-style-type: none"> - Promote environmental co-benefits - Promote social co-benefits - Promote economic co-benefits - Encourage gender-sensitive development impact
Needs of the recipient	Vulnerability and financing needs of the beneficiary country and population	<ul style="list-style-type: none"> - Reduce the vulnerability of the country - Support vulnerable groups and gender aspects - Support the economic and social

		<p>development level of the country and the affected population</p> <ul style="list-style-type: none"> - Promote alternative sources of financing - Strengthen institutions and implement capacity
Country ownership	Beneficiary country ownership of and capacity to implement a funded project or programme (policies, climate strategies and institutions)	<ul style="list-style-type: none"> - Encourage development of a national climate strategy - Maintain coherence with existing policies - Improve the capacity of implementing entities, intermediaries or executing entities to deliver - Promote engagement with civil society organizations and other relevant stakeholders
Efficiency and effectiveness	Economic and, if appropriate, financial soundness of the programme/project	<ul style="list-style-type: none"> - Ensure cost-effectiveness and efficiency regarding financial and non-financial aspects - Increase the amount of co-financing - Assess programme/project financial viability and other financial indicators - Encourage industry best practices

B) GCF's Strategic Impact Areas

GCF provides concessional resources to adaptation and mitigation activities that achieve its mandate. GCF has identified eight strategic impact areas towards which it will channel its funding (decision B.07/04):

Mitigation strategic impacts areas:

- Reduced emissions through increased low-emission energy access and power generation;
- Reduced emissions through increased access to low emission transport;
- Reduced emissions reductions from buildings, cities, industries and appliances;



- Reduced emissions from land use, deforestation, forest degradation, and through sustainable forest management and conservation and enhancement of forest carbon stocks;

Adaptation strategic impact areas:

- Increased resilience and enhanced livelihoods of the most vulnerable people, communities, and regions;
- Improved resilience of ecosystems and ecosystem services;
- Increased resilience in of health and well-being, and food and water security;
- Increased resilience of infrastructure and the built environment to climate change threats;

C) GCF's Private Sector Priorities

GCF aims to promote private sector investment in the above adaptation and mitigation activities throughout developing countries. It seeks to mobilize private capital and expertise at scale and in accordance with national plans and priorities.

GCF encourages the participation of private sector actors in developing countries, in particular local actors, including small and medium-sized enterprise and local financial intermediaries. Particular attention is paid to small island developing States (SIDS) and least developed countries (LDCs)

GCF seeks to invest and promote private investment in:

- Universal access to energy (on or off grid)
- Renewable energy
- Public transport
- Waste management and waste-to-energy
- Water treatment
- Agriculture, forestry, and fisheries
- Efficient irrigation
- Energy efficient buildings, city grids, and industry

GCF encourages initiatives that are cross-cutting, scalable and that can attract capital market financing. It is seeking initiatives that take a programmatic approach, that are replicable, and/or that could be financed through clubbed investments.



Annex 8 Markets and Products

GCF intends to serve a wide range of markets with a diverse set of tools. Here are the anticipated markets and products needed:

Credit and Investment Products

- Grants
- Project finance
- Senior secured debt
- Senior unsecured debt
- Subordinated debt
- Term debt
- Revolving debt
- Overdraft facility
- First loss loans
- On-lending
- Syndication
- Bonds
- Commercial paper
- Guarantees
- Letters of Credit
- Letters of Guarantee
- Factoring
- Securitization of debt
- Private equity
- Funds (portfolio management)

Industry Segments

- Municipal & national finance
- Transportation
- Waste and water treatment
- Infrastructure (including roads, sewerage systems, rail, and port development)
- Real Estate development
- Renewable Energy
 - Wind turbines
 - Hydro power (including run of river)
 - Solar
 - On-grid, micro, and off grid
- Agriculture, fisheries, forestry
- Energy efficiency