GREEN CLIMATE FUND

1 April 2016

CLARIFICATION NO. 2

Request for Proposal (RFP) 2016/004 - Provision of Financial Management System for the Green Climate Fund

The Green Climate Fund wishes to clarify the Functional scope of the Financial Management System. The text below <u>replaces</u> the text in the original RFP, pages 14 and 15 of the document.

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Functional scope

The new system should be a centralized, Cloud based Financial Management System maintaining all the data under a single database.

Financial management system main functionalities

- Tracking of all pledges made in currency of pledge and USD equivalent (using reference rate and/or FX rate of choice)
- Based on the signed Contribution Agreements/Arrangements (CAs) and Loan Agreements/Arrangements (LAs) by contribution type, input all information/data into system, such as information of contributor, signed date, payment/encashment/deposit/drawdown schedule and amounts, repayment schedule, etc.
- Alarm or notifications prior (period to be determined) to actual date of payment/encashment/deposit/drawdown of contributions.
- Forecast of incoming cash and promissory notes (PN) flows and aggregate total by each CA/LA, by contributor (by regions? developed vs developing?), by types (grant, capital, cushion and loan) of contributions, by currency, in daily, weekly, monthly and yearly schedule in different age buckets up to 10 years (e.g. 3 months, 6 months, 1 year, 5 years, 8years, 10 years etc..)..
- FX simulations using multiple currencies for all contributions
- Forecast of commitment authority (the total amount of available resources in the form of cash and PNs in the GCF Trust Fund) in different age buckets up to 10 years (e.g. 3 months, 6 months, 1 year, 5 years, 8years, 10 years etc.)
- Track the actual contributions received
- Repayment amounts and schedule for Loan liabilities
- Monitoring and Distribution of the loan reflows and associated income (e.g. fees, interest, dividend etc..) to appropriate bucket
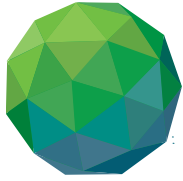
- Calculation of the realized and unrealized FX loss/gain on the PN/Cash
- Cash flow analysis
- Balance positions for non-performing loans
- Use of funds by contribution type
- Thematic area allocation

Disbursement Management Scope

- Managing the data base on disbursement forecast for each accredited entities and by each project handled by the Accredited entity by (i) daily, weekly, monthly and yearly schedule, (ii) currency of disbursement, (iii) type of payments (Grants, Equity, guarantee and/or Loans)
- Repayment amount and schedule of Loan, equity and guarantee assets
- Managing database on disbursement of the administrative budget of the Fund

Demonstrable integration with a Risk Management solution

The system must be natively able to integrate with a RMS, either from the same or from another vendor.

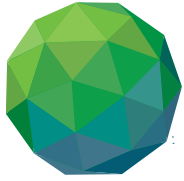***

The previous Functional scope, as contained in the original RFP, is included below for reference.

Functional scope

The new system should be a centralized, Cloud based Financial Management System maintaining all the data under a single database.

Financial management system main functionalities

- Tracking of all pledges made in currency of pledge and USD equivalent (using reference rate and/or FX rate of choice)
- Based on the signed Contribution Agreements/Arrangements (CAs) and Loan Agreements/Arrangements (LAs) by contribution type, input all information/data into system, such as information of contributor, signed date, payment/encashment/deposit/drawdown schedule and amounts, repayment schedule, etc.
- Alarm or notifications prior (period to be determined) to actual date of payment/encashment/deposit/drawdown of contributions.

- Forecast of incoming cash and promissory notes (PN) flows and aggregate total by each CA/LA, by contributor (by regions? developed vs developing?), by types (grant, capital, cushion and loan) of contributions, by currency, in daily, weekly, monthly and yearly schedule.
- FX simulations using multiple currencies for all contributions
- Forecast of commitment authority (the total amount of available resources in the form of cash and PNs in the GCF Trust Fund)
- Track the actual contributions received
- Repayment amounts and schedule for Loan liabilities
- Cash flow analysis
- Balance positions for non-performing loans
- Use of funds by contribution type
- Thematic area allocation

Disbursement Management Scope

- Managing the data base on disbursement forecast for each accredited entities by (i) daily, weekly, monthly and yearly schedule, (ii) currency of disbursement, (iii) type of payments (Grants, Equity, guarantee and/or Loans)
- Repayment amount and schedule of Loan assets

Demonstrable integration with a Risk Management solution

The system must be natively able to integrate with a RMS, either from the same or from another vendor.