

## REQUEST FOR PROPOSALS

### Review and Consultation for a Pooled Funding Mechanism

#### SUMMARY OF PROCUREMENT

The NDC Partnership Support Unit is searching for a consultancy firm or organization (herein referred to as consultant) to design and recommend hosting arrangements for a Pooled Funding Mechanism (PFM) for NDC Partnership. This will include a consultation and review process, engaging the NDC Partnership's Steering Committee, developed and developing country members, implementing partners and potential hosts for the PFM, as well as support in the design, including recommendations on hosting, financing needs, operating budget, decision making processes, results tracking and operational procedure. A final design document should be ready for approval by the Steering Committee by 28 February 2021, and final adjustments to the operational manual should be delivered by 31 April 2021. Proposals, along with all requirements, should be submitted by 13 November 2020. The contract will be Fixed Price.

#### About the NDC Partnership

The NDC Partnership is a global coalition of countries and institutions collaborating to drive transformational climate action through sustainable development. Through the Partnership, members leverage their resources and expertise to provide countries with the tools they need to implement their NDCs and combat climate change to build a better future. The NDC Partnership Support Unit is jointly hosted by the World Resources Institute (WRI) and the UN Climate Change Secretariat. For this project, the consultant would be contracted directly through WRI.

#### SCOPE OF WORK AND ACTIVITIES

##### Background

The NDC Partnership's success is based on the mobilization of expertise and resources by its members. Most resources are deployed through members, who have the capacity to provide support at scale. To date, various technical assistance (TA) instruments have been designed or used to support the Partnership's work. This ranges from the World Bank's NDC Support Facility, UNDP's Climate Promise and NDC Support Programme, GIZ's NDC Assist, to the UK government's Partnering for Accelerated Climate Transition (PACT). The Partnership will continue to promote and further deepen these member-driven initiatives as development and implementing partners allocate flexible resources to respond to country requests.

There is a strong case to complement this member support with the establishment of a pooled funding mechanism, based on the proven success of the Partnership's Technical Assistance Fund (TAF) established to support the Climate Action Enhancement Package (CAEP). Two key reasons supporting the case:

- 1. Engaging more members and filling gaps in support:** A pooled funding mechanism will enable engagement from a wider group of NDC Partnership members, allowing for more, and more targeted support to countries.
- 2. Accounting for staff time:** With a rapid increase in demand for technical assistance services on behalf of development partners, having a permanent pooled funding mechanism will enable the Support Unit to properly allocate staff time to manage resources on behalf of members. At present, this role falls on staff that are already at full capacity.

## Key Principles of the Pooled Funding Mechanism:

- **Grantee of last resort:** The Partnership fully supports employing structure, mechanisms and modalities that are already in place by different members. Only when no response is received from members will resources from the PFM be considered, thereby clearly demonstrating additionality.
- **Avoid conflicts of interest:** In order to ensure continuation of the Support Unit's role as a neutral broker and matchmaker between country needs and partner resources, under no circumstances will the Support Unit have any role in TA implementation, including through deployment of third-party consultants for technical assistance support. This is particularly relevant for window 2 below.

Under its 2021-2025 Work Program, the Partnership will establish a pooled funding mechanism that will have three windows:

### Window 1: Facilitation support

This window is in line with the recommendation from the 2018-2020 Work Program's Mid-Term Review that suggests an earmarked fund be developed for facilitators to be quickly deployed to support country needs. In cases where members are unable to directly provide facilitation support to countries, this window would fill the gap.

### Window 2: Technical Assistance support

This window, working as grantee of last resort, provides support to members to respond to urgent country needs. This would be limited to unsupported time-sensitive activities or unsupported *ad hoc* requests from governments. Under this window, there is also the potential to fund thematic calls on topics where large needs have been identified. Between 2023-2025, this window will also support NDC updating. This window could also be used to fund special initiatives that are approved by the Steering Committee. As per current practice, all institutional and associate members will be eligible to access resources to deploy the support needed by countries.

### Window 3: Scoping support

On request from a member country, this window will be used to fund an institutional or associate member which does not have its own resources to initiate engagement on the Partnership's behalf. Seed funding could be used for workshops, mission travel, technical analyses, or stakeholder engagement as part of early stage in-country engagement. This would encourage a wider range of members to take greater responsibility in the Partnership's work and build sustainability. This window would be accessible to institutional and associate members only, working jointly with the Support Unit.

## Scope of Work

The NDC Partnership Support Unit seeks an independent third party to propose design modalities and hosting arrangements for the PFM. Options will be explored under the guidance of the NDC Partnership's Steering Committee Co-Chairs, and a proposal will be presented for approval at the Spring 2021 Steering Committee meeting. An indicative methodology and timeline are presented below. Bidders should not restrict responses to the suggestions below only and are free to also suggest additional approaches and considerations for optimal design. During the inception phase, the consultants are expected to gain full understanding of the operational model and governance structure of the Partnership.

| Stage   | Activity description  | Deliverables                                      | Timeline                     |
|---|---|---|------------------------------|
| Review of the NDC Partnership's existing TAF and contracting processes and lead | Conduct approximately 15 bilateral consultations with the following: <ul style="list-style-type: none"><li>- Developed and developing country members (sample</li></ul> | Inception Report covering key issues, challenges, | December 2020 – January 2021 |

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| consultation with key partners to understand what worked, what didn't work and how that can be carried forward into a new PFM, including rapid appraisal of existing pool funding mechanism structures | <p>set ensuring geographical representation)</p> <ul style="list-style-type: none"> <li>- Implementing partners (IPs)</li> <li>- Steering Committee (SC) members</li> <li>- Fund managers from similar initiatives (max 3 interviews)</li> </ul>                            | detailed work plan, methodology                             |  |
|  | <p>Conduct at least 2 small group or bilateral (subject to further discussion) consultations among the following groups:</p> <ul style="list-style-type: none"> <li>- Steering Committee</li> <li>- IPs not currently receiving TAF</li> <li>- IPs receiving TAF</li> </ul> | Initial findings of consultation                            | December 2020 – January 2021                     |
|  | <p>Interview host options (at least two)</p>  |   |  |
| Design specification of a fund structure including legal status, governance, management and institutional requirements, as well as fiduciary duties.   | <p>Elaborate on the value proposition of having a pool funding mechanism</p>  | Business case   | January – February 2021                          |
|  | <p>Propose hosting decision (based on 2 to 3 scenarios) and staffing plan for the Support Unit and co-chairs to review</p>  | Design Proposal including hosting option with pros and cons | January – February 2021                          |
|  | <p>Determine financing needs and operating budget over short and medium terms</p>   | Preliminary operational manual                              | January – February 2021                          |
|  | <p>Establish decision making processes and light touch governance structure; this should include possible decision-making authority of potential development partners</p>   |   | January – February 2021                          |
|  | <p>Specification of M&amp;E requirements, safeguards, transparency, accountability and associated audit and reporting requirements, as well as a risk register and risk mitigation framework.</p>   |   | January – February 2021                          |
|  | <p>Develop presentation material to present the proposal to the NDC Partnership's Steering Committee</p>  |   | Final Report and presentation deck detailing the |

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|  |   | proposed design of the fund  |                         |
|  | Finalize scope and operational procedure  | Terms of Reference for the establishment and operation of the fund | January – February 2021 |
| Finalize operational manual and hosting arrangements | Incorporate comments from the Steering Committee into the operational manual                            | Final operational manual   | April 2021              |
|  | Lead a write-shop with the chosen fund host to finalize the operational manual and hosting arrangements | Hosting agreement  | April 2021              |

## TIMELINE

The vendor procurement for this RFP will follow the below timeline (all dates are considered by 17:00 GMT-5):

|   |                         |
|---|-------------------------|
| RFP issued                                  | <b>26 October 2020</b>  |
| Expressions of interest and RFP questions   | <b>9 November 2020</b>  |
| Deadline for submission of proposals        | <b>13 November 2020</b> |
| Selection of vendor and signing of contract | <b>30 November 2020</b> |
| Start of contract                           | <b>1 December 2020</b>  |
| All activities finalized                    | <b>30 April 2021</b>    |

All questions to the RFP should be sent directly to: [procurement@ndcpartnership.org](mailto:procurement@ndcpartnership.org) with the subject line “**Question: RFP for Partnership PFM**”. Answers to RFP questions will be shared with all parties who have asked questions or otherwise expressed interest in submitting a proposal.

## BUDGET

The budget for this contract will not exceed USD 100,000.

## PROPOSAL GUIDELINES

### Requirements

The selected vendor must demonstrate capacity in similar work, particularly:

1. Knowledge of international development in general and global climate policy finance architecture in particular;
2. At least 10 years of experience in designing pool funding mechanism on behalf of bilateral and multilateral development partners;
3. Expertise in developing operational procedures, conducting fiduciary risk and legal assessments for hosting pool funds;

4. Specific experience in the design of national/international climate funds will be an advantage;
5. Demonstrated ability to carry out consultative processes and consensus building

A consortium of vendors will be considered if it contributes to the technical requirements and delivery of activities. Sub-contracting will also be permitted.

## Content

Prospective vendors should submit the below. Note the entire package should not exceed 30 pages.

- A statement of interest describing the proposed team and how it meets the above requirements;
- CVs of team members;
- Examples of and references to similar previous work as described in the requirements;
- An outline of the proposed methodology and workplan to deliver on the above-mentioned activities;
- An account of how the work and/or vendor is environmentally sustainable;
- A Gantt chart of work activities to deliverable dates;
- A detailed budget.

## EVALUATION AND SELECTION

### Evaluation Criteria

The following elements will be the primary considerations in evaluating all proposals submitted in response to this RFP.

- Completeness of all required elements;
- Experience with similar projects;
- Vendor's technical expertise relevant to the stated requirements of the RFP;
- Vendor's ability to complete the activities within the set timelines;
- Overall cost of the vendor's proposal and best value for money.

### Selection Process

No proposal development costs shall be charged to WRI; all related expenses are to be borne by the bidders. WRI may award to the bidder offering best value without discussions. However, WRI reserves the right to seek bidder clarifications and to negotiate with those bidders deemed to be within a competitive range. WRI may, at its discretion and without explanation to the prospective vendors, choose to discontinue this RFP without obligation to such prospective vendors, or make multiple awards under this RFP.

### Proposal Submission

All proposals must be submitted by **13 November 2020, 17:00 GMT-5** to

[procurement@ndcpartnership.org](mailto:procurement@ndcpartnership.org). Please use the following format for the email subject line:

**"PROPOSAL: RFP for Partnership PFM, ORGANIZATION NAME"**. All proposals must be submitted in electronic format.