Development and management of a Climate Capacity Development Program for the Dutch Good Growth Fund portfolio

Request for Expression of Interest

Assignment Title: Implement and manage a Climate Capacity Development Program

for the Dutch Good Growth Fund portfolio

Assignment country(/ies): Global
Publication Reference: 28/02/2024
Publication Date: 28/02/2024

Deadline for Requesting

clarification: 06/03/2024, 23:59 CET

Deadline for Expressions of

Interest: 18/03/2024, 23:59 CET

Individual/Firm: The consultant will be a firm. Consortia bringing both local and

international experience are encouraged to apply. The consultant

will be allowed to subcontract with the approval of DGGF.

Procedure: Open procedure.

Provisional date of invitation to

tender: March 2024

Provisional commencement date of

the contract: May 2024

1. Description of the Assignment

Introducing the Programme

The <u>Dutch Good Growth Fund (DGGF)</u> is a "fund of fund" investment initiative from the Dutch Ministry of Foreign Affairs that aims to improve financing for the "missing middle" – i.e., entrepreneurs who have outgrown microfinance but do not yet have access to conventional capital markets. DGGF has a rich portfolio, consisting of both funds with different asset classes and strategies, financial institutions and seed capital clients, located in 40+ countries in Sub-Saharan Africa, MENA, Asia and Central and South America. See more information in Figure 1 below.



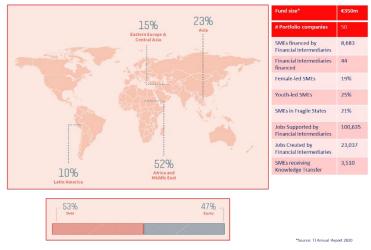


Figure 1 | Overview DGGF portfolio

The <u>Seed Capital and Business Development (SC&BD) program</u> was established to further the impact of the DGGF by providing Technical Assistance, Seed Capital and Business Support Services to financial service providers and ecosystem players, that supports local entrepreneurs.

Introducing this Assignment

The world is facing a global climate crisis. As evidenced by the latest <u>AR7 IPCC Reports</u>, the effects of climate change will come sooner and more severely than previously anticipated. Worrying, these consequences will likely be felt hardest by the most vulnerable communities on our planet. Individuals, companies, and governments have the responsibility to reduce their carbon footprint and ensure resilience to those climate effects which can be avoided.

The Dutch government has committed to both the <u>Paris Agreement in 2015</u> and <u>Glasgow climate Pact</u> in 2021, with the goal of forming a global coalition to limit global warming to 1,5 degrees Celsius above pre-industrial levels. As a fund of the Dutch Ministry of Foreign Affairs and an engaged member of the global climate action community, DGGF is committed to support its investees to mitigate their climate impact and adapt to the consequences of climate change. This goes hand in hand with our goal to promote entrepreneurship in frontier markets.

An ambitious TA approach with a comprehensive and streamlined offer open to the entire DGGF portfolio would be instrumental in reaching these goals.

We have already drafted a program design, based on a mapping of our portfolio's current climate awareness and capacity and ambitions for the next 3 – 5 years. The program is envisioned to contain standardized and bespoke activities around (1) GHG measurement and reporting, (2) GHG reduction, (3) risk management, (4) strategy, (5) opportunities, and (6) impact measurement and reporting. The standardized activities can be a mechanism to create awareness and buy-in, whereas the bespoke activities would enable DGGF investees to action on learnings from the standardized activities. The bespoke activities would be tailored services and may include coaching trajectories for light touch support and hands-on TA trajectories. We lastly envisage that DGGF investees will follow a slightly different program track, depending on their climate maturity. Each investee should therefore be able to tailor their program. A more detailed overview of the current program design will be included in the Terms of Reference.

The overall goal of the program is to offer support to DGGF investees to mitigate their climate impacts, adapt to the consequences of climate change and decrease their climate risk, and increase their funding allocation to climate positive initiatives. DGGF aims to do this through achieving the following objectives:

- 1. Increase climate awareness and enhance buy-in.
- 2. Improving the portfolio's capacity to measure their climate impacts.
- 3. Providing the tools for the portfolio to reduce their carbon impacts.
- 4. Increasing the portfolio's climate risk management capacity, and thereby reducing its climate related risks.
- Encourage DGGF investees to increase their funding allocation to climate, either through investments or supporting their current portfolio in mitigating their climate impact, adapt to the consequences of climate changes, or undertake other climate positive initiatives.

The purpose of the assignment is **to develop, implement** and **manage the envisioned Climate Capacity Development Program**. In short, the assignment shall be undertaken through the following tasks:

1. Prepare

The consultant would be required to review DGGF's envisioned modules and activities under the Climate program and creating an operational plan to implement it. The consultant is expected to develop the content necessary for the delivery of the program. If additional support from another consultant (firm) is deemed to be necessary to execute the program and deliver some of the content, then the consultant is expected to write the TOR and execute the procurement process.

2. Reach out and engage

The consultant is expected to produce any relevant content necessary to communicate on the new program and excite DGGF portfolio members to participate within the program. Multiple mechanisms could be used including program briefs, launch webinars, or current investment processes. This phase would also include a training to DGGF on climate portfolio engagement.

3. Develop and implement

Includes allocating the support and contracting investees, while having continuous engagement with DGGF and managing the program overall. There will be a yearly evaluation on the programs overall goals, objectives, activities, and budget. After the preparation phase, the consultant would be tasked with contracting investees and allocating support, have continuous engagement with DGGF clients, execute the activities under the program and deliver the content, and manage the program monitoring

and reporting. The consultant should also manage any sub-contractors if these are hired to deliver part of the program.

4. Evaluate

An evaluation of the program itself and the progress of the investees that have participated should be executed by the consultant after the program has been finalized. Success is defined as a high participation rate of DGGF investees in the activities and seeing them apply the learnings on the job. The findings should be included in a final report together with future recommendations.

A more detailed overview of the tasks under this assignment will be included in the Terms of Reference. The max budget available for this assignment is EUR 824.500 excl. VAT and the roll out of the program is expected to be over 5 years, until mid-2029. We may seek for an additional approval internally to increase the contract value in case this is deemed necessary for the success of the program.

2. Qualification Criteria

The consultant should have:

- A strong background as an advisor/expert in the field of climate investing and strategy, and significant experience in applying a range of tools that climate investing.
- Proven understanding of fund managers and FIs needs regarding climate finance and action and demonstrated ability to engage with fund managers or FIs around the topic.
- A proven ability to develop and deliver learning content and engage an SME finance portfolio like DGGF's through learning activities.
- Significant experience in program management design and implementation.
- Proven background in and understanding of the SME impact investment space, including
 experience with private equity, microfinance, mezzanine finance. Knowledge of SMEs needs and
 barriers to become more climate aligned.
- Fluency in written and spoken English, knowledge of French and Spanish is preferred.
- Demonstrated international expertise across Sub-Saharan Africa, MENA Region, Latin America, and South-East Asia.

It is allowed to form a consortium, up to two firms. A clear division should be indicated within the proposals if applicable. It would furthermore be allowed to sub-contract some of the envisioned activities under the program if necessary. This should be indicated and budget for within the technical proposal and financial proposal.

3. How to apply

- Expressions of interest must be submitted electronically using the template. The template can be accessed and downloaded from the <u>dedicated webpage</u>.
- Applications must be submitted electronically by March 18, 2023, 23:59 CET to Roan Borst, <u>rborst@triplejump.eu</u> and must use the following subject line: "EoI DGGF Climate capacity development program [applicant name]".
- Any additional documentation, such as financial proposals or brochures, will not be considered.

4. Clarifications

- Requests for clarification may be submitted by March 6, 2023 23:59 CET to Roan Borst rborst@triplejump.eu and must use the following subject line: "EoI DGGF Climate capacity development program [applicant name]".
- Answers to the requests for clarification will be provided no later than 4 days before the deadline and will be published on the <u>dedicated webpage</u>.

5. Clarifications

• We reserve the right to make changes and improvements to the scope of the study in the following phases of the tendering process.