

## REQUEST FOR EXPRESSIONS OF INTEREST CONSULTING SERVICES

Selection #: RG-T2956-P002

Selection Method: Simplified Competitive Selection

Country: Regional

Sector: Climate Change and Sustainable Development (CSD/CCS)

Funding – TC #: ATN/MC-16262-RG

Project #: RG-T2956

TC name: Delivering Sustainable Finance: Connecting Financial Markets with Sustainable Assets

Description of Services:

Within the context of facilitating investments into sustainable practices, the consultancy will:

1. Identify investment instruments and vehicles that have the potential to channel resources in sustainable infrastructure in domestic capital markets in Argentina, Brazil, Chile, Colombia, Mexico and Peru.
2. Provide an analysis of potential barriers to a successful use of these instruments and potential for scale up and replication in other countries and sectors
3. Engage in consultation with market practitioners, regulators and investors through dedicated round table meetings with the objective to identify instruments and vehicles with the largest potential to channel investments in sustainable infrastructure.

Link to [TC document](#)

The Inter-American Development Bank (IDB) is executing the abovementioned operation. For this operation, the IDB intends to contract consulting services described in this Request for Expressions of Interest.

Expressions of interest must be delivered using the IDB Portal for Bank Executed Operations (<http://beo-procurement.iadb.org/home>) by: March 30th, 2018 at 5:00 P.M. (Washington D.C. Time).

The consulting services (“the Services”) include:

1. The identification of key financial instruments and investment approaches used in primary LAC Markets for infrastructure investments in particular to areas relevant to climate change mitigation and adaptation. (second quarter of 2018)
2. The creation of a catalogue with the characteristics of the instruments and their potential to channel capital towards sustainable infrastructure. (Third quarter of 2018)
3. The development of case studies to understand the effectiveness of the key financial instruments and/or vehicles for sustainable infrastructure in Primary LAC Markets. (Fourth quarter of 2018)
4. Participate in round table meetings organized by the IDBG to identify investors’ interests in innovative instruments and regulatory frameworks to strengthen sustainable infrastructure investments. (second and Third quarter of 2018).
5. Assessment of gaps in current supply of financial instruments in LAC Markets. (Fourth quarter of 2018)

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed](#)

[Operational Work](#) - GN-2765-1. All eligible consulting firms, as defined in the Policy may express an interest. If the Consulting Firm is presented in a Consortium, it will designate one of them as a representative, and the latter will be responsible for the communications, the registration in the portal and for submitting the corresponding documents.

The IDB now invites eligible consulting firms to indicate their interest in providing the services described below in the [draft summary](#) of the intended Terms of Reference for the assignment. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar markets and financial instruments, availability of appropriate skills among staff, past projects related to infrastructure investments and/or capital markets especially in LAC, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to enhance their qualifications. Such association or Joint Venture shall appoint one of the firms as the representative.

Interested eligible consulting firms may obtain further information during office hours, 09:00 AM to 05:00 PM, (Washington D.C. Time) by sending an email to: Giovanni Leo Frisari ([giovannif@iadb.org](mailto:giovannif@iadb.org)); Margarita Cabrera ([mcabrera@iadb.org](mailto:mcabrera@iadb.org)) and Carlos Güiza ([cguiza@iadb.org](mailto:cguiza@iadb.org))

Inter-American Development Bank  
Division: Climate Change Division (CSD/CCS)  
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## **Draft Summary of Terms of Reference**

### **Background**

A transformational shift of financial resources towards sustainable investments in infrastructure and natural landscapes is crucial to meet the aim of the Paris Agreement to keep temperature rise well below 2°C.

Considering current investment flows, the cumulative infrastructure financing gap for the next 15 years has been estimated at US\$39 trillion to US\$51 trillion. This means that countries from Latin America and the Caribbean (LAC) would need to invest around US\$150 billion annually over the next several years, in addition to US\$30 billion to incorporate mitigation and adaptation measures into those investments.

Private capitals will need to be channeled towards these investments, especially from institutional investors, who manage assets by approximately US\$72 trillion in both equity and debt instruments globally, and US\$875 billion in LAC only, but that have so far only marginally participated in infrastructure investments.

In this context, the IDBG seeks to support the development of a catalogue of financial instruments available in domestic capital markets in selected Latin American countries that have the potential to channel resources from local institutional investors towards sustainable infrastructure assets<sup>1</sup>.

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<sup>1</sup> The IDBG defines sustainable infrastructure as those assets that are sustainable on the environmental and climate basis, on economic and financial grounds, and on social and institutional capacities. This is a framework that the IDBG has been refining internally across its public and private sector operations, as well as externally in collaboration with the Brookings Institution, the PPIAF and WEF, and in coordination with the other multilateral development banks (MDBs).

## **Objectives**

- Identify investment instruments and vehicles that have the potential to channel investments in sustainable infrastructure in domestic capital markets in Argentina, Brazil, Chile, Colombia, Mexico and Peru.
- Provide an analysis of potential barriers to a successful use of these instruments and potential for scale up and replication in other countries and sectors, looking to instruments' design and structure, and to the regulation and processes supporting their issuance and trading.
- Engage in consultation with market practitioners, regulators and investors through dedicated round table meetings with the objective to identify solutions to create or improve instruments and vehicles with the largest potential to channel investments in sustainable infrastructure.

## **Key Activities**

- The identification of key financial instruments and investment approaches used in primary LAC Markets for infrastructure investments in particular for areas relevant to climate change mitigation and adaptation.
- The creation of a catalogue with the characteristics of the instruments and their potential to channel capital towards sustainable infrastructure, in the form of a database and an analytical report.
- The development of case studies to understand the effectiveness of the key financial instruments and/or vehicles for sustainable infrastructure in Primary LAC Markets.
- Participation in four round table meetings organized by the IDBG in the region to identify investors' interests in innovative instruments and regulatory frameworks to strengthen sustainable infrastructure investments.
- Assessment of gaps in current supply of financial instruments in LAC Markets.