

## Re-tendering: Terms of Reference:

### Acquisition of Consulting Services for Nairobi Climate Adaptation & Resilience Plan (NCARP) – Phase I

#### *Implementation Partner for Project Pipeline Development & Prioritisation, Investor Engagement, Project Management Office and Capacity Building*

## 1. Introduction

The Nairobi Climate Adaptation & Resilience Plan (NCARP) seeks to address the challenges of building investment flow – in one of Africa’s biggest and most systemically important cities – that address the increasingly substantial impacts of climate change on lives and livelihoods. As part of the first phase (Phase I) of NCARP, FSD Africa seeks to contract a firm or consortia (hereafter referred to as the “Implementing Partner” or “Consultant”) to establish and develop – using a spatially defined climate risk model - a project pipeline, prioritization process, replicable engagement structure for engaging with prospective funders/investors, and programme of capability building that enables the Nairobi City County Government (NCCG) to mobilise finance for their climate resilience agenda. NCARP is a frontier initiative for future activity in FSD Africa’s mission to accelerate the development of adaptation financing in Sub-Saharan Africa. The Consultant will be the key implementing partner in driving our joint ambition with the NCCG to attract private capital to socially impactful solutions; there is therefore great importance in the Consultant developing on-the-ground relationships with NCCG, developing fit-for-purpose approaches and capacitating NCCG/partners such that NCARP is made sustainable. The Consultant’s outputs will be used beyond the scope of Phase I; insights and material will drive the roll out of NCARP and support it in achieving its objectives. These terms will complement a separate procurement for the first portion of Phase I; the initial climate risk and cost of inaction modelling that informs the development of the NCARP platform. This engagement is expected to run from March 2026 to March 2027 (the end of NCARP Phase I).

## 2. Project Background

### 2.1 About FSD Africa

**FSD Africa works to reduce poverty by strengthening Africa’s financial markets.** Based in Nairobi, with anchor funding from the UK’s FCDO, FSD Africa is a specialist development agency set up to support breakthrough ideas to build and strengthen financial markets across sub-Saharan Africa. FSD Africa does this by tackling the most intractable financial market challenges in Africa – addressing issues associated with the lack of long-term finance, especially in local currency, and inadequate risk management capacity. FSD Africa’s team of financial sector experts work alongside governments, business leaders, regulators and policy makers to design and build ambitious programmes. Established in 2012, FSD Africa is incorporated as a non-profit company limited by guarantee. More details are available on FSD Africa website at [www.fsdafrica.org](http://www.fsdafrica.org).

**FSD Africa focuses its work where the need is greatest, and believes the potential for impact is the most significant.** FSD Africa has a specific mandate to invest in breakthrough, innovative ideas that can have a transformative impact. This project is closely aligned to FSD Africa’s green financing strategy, the FSD Africa end-to-end structural reform approach, and FSD Africa’s history of engaging with investors, financial institutions, project developers and regulators. FSD Africa’s programming is run through its Adaptation & Resilience, Early-Stage Financing and Financial Markets Pillars, while investments are made through a separate arm – FSD Africa Investments (FSDAi). Supporting functions are provided by Development Impact and Strategic Communications teams.

### 2.2 Project Context – The Intractable Challenge

**Nairobi is a city increasingly under threat from climate change.** Facing both chronic (long-term change) and acute (disasters) threats of flooding, storms, water scarcity and extreme heat, there is an urgent imperative to act to protect

Nairobi's infrastructure and five-million strong population from climate stressors. In Nairobi's informal settlements, where 60-70% of the population lives, over 85 per cent of citizens reported experiencing heat stress in the past decade, along with disease and health-related maladies linked to climate change ([Muchiri and Opiyo, 2022](#)).<sup>1</sup> 50 per cent of Kibera residents had their homes flooded in the 2015 rainy season.<sup>2</sup>

**Our existing work in Lagos suggests costs of inaction are substantial in all African cities, and especially in Nairobi.** Under a scenario where the world follows a path in which social, economic, and technological trends do not shift markedly from historical patterns, by 2050, a combination of river level rise, water scarcity and extreme heat will result in billions in climate-inaction-related costs for Nairobi per annum. This cost will be presented in areas inundated by floodwaters, key ecosystems degraded and eroded, populations displaced and left economically vulnerable, damage to infrastructure, increased health-related public expenses, interruption to economic activity and increases in food dependency. This will likely be many times the Nairobi City County's annual budget. Inaction is not an option.<sup>3</sup>

**However, many cities – including Nairobi – have not quantitatively assessed these costs of inaction.** Our conversations with Nairobi City County have shown us there is a desire to measure the cost of inaction, but a perceived difficulty in understanding where to start, how to link costs to IPCC's scenarios, where these costs will be spatially imposed, and which climate risks are relatively harsher. While some macroeconomic analysis has been undertaken at a national level through the World Bank's Country Climate and Development Report ([2023](#)); *'by 2050, inaction against climate change could result in a decline in real GDP of 3.61–7.25 percent relative to the BAU baseline scenario'* – this work is not applied to Nairobi, is fairly limited in its channels (only four of eleven 'impact channels' are relevant to urban contexts), is spatially non-specific, and does not incorporate points of interest or counterfactual analysis.<sup>4</sup> More analysis is required to define specific risks, impacts, and eventually, projects.

**NCCG has not yet set an 'ambition' or project-level business cases to fund A&R linked projects.** NCCG does not know how much it needs to fund, what projects would have the most impact, or what a programme of implementation may look like for the city. Most pipeline identification – particularly driven by the IFC and C40 – is aligned to mitigation or circular economy outcomes. The recent Nairobi City County Climate Change Act ([2024, passed in November](#)) and County Climate Change Fund (developed through the support of FSD Kenya) lays promising groundwork for further project preparation. However, to our understanding, no adaptation-linked projects have involved the private sector. All are reliant on concessional donor funding, given the tight fiscal constraints NCCG must navigate.

**Our preliminary diagnosis suggests the lack of adaptation financing could be attributed to multiple reasons** including inadequate project readiness, limited public technical and analytical capacity, investor perception/understanding of risk and adaptation business models, and policy barriers such as the lack of (sub)-sovereign risk mitigation.

### 2.3 Summary of NCARP

**The Nairobi Climate Adaptation and Resilience Plan (NCARP) has the overall aim of reducing economic, social and environmental risks that face Nairobi over the next thirty years.** Climate adaptation in Nairobi will be an immensely difficult problem to solve. When gaps associated with cost of inaction are analysed and articulated, we perceive a strong imperative to call for a substantial raising of adaptation financing, in the projects where it is most

<sup>1</sup> Some pockets of sub-national adaptation activity have emerged in Nairobi. A 'citizen science' climate justice adaptation initiative has seen Mukuru build a Special Planning Area Integrated Development Plan. The Plan was organized by the non-governmental organizations Muungano wa Wanivijiji alongside NGO partners - the Akiba Mashinani Trust (AMT) and Shack Dwellers International Kenya.

<sup>2</sup> Temperatures may rise 3.2°C by 2080, compared to pre-industrial levels ([GIZ, 2021](#)). Heat related deaths may increase by a factor of five. In line with IPCC scenarios, high severity rainfall events will increase in propensity. Paradoxically, per capita water availability for Kenya is projected to decline by 73 per cent (to 2080) under IPCC's RCP2.6 Scenario. Impacts are likely to fall disproportionately on the most vulnerable. In this proposal, we refer to 'vulnerable' populations in broad terms but aim to dually support i) communities vulnerable to climate shocks as determined and measured through the model's treatment of the selected climate impact drivers, and ii) communities with pre-existing financial and economic vulnerability (e.g. typically financially excluded, less secure employment and incomes, financial exclusion etc.). We recognize the intersection of these two groups are particularly affected by climate change. We expect our modelling to better define these communities in Nairobi.

<sup>3</sup> Analysis from LCARP suggested this impact would particularly pronounced across key systems: 165 km<sup>2</sup> of the State's landmass will be inundated with seawater, affecting the livelihoods of 2 million directly, and requiring the relocation of 700,000 people. Many of these affected are already vulnerable to social and economic shocks (~ 50% lack basic resilience mechanisms), and relocation would cost up to \$6 billion. \$5 billion in damages to infrastructure including transportation, power, and communications, and a decline in GDP of 17% per year due to economic disruption are also projected. We estimated a total cost of inaction of USD 33-39bn, 12-14x the annual budget of Lagos State Government.

<sup>4</sup> Indeed, the CCDR directly calls for more risk modelling. Their closing line; 'while our analysis works to fill a gap in climate change research, further work to quantify climate change related impacts across additional channels will help provide further guidance to stakeholders on how to manage climate risks.'

needed. Nairobi would be the second city after Lagos, to progress with an adaptation & resilience financing plan supported by FSD Africa. We have the vision – similarly to Lagos – to position Nairobi on the path to climate resilience, enabling it to be seen a model climate-resilient city (especially in East Africa), and assisting the County in overcoming challenges associated with its most pressing climate impact drivers. Given the scarcity of financing for adaptation – and especially private financing – NCARP will provide decision makers a data-driven assessment for climate inaction costs. This allows for prioritization of solutions, a mobilization of action & funding, and the development of a responsive whole-of-government strategy for resilience; it is rare for cities to have such analysis and coherence for adaptation.

**Broadly, NCARP would position Nairobi on a five-step journey; the first four of these steps would be completed through Phase I (completed by March 2027).** This approach was defined and systematised in Lagos. In Nairobi, NCARP would include:

- i) a baseline/risk assessment driven by a technical spatial model that maps climate risk and resilience across Nairobi City County,
- ii) the collection of potential adaptation solutions ranked by bankability,
- iii) the prioritisation of the project portfolio,
- iv) engagement of potential funding and resourcing, and,
- v) eventual implementation and tracking of these projects.

**Based on our learnings in Lagos, we defined five key criteria that a city should meet to be eligible for our support; Nairobi meets these pre-requisites.** Firstly, Nairobi is a climate vulnerable city, susceptible to a range of climate events both chronic and acute (i.e climate disasters such as flooding or storms). Secondly, the city is willing to make climate-related commitments and has expressed the desire to dedicate political capital to a prospective NCARP; the MOU is a sign of this commitment. Third, there is significant (private) financing potential in Nairobi – numerous regional banks and asset managers are based in Kenya, looking to engage with the County, and have capacity to invest and underwrite projects. Many multilateral lenders are highly willing to engage in Kenyan projects. Fourth, Nairobi directly and indirectly supports a large population that would benefit from adaptation-linked projects. The city's economic centrality is unquestioned; a more resilient Nairobi is a more resilient East Africa. Finally, FSD Africa and the Network have strong relationships across both municipal and national governments; we are 'pushing against an open door'. Nairobi is ready and willing reached to commence the development of a climate adaptation and resilience plan, comprised of bankable, high-impact projects.

#### **2.4 Project Concept – NCARP Phase I**

**NCARP Phase I has the ultimate aim of establishing a formal climate adaptation & resilience plan – backed by cost-of-inaction analysis and a pipeline of investible projects – that will allow for informed investor engagement and eventual financial close. NCARP Phase I has three defined objectives.**

1. To **develop an analytical fact base for Nairobi City County that defines and prioritises the key climate risks/impact drivers** facing the County, and allows for project-based counterfactual analysis and business case development against an otherwise status-quo 'cost of inaction';
2. To **establish an A&R financing strategy and implementation plan for Nairobi**, that includes a prioritised project pipeline, assessment of key (project and portfolio level) financial instruments and recommended policy, regulatory and governance changes for NCCG;
3. To establish the foundations for **systemic change through NCCG-wide capacity building** that delivers continued acceleration of adaptation and resilience-linked policy reform and project development beyond the lifecycle of NCARP.

We intend to progress NCARP via four workstreams. The first workstream is envisioned to start prior to the final three workstreams (which will run concurrently). Each of these workstreams has a corresponding set of proposed deliverables.

- **Workstream 1: Assess Nairobi's baseline climate risk and exposure to climate impact drivers**, in order to quantify the overall 'cost of inaction' to the County. This will allow us to deliver an advanced understanding of the climate related loss drivers and to identify the most affected locations, communities and social and economic sectors in Nairobi.
- **Workstream 2: Establish a pipeline of adaptation-linked projects for NCARP**, in order to prioritise, structure and support execution of financial transactions and investments that improve climate resilience in the County. This would include a feasibility assessment and key design aspects of prioritised 'bankable projects'. Through cross-NCCG coordination, we would support project ideation, and benchmark Nairobi's opportunities for policy, governance and regulatory reform in line with the 'Playbook' developed during LCARP. We would also define an overall adaptation financing 'ambition', to compare against the cost of inaction in WS1.
- **Workstream 3: Commence a systemic process of engaging with funders and financiers in the NCARP analysis, strategy and projects**, in order to ensure and build demand for the pipeline development in WS2. This would be used to prioritise the pipeline, test interest around the bankable initiatives, further the development of innovative financial mechanisms and close the 'gap' between NCCG and prospective investors.
- **Workstream 4: Establish a series of capacity building activities for NCCG**, in order to ensure continued acceleration of project development beyond the scope of our support. This training – delivered through the NCARP Working Team - would focus on building the capabilities to think through A&R issues in the County, develop and make ready high-impact projects, engage with funders and to continue management/monitoring of NCARP beyond the end of our support.

**The Consultant will drive the majority of NCARP Phase I's activity, through the full delivery of Workstreams 2-4.**

This would be delivered fully by March 2027, although we expect some activity on WS2 to commence as soon as possible (i.e. early pipeline development), building alongside Workstream 1 commencing in February. FSD Africa is ambitious in its aspirations for this work, and its future phases. The Consultant would be expected to define and prioritise a pipeline of impactful projects and build engagement with investors that will form the basis of an implementation plan to build Nairobi's resilience to future climate shocks and accelerate investments. The Consultant's efforts are therefore expected to lay the groundwork for a successful period of longer-term programming – deliverables and outputs will be drawn from regularly as NCARP proceeds. While NCARP is high-priority for Nairobi, the Consultant must be comfortable working with ambiguity, and the possibility of timelines having to flex given that relevant NCCG teams will be navigating a number of competing priorities.

### **3. Proposed Project Scope of Work and Deliverables**

**The Consultant's proposed Scope of Work is outlined below.** The Scope of Work for this is laid out in Section 3, but we have a degree of flexibility to these suggested deliverables. The Consultant will be primarily responsible for all three Workstreams with support from FSD Africa staff where required. Exact deliverables for each Workstream will be formally agreed upon during contracting, although the Consultant should devote a portion of their proposal towards the expected commitment required for them to develop the appropriate capabilities and relationships with the Nairobi City County Government. We note our strong preference for resources and tools developed through this process be handed fully over to FSD Africa and NCCG, so they may be drawn upon in future Phases.

**Workstream 2: Establish a pipeline of adaptation-linked projects for NCARP**, in order to prioritise, structure and support execution of financial transactions and investments that improve climate resilience in the County.. Activities would include:

- Developing a pipeline of projects – with a focus on 'bankable' projects - capable of addressing and reducing the overall 'cost of inaction' identified in WS1, and where possible, support their acceleration (particularly up to feasibility study stage of project appraisal). This may include;
  - Developing relationships across the variety of NCCG (and where relevant, Kenyan) ministries, departments and agencies (MDAs), understanding existing project pipeline relevant to A&R needs, existing technical and commercial assessments;
  - Commencing ideation and identification of additional pipeline projects, testing prospective revenue models and investment needs for each project, and establishing a very high-level theory of

- change for each project (whereby they reduce the overall costs to Nairobi against the otherwise business as usual scenario identified in WS1);
- Prioritising the pipeline based on a socialised scorecard that variably weights socioeconomic (A&R) returns, technical and political feasibility, investor interest and project bankability. An example scorecard is shown in the Appendix;
- Maintaining the NCARP project pipeline, including by adding in relevant new projects as they are ideated and established, and hosting working sessions to support (re-) prioritisation of projects as needed.
- Assessing the pipeline against WS1's defined cost of inaction, establishing a bottom-up adaptation financing ambition to build an internal NCCG business case;
- Adjusting and building off the LCARP Playbook, including;
  - Identification of the financial instruments for climate resilience & adaptation realistically available to NCCG, with a focus on those instruments provided by the commercial financial sector;
  - Assessment of the identified financial instruments, considering the volume of capital that can be mobilised by an instrument, the legal and operational complexities of using that instrument, the duration for the preparation of a potential transaction, the feasibility in the context of climate resilience in Nairobi etc. Where relevant, this assessment would create linkages with the green bond programme of work that FSD Africa has established;
  - Application (at a high-level) of the instruments to both individual projects (esp. those considered high-priority targets and needing the most financial engineering) and portfolio-wide initiatives (esp. those projects considered high-impact and less bankable, that require sub-sovereign or sovereign level support to fund and develop). This application should open up and recommend opportunities for market system change;
  - Assessment of the policy, legal, institutional and operational frameworks of NCCG that are relevant to the financing of climate adaptation and resilience interventions identified and prioritised by NCARP;
  - Recommendations for NCCG policy, institutional and operational reforms and capacity development to enable acquisition and utilisation of identified financial instruments;
- Developing a comprehensive Nairobi Climate Adaptation & Resilience Plan (NCARP) document setting out project development, funder engagement, financing and policy & regulation approach, along with outlines of roles & responsibilities, key partners (across government, development partners and private sector), priorities and a medium-term operational plan;
- Where possible, working with FSD Africa to support conversations around risk management and guarantee structures, including with local/regional (re-)insurers for climate-related risk.

**Deliverables:** i) project pipeline (with high-level detail for each project established), with greater focus on identified bankable projects, ii) playbook from LCARP adjusted/made relevant to Nairobi's context and needs (and updating with newer data where required), including a renewed assessment on potential project and portfolio-level financial instruments that may support at-scale adaptation financing for NCCG's pipeline of projects, iii) socialised and validated prioritisation matrix with quantitative inputs from WS1's model inputted as required, iv) assessment of the pipeline against the scorecard, with backing data shared with the Working Team, iv) recommended selection of shortlisted projects to focus on for the rest of Phase I, v) overall assessment of project readiness and gaps for NCCG, with a series of policy, regulatory, legislative and governance recommendations made to the SteerCo and relevant MDAs.

**Workstream 3: Commence a systemic process of engaging with funders and financiers** in the NCARP analysis, strategy and projects, in order to ensure and build demand for the pipeline development in WS2. This would be used to prioritise the pipeline, test interest around the bankable initiatives, further the development of innovative financial mechanisms and close the 'gap' between NCCG and prospective investors. Activities would include:

- Establishing a list of >20 high-potential prospective commercial, bilateral and multilateral funds and investors (that are comprised of a diverse cross-section of national, regional and international financial

institutions), assessing their existing climate financing activity and priorities, and prospective probabilities of engaging with NCARP and its associated projects;

- Engaging directly with each investor, identifying prospective investor-project matches across the entire pipeline. This assessment (and corresponding matrix) will be used for the scoring and prioritisation defined in WS2;
- Developing a medium-term roadmap to continue targeting potential funders to support the financing and implementation of projects and strategic initiatives determined in the WS2 NCARP document. This would include an ongoing discussion around the impact of prospective policy, regulatory and legislative changes (and dissemination of these findings to the necessary MDAs and regulators relevant to Nairobi and Kenyan jurisdiction). It would also assess non-financial incentives that might be enabled by NCCG for some of these investors (e.g. linked to gender or other socio-economic outcomes);
- Facilitating pipeline management by pushing a small number of high-priority projects from planning to implementation (in continuation from WS2). This will include, where possible, supporting NCCG in applying for feasibility study funding from PPFs or potential long-term investors. This will include:
  - Developing high-level project pre-feasibility studies for at least three prioritised projects, incl. initial financial modelling, benchmarking with comparable projects, scoping of alternative design options, high-level technical assessments (e.g. capacity/size), assessing operational models and risks;
  - Support NCCG in applying for feasibility study funding from potential long-term investors, with a primary focus on securing funding in future phases;
  - Analyzing and validating feasibility study outcomes and advising NCCG in interactions with potential funders;
  - Developing an online CRM system to facilitate NCCG tracking and engaging with investors

**Deliverables:** i) Investor engagement plan used to collaborate with and undertake learning sessions with relevant funders, ii) one-pagers on each investor's mandates, activities and priorities, with a high level assessment of relevance to continued NCARP engagement, iii) matrix of 'project-investor' matches, identifying high-prospect funding opportunities and potential feasibility/project development/implementation funding options; iv) notes from conversations with each investor for reference for NCCG/Working Team members, v) Three pre-feasibility studies, vi) an online CRM system to track investor engagement.

**Workstream 4: Establish a series of capacity building activities for NCCG**, in order to ensure continued acceleration of adaptation and resilience-linked policy reform and project development beyond the scope of our support. This training would focus on building the capabilities to think through A&R issues in the County, develop and make ready high-impact projects, engage with funders and to continue management/monitoring of NCARP beyond the end of our support. Activities would include:

- Train and onboard the NCCG Working Team responsible for pushing implementation of NCARP (during and following our support), including by building the capabilities to actively engage with funders and how to impactfully navigate NCCG and Kenyan bureaucracy;
- Increase the capacity of the NCCG Working Team to identify, develop and prepare high-impact projects, including through training on usage of investor CRM tools, design of pitch materials, training on commercial/technical topics, structuring of high-level financial mechanisms (e.g. PPPs) and recognising high-impact/gender-intentional projects;
- Develop core governance processes around meeting cadence, monitoring systems, progress reporting, etc. and support the NCARP Working Team in implementing these, which include:
  - Assist the core NCARP Working Team in developing a comprehensive onboarding plan for all necessary Ministries, Departments, and Agencies (MDAs) across NCCG,
  - Preparing NCCG stakeholders for public representations (incl. an NCARP Launch, panels/events at regional and international forums, and investor/project workshops), with a focus on amplifying voices of climate and economically vulnerable communities affected by climate impact drivers;



- Hosting weekly Working Team meetings, including by setting agendas, communicating with attendees, and acting on next steps;
- Hosting and supporting the SteerCo meetings, including setting agendas, providing pre-read material/resources to relevant attendees, facilitating ad-hoc side technical discussions (incl. Financial Markets Pillar and FCDO Kenya representatives) and negotiating as required with Governor for political support of the NCARP SteerCo;
- Identifying essential data required from MDAs for NCARP's successful implementation and develop corresponding reporting tools and processes;
- Provide training to a broad cross-section of NCCG on gender-intentional best-practice in developing A&R-linked projects, including through mapping a specific approach on articulating climate risk for vulnerable communities, tracking select impact metrics, considering secondary/indirect effects of A&R projects and identifying gender 'spotlight' opportunities;
- Develop a long-term roadmap for policy & regulatory change recommended as part of WSs 2&3 (although we do not expect the Consultant to lead on any such reform);
- Enabling effective communications and advocacy for NCARP at regional/international fora (e.g. ACW, COP, AfDB Annual Meetings) via curated talking points and logistical support;
- Foster the creation of a distinct NCARP media profile, linking 'voices from the field' to policy and project development administered as part of NCARP; this will make use of FSD Africa's media office and existing communications consultant support.

**Deliverables:** *Specific deliverables to be discussed during contracting, but NCCG stakeholders must be motivated, ready and equipped to effectively continue management and monitoring of NCARP beyond our support.*

**Additional Administrative Deliverables:** i) a 5-10 (PPT or Word) page inception report delivered in the first two weeks of the engagement, indicating how the Consultant intends to proceed with Phase III, ii) supporting monthly internal (i.e. FSD Africa-focused) reports providing transparency by highlighting achievements for that month and priorities for the following months (PPT format, 3-5 slides), iii) deliver weekly updates to the Project Working Team highlighting NCARP's overall achievements for that week/month and priorities for the following weeks/months, iv) provide further support as is reasonably agreed upon between the Implementing Partner and FSD Africa (e.g. the Consultant may need to be available to present and share information to other FSD Africa teams upon request, and FSD Africa stakeholders may receive final deliverables - both externally-facing and internal - upon completion).

#### 4. Project Governance

**NCARP's key stakeholder is the Nairobi City County Government (NCCG).** NCCG have signed an MOU with FSD Africa to collaborate on developing NCARP; the Scope of Work is a key part of this MOU. The Green Nairobi (Environment, Water, Food and Agriculture) Department is expected to be the primary MDA 'home' for NCARP, with the Minister responsible chairing the eventual Joint Implementation Committee. In the first year of this programme, we would present NCARP's work across the entirety of the NCCG structure, presenting major analytical findings, project prioritisation and outcomes of funder/investor engagements, which would include members from across NCCG (incl. relevant ministers of transport and finance). Parastatal agencies sit under and report to the 'Green Nairobi' Department and would be incorporated as required. FSD Africa also has long-standing relationships with the County (incl. through our Financial Markets team, who have been conjointly working with the Kenya Green Building Society (KGBS)). We will work informally with national government (e.g. Min. of Environment and Energy, National Treasury) stakeholders on project readiness and prioritisation, ensuring that NCARP aligns with national priorities and informs policy & regulatory reform as needed. Given Nairobi's limited autonomy to engage with the capital markets, eventual investment acceleration must be run in conjunction with the National Treasury and PPP Office – we are in conversations with both. FSD Africa also has long-standing relationships with the Debt Management Office (within the Ministry of Finance).

**NCARP will be governed through a high-level Project Joint Implementation (JIC) and Working Team.** The **NCARP JIC** will be comprised of a broader representation of subnational and sovereign government officials that hold interests in debt management, economic planning, environment and climate change and partnerships. The JIC is expected to be chaired by the Minister of Green Nairobi (Environment & Water), with representation from ministries of transport, energy and finance. The Working Team is already formed, with a confirmed terms of reference. The main point of

contact for NCARP - is the Deputy Director - Climate Change and Air Quality Monitoring. The Working Team includes other key advisors, technical members of the Climate Change Committee, and draws on NCCG members engaged with financial questions for the County. NCARP is supported through the endorsement of the Governor, Minister and the County Secretary. We intend for the Consultant to host, coordinate and provide significant content into the Working Team through weekly meetings, and to play the leading role in shaping and driving the NCARP JICs, acting as a Secretariat.

**The Consultant will deliver this work alongside FSD Africa's teams.** FSD Africa's Adaptation & Resilience Pillar will oversee this work (led by the Senior Manager and Director of Adaptation & Resilience), while a Nairobi-based City Head will be the main day-to-day point of contact and coordinate across all activities. The Consultant can also draw strongly from the experience and connections from FSD Africa's Financial Markets Pillar and (where relevant) its investment arm, FSD Africa Investments (FSDAi). The Consultant may need to engage collaboratively with many of FSD Africa's internal teams (incl. its Development Impact and Strategic Communications Functions); there is particular interest in the interlinkages of this work with our evaluations, learning and research functions. We request a Consultant-FSD Africa working session be held weekly to problem solve around workstream delivery, and consider how best to further our relationships with NCCG and associated partners.

## 5. Timelines and Availability

**The Consultant is expected to execute the tasks under this scope of work from March 2026 to March 2027.** If the commencement of the services should be delayed, the completion date will be adjusted accordingly (in discussion between the Consultant and relevant FSD Africa personnel). FSD Africa expects this bid to include a full level of availability, with periods of increasing intensity to be expected in working up to key milestone dates (to be defined, but e.g. key events, workshops, deliverable due dates). FSD Africa notes its interest in being able to celebrate NCARP's mission, pipeline and insights at relevant public forums and events. In Nairobi, this may include launch events, banker/investor roundtables and possible site visits. Regionally or internationally, the NCCG team may attend events such as COPs, Africa Climate Summit/Week etc. where FSD Africa hopes that a strong advocacy program will provide opportunities to test emerging findings and make key announcements. The Consultant may be invited to join such events.

**NCARP Phase I's timelines are expected to be defined at an early stage of the engagement – FSD Africa welcomes the Consultant's thoughts on implementation timing in their proposal.** We propose Workstreams 2-4 be fully delivered by March 2027. **We note there is dependency on key Workstream 1 outputs.** Once emerging findings are produced through Workstream 1, we would seek to commence key aspects of Workstream 2 (e.g. counterfactual analysis of WS2's project pipelines, data inputs into the prioritisation), Workstream 3 (e.g. quantification of social, environmental and economic benefits in investor presentations/engagements) and Workstream 4 (e.g. capability building) that draws on the modelling), within the same governance structure, that draw upon the Workstream 1 analysis.

## 6. Place of Performance

**We welcome applications from Consultants who can mobilise a Nairobi-based team to work directly with FSD Africa and NCCG in-person.** While we are open to select team members being based remotely, our experience is that senior individuals must work alongside FSD Africa to build direct relationships with senior members of NCCG (and the Government of Kenya when required). Irrespective of team place of performance, we expect the submission to consider how best to engage with NCCG and FSD Africa, and for proposed ways-of-working to be detailed enough to demonstrate ability to execute against the Scope of Work. It is expected that the Consultant would be able to operate according to East African timezones. The key FSD Africa personnel supporting this work will be based in Nairobi, Cairo and London.

## 7. Invitation To Submit Proposal



### 7.1. Format for Submission

FSD Africa is inviting proposals from suitably qualified firms (or consortia) for the role of the Consultant. The proposal should contain:

- A description of your ability to complete the assignment within the proposed timeline;
- A description of how you intend to fulfil the deliverable requirements in the Proposed Scope of Work in Section 3, with particular attention made on your capabilities to work with Nairobi/Kenyan-stakeholders to deliver complicated, cross-departmental projects;
- Any proposed changes to the Proposed Scope of Work in Section 3.
- A summary of your relevant qualifications and experience for the assignment, based on the Key Qualifications and Assessment Criteria outlined in Sections 5 and 8;
- Outline of team structure, including roles and responsibilities of team members (if relevant);
- An itemised budget for both professional fees and reimbursable expenses, including fee rates, number of days and a breakdown of expenses, quoted in GBP. We would prefer this budget to be broken down by the three workstreams;
- CVs (max two pages per person) of key individuals, tailored to the assignment may be annexed.

Your proposal, which should not exceed ten pages (excluding annexures, CVs etc.), should be sent by email to FSD Africa at [bids@fsdafrica.org](mailto:bids@fsdafrica.org) by **12:00 PM East Africa Time on 26 February 2026** under a subject line reading **‘Call for Proposals: NCARP Phase I Workstreams 2-4’**

### 7.2. Criteria for Selection

**FSD Africa will select a Consultant based on their proposal’s ability to address the below criteria.** The selection of a Consultant will be carried out via open re-tender. If required, after our assessment, we may contact potential Consultants if we seek further clarification. All assessments will be carried out according to FSD Africa’s Procurement Policies.

The Consultant will demonstrate the following mandatory qualifications and experience:

- Demonstrate relevant professional experience delivering research, project development and/or consultancy services of a similar nature ideally across lower- and middle-income countries in Africa;
- Demonstrate a strong understanding of the Nairobi/Kenyan political economy, and in collaborating with a range of Kenyan/African actors. Previous experience in engaging a broad array of Kenyan/East African investors (incl. both domestic-based and Kenyan-focused in their activity) for specific transaction advisory services will be considered highly desirable;
- Demonstrate a solid foundational knowledge on key challenges and opportunities associated with financing adaptation-linked projects with environmental/social outcomes, evidenced through the response for proposal (e.g. incl. successfully completing assignments from the last five years that consider such factors);

The Consultant shall be assessed according to the following assessment criteria:

- The IP’s **experience**, technical expertise and qualifications relevant to the Scope of Work:
  - Previous experience of developing project pipelines and feasibility assessments, investment acceleration processes, with a weight on objective quantification of project benefits;
  - Previous experience of consultancy, research, strategy, economic assessment, project development services or climate risk advisory, preferably in Africa;
  - Previous experience in engaging a broad array of Kenyan (and African) public sector stakeholders/investors (incl. both domestic-based and international Kenyan-focused in their activity), with a strong preference for demonstrated experience in transaction advisory and dealmaking;
  - Previous experience engaging with topics associated with physical climate risk, economic and social vulnerability, or urban planning, including through the measuring, monitoring and reporting of co-benefits or development impact;

- Previous academic or policy experience in fields relevant to the Scope of Work;
- Where possible, referrals to support previous evidence of the above.
- The IP's **ability to execute** against the Scope of Work outlined in Section 3, especially in regards to WS2, including;
  - Proposal for resourcing that aligns with the level of effort required to deliver the Scope of Work and combines the right blend of resources by seniority and by specialist expertise (incl. a full level of availability for day-to-day personnel responsible for project management);
  - Proposal to contribute to the delivery of NCARP's objective alongside relevant NCCG personnel, external partners, and FSD Africa's programming, advocacy & communications teams;
  - Proposal to deliver the required prioritized pipeline, investor outreach, tools and outputs in a manner that allows for the continual receipt of feedback and appropriate engagement with FSD Africa and NCCG stakeholders;
  - Proposal to bring targeted transaction advisory services for identified projects, in order to ensure the bankability of the overall prioritised pipeline;
  - Proposal to develop a plan for the long-term sustainability of NCARP beyond Phase I, through capability building of NCCG to utilize the tools, relationships and process into the future, with an explanation on how you envisage you will co-work with NCCG on projects with development partners and;
  - Proposal to incorporate developmental (environmental and social) needs and priorities of prospective Nairobi beneficiaries through a discussion on how gender and vulnerable communities may be reflected through the Consultant's analysis.
- The IP's **sustainability value add** through:
  - Demonstration of localisation considerations (i.e. demonstrated use of African based consultants/team members), worth 50% of sub-weighting (i.e. 5% total)
  - Demonstration of team diversity (i.e. prioritisation of women & underrepresented groups), worth 25% of sub-weighting (i.e. 2.5% total)
  - Demonstration of environmental safeguards and ethical considerations (i.e. a formalised commitment to sustainability through eco-friendly practices, products/services as well as ethical practices such as fair treatment of employees), worth 25% of sub-weighting (i.e. 2.5% total)
- The IP's **quality of proposal, implementation recommendations and expected deliverables** in response to the Scope of Work (understanding, approach to the assignment, originality, relevance) and;
- The IP's **value-for-money proposal** for this assignment, based upon fees and total costs for this assignment.

The criteria for determining the winning bid will be weighted as per the table below.

| Basis of assessment:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Weighting   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| The IP's <b>experience</b> , technical expertise and qualifications relevant to the Scope of Work.                                                                                                                                                                                                                                                                                                                                                                                                    | 20%         |
| The IP's <b>ability to execute</b> against the Scope of Work outlined in Section 3.                                                                                                                                                                                                                                                                                                                                                                                                                   | 20%         |
| The IP's <b>quality of proposal, implementation recommendations and proposed deliverables</b> in response to the Scope of Work (understanding, approach to the assignment, originality, relevance).                                                                                                                                                                                                                                                                                                   | 20%         |
| The IP's <b>sustainability value add</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 10%         |
| The IP's <b>value-for-money proposal</b> for this assignment, based upon fees and total costs for this assignment. This will be calculated according to the below calculation. The lowest bid quoted will be allocated the maximum score of 30%. Fee quoted must be inclusive of applicable withholding tax.<br><br>$FS = 30\% \times LB/BP \text{ where:}$ $FS = \text{is the financial score}$ $LB = \text{is the lowest bid quoted}$ $BP = \text{is the bid of the proposal under consideration.}$ | 30%         |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>100%</b> |

## 8. Questions and Contacts

Questions or comments in respect of these terms of reference should be directed by email to [bids@fsdafrica.org](mailto:bids@fsdafrica.org), by **12:00 PM East Africa Time on 17 February 2026**. If relevant, responses to these questions will be published as an addendum on our website by **12:00 PM East Africa Time on 19 February 2026**.

## 9. Applicable Taxes

Please note that as per Kenya's tax law, FSD Africa will pay the Consultant after deducting the appropriate withholding taxes at the applicable rate between Kenya and the Consultant's country of tax residence, considering any tax treaties in force. It is the responsibility of the Consultant to keep themselves apprised of these applicable taxes.

| Country                                                | WHT Rate |
|--------------------------------------------------------|----------|
| Kenya                                                  | 5%       |
| United Kingdom                                         | 12.5%    |
| Canada                                                 | 15%      |
| Germany                                                | 15%      |
| India                                                  | 10%      |
| Non-resident rate for citizens of EAC member countries | 15%      |
| All other countries                                    | 20%      |