

Consultancy Service for Financial Structuring and Design of the CSA Concessional Credit Line and Smallholder Climate Finance Facility for the SICRAF-Mali Programme

1 Background and Context

1.1 Country and Programme Context

Mali is among the most climate-vulnerable countries in the Sahel region, with over 80% of rural households' dependent on rain-fed agriculture. The country faces intensifying climate hazards including shortened rainfall seasons, extreme storms, prolonged droughts, and flash floods. Agricultural financing in Mali is highly constrained, with credit-constrained households investing significantly less in climate-smart technologies, resulting in lower productivity and greater vulnerability to climate shocks.

The **Scaling Inclusive Climate-Resilient Agriculture Finance in Mali (SICRAF-Mali)** Programme aims to remove systemic barriers to climate finance and promote adoption of climate-smart agriculture (CSA) and renewable energy practices among smallholder farmers, cooperatives, and agribusiness micro, small, and medium enterprises (MSMEs). The Programme comprises two core components:

1. **Component 1:** CSA Concessional Credit Line supporting CSA and low-emission technologies and Targeted Smallholder Climate Finance Facility for vulnerable smallholder farmers
2. **Component 2:** Catalysing Access to Climate Finance through technical assistance

The agricultural financing landscape in Mali is highly constrained: 14 commercial banks collectively hold over 90% of financial sector assets but primarily serve large agribusinesses. Women and youth face systemic barriers to financial services and remain largely excluded from resilience-building opportunities. The National Bank for Agricultural Development (BNDA), accredited by the Green Climate Fund (GCF), serves as the Accredited Entity and Executing Entity. BNDA holds approximately 10% of banking deposits and 13% of credit market share, with 52% of its loan portfolio allocated to agriculture.

1.2 Rationale for This Assignment

The financial structuring of the CSA Concessional Credit Line and Smallholder Climate Finance Facility requires specialized expertise in capital architecture, concessional finance mechanisms, and risk-sharing design. This consultancy provides the financial engineering and operational systems for the two credit facilities.

The financial structures shall comply with GCF accreditation standards, fiduciary requirements, investment criteria, and the principle that financing is "no more concessional than necessary."

2 Objectives

The overall objective is to develop comprehensive financial structures and operational designs for the CSA Concessional Credit Line and the Smallholder Climate Finance Facility that ensure effective, efficient, and sustainable deployment of GCF concessional financing.

Specific Objectives:

1. Design the detailed financial architecture for the CSA Concessional Credit Line: capital structure, blending mechanisms, pricing frameworks, risk allocation, revolving fund mechanics.
2. Develop the financial structure and operational model for the Smallholder Climate Finance Facility with enhanced concessionality and inclusion mechanisms.
3. Establish concessional terms, interest rate structures, tenor frameworks, grace periods, and collateral requirements.
4. Define capital flow mechanisms: GCF → BNDA → PFIs (if applicable) → end beneficiaries.
5. Design risk mitigation and risk-sharing mechanisms based on existing mechanisms at national level.
6. Develop sustainability mechanisms: capital recycling, exit strategies, long-term viability frameworks.
7. Establish operational guidelines, loan product term sheets, and financial performance monitoring systems.
8. Ensure structural alignment with GCF fiduciary standards and Mali regulatory requirements.

3 Scope of Work

3.1 Work Package 1: Situation Analysis — Financial Structuring Lens

3.1.1 Financial Market and Regulatory Review

- Analyse Mali's agricultural finance pricing landscape: existing products, interest rates, collateral practices, tenor ranges
- Assess competitive positioning and the pricing gap that SICRAF facilities will address.
- Review regulatory framework: BCEAO directives on concessional lending, on-lending arrangements, collateral, and enforcement
- Assess tax implications and optimize structures for tax efficiency
- Evaluate AML/CFT compliance requirements affecting facility operations

3.1.2 Beneficiary Financial Capacity Review

- Review beneficiary segmentation findings from **the Feasibility & Market study** and extract: creditworthiness profiles, collateral availability, repayment capacity, and affordability thresholds by segment
- Review financial viability thresholds from the **Integrated Financial and Economic Analysis** report to inform loan product calibration
- Identify structural constraints requiring targeted financial product design

3.2 Work Package 2: Financial Structuring of the CSA Concessional Credit Line

3.2.1 Capital Structure Design

- Define the overall capital architecture blending GCF senior loans, BNDA co-financing, and other potential funding sources
- Establish capital allocation frameworks by beneficiary type, technology category, and geographic zone
- Design the revolving fund mechanism ensuring sustainable capital recycling
- Develop scenarios for capital deployment over 5-year implementation and 20-year investment duration
- Model capital adequacy requirements and determine optimal leverage ratios

3.2.2 Concessional Terms Framework

- Design the pass-through mechanism for GCF concessionality: BNDA → PFIs → end beneficiaries.
- Establish differentiated interest rate structures for beneficiary segments.
- Define tenor ranges, grace periods, and repayment schedules by technology type
- Develop collateral frameworks including alternative collateral mechanisms
- Establish minimum concessionality thresholds per GCF "no more concessional than necessary" guidelines

3.2.3 On-Lending Architecture

- Design the wholesale lending structure from GCF to BNDA
- Develop the on-lending framework from BNDA to PFIs
- Establish retail lending structures from BNDA/PFIs to end beneficiaries
- Define margin structures and fee frameworks at each intermediation level
- Develop contractual frameworks: loan agreements, guarantee structures, security arrangements

3.2.4 Risk Management and Mitigation Mechanisms

- Develop risk-sharing arrangements between GCF, BNDA, PFIs, and potentially other risk-bearing entities
- Establish eligibility criteria and credit assessment frameworks minimizing default risk
- Design portfolio diversification requirements by geography, value chain, and beneficiary type.
- Develop non-performing loan management protocols and work-out strategies

3.3 Work Package 3: Financial Structuring of the Smallholder Climate Finance Facility

3.3.1 Facility Design and Differentiation

- Design the specialized structure of the Smallholder Climate Finance Facility distinguishing it from the CSA Credit Line
- Define targeting mechanisms ensuring reach to the most vulnerable smallholder farmers, women, and youth
- Establish appropriate loan product features addressing smallholder-specific constraints
- Design incentive structures promoting inclusion of underserved segments
- Develop mechanisms preventing elite capture

3.3.2 Enhanced Concessionality Framework

- Establish enhanced concessional terms justified by higher risk and vulnerability profiles
- Design grant blending mechanisms to reach "last mile" borrowers where warranted
- Develop subsidized interest rate structures with clear rationale for concessionality levels
- Establish flexible collateral and guarantee frameworks
- Design stepped or graduated repayment schedules aligned with smallholder cash flows

3.3.3 Risk Mitigation for High-Risk Segments

- Design credit risk mitigation mechanisms for vulnerable smallholders with limited credit history
- Develop group lending and cooperative financing structures leveraging social capital
- Assess available or existing risk-sharing approaches available within the Malian context.
- Design emergency forbearance and restructuring protocols for climate shock events

3.3.4 Financial Inclusion Mechanisms

- Design mechanisms ensuring meaningful women's access to credit including differentiated terms where warranted
- Establish youth-focused financing windows with appropriate product features
- Develop financial literacy and business advisory linkages supporting borrower capacity
- Design measurement frameworks tracking gender and youth inclusion financial indicators

3.4 Work Package 4: Capital Flow and Fund Management Frameworks

3.4.1 Capital Flow Architecture

- Map detailed capital flows from GCF disbursement through all intermediation layers to end beneficiaries
- Design disbursement triggers, conditions precedent, and milestone-based release mechanisms
- Establish fund allocation methodologies balancing portfolio objectives with demand-driven deployment
- Develop drawdown and reimbursement procedures

3.4.2 Fund Management Systems

- Design fund accounting frameworks enabling separate tracking of GCF resources, co-financing, and revolving capital
- Establish financial management and internal control systems ensuring fiduciary integrity
- Develop reporting templates for capital utilization, portfolio performance, and financial sustainability
- Design audit trail mechanisms ensuring full transparency and accountability

3.4.3 Repayment and Capital Recycling

- Design repayment collection mechanisms from end beneficiaries through intermediaries
- Establish capital recycling protocols determining how repaid funds are redeployed
- Develop waterfall structures for allocation of repayments to interest, principal, fees, and reserves
- Design exit and capital repatriation mechanisms at end of investment period

3.5 Work Package 5: Operational Guidelines and Loan Products

3.5.1 Lending Guidelines and Procedures

- Develop comprehensive lending guidelines for BNDA and PFIs covering eligibility, appraisal, approval, and disbursement
- Design loan origination and processing workflows integrating climate risk screening and financial viability assessment tools
- Establish credit committee structures and approval authorities
- Develop loan documentation templates: loan agreements, promissory notes, security documentation

3.5.2 Eligibility and Selection Criteria

- Define clear eligibility criteria for borrowers by segment, technology or product category, geography, and other criteria as applicable

- Establish negative lists excluding non-eligible activities or technologies
- Design climate impact screening criteria ensuring investments deliver mitigation and adaptation outcomes
- Develop selection and prioritization frameworks when demand exceeds available capital

3.5.3 Loan Product Term Sheets

- Design the full portfolio of standardized loan products tailored to different beneficiary segments and investment types
- Develop term sheets for each product specifying: loan amounts, tenors, interest rates, grace periods, collateral requirements, and conditions
- Design flexible product features enabling customization within defined parameters
- Establish product approval and updating procedures

3.5.4 Financial Performance Monitoring Tools

- Develop KPIs for portfolio health, capital utilization, and financial sustainability
- Design reporting templates for portfolio monitoring
- Establish early warning systems for portfolio deterioration
- Develop scenario planning tools for adaptive management

3.6 Work Package 6: Technical Documentation and review

1. Prepare comprehensive technical reports documenting all financial structures, methodologies, and rationales
2. Develop operational manuals for credit facility implementation
3. Incorporate any comments that may be shared subsequently by the GCF Secretariat, CIC3 and ITAP during their review process.

4 Deliverables

1. Comprehensive Report on CSA concessional credit line and Smallholder Climate Finance Facility design.
2. Operations manual for the loan and/or reimbursable grant component.

5 Qualifications and Requirements

The firm must demonstrate:

- At least 10 years of technical experience in business development, financial modelling, credit model development, or other related fields.
- Demonstrated experience and availability of key individuals with applicable skills to provide the requested services.
- Proven experience in financial design of credit programs.

- Prior experience with BNDA or comparable agricultural development banks in the WAEMU zone on similar assignments.
- Knowledge of BCEAO prudential regulations, West African credit market practices, and agricultural lending regulatory environment
- Proven writing and analytical skills in drafting technical reports, and developing financial and credit models
- Declaration that the firm has not been debarred by the GCF, World Bank, AfDB, or any other multilateral development institution
- Working knowledge in both English and French.

6 Evaluation Criteria

The evaluation of candidates will be carried out based on the information provided in the application and according to the criteria for evaluating offers and BNDA's internal policies and procedures.

	Description	<i>Maximum Score</i>
1	Specific experience of the firm in performing similar assignments in the last five years	30
2	Competence and capacity of the key staff for the assignment	20
3	Adequacy of The Proposed Work Plan in Responding to The Terms of Reference [Detailed work plan: List of proposed activities; Adequacy of proposed timelines; Synchronization of activities]	10
4	Understanding and Conformity of the Tenderer's Response to the Terms of Reference (TORs) and Completeness of Description of Methodology. Preparation of the deliverables In Line with GCF Requirements [Clarity of scope of work; Clearly explained procedure; Theoretical/conceptual framework; Clearly defined inputs and outputs]	20
5	Financial proposal put forward by the consultant	20
TOTAL SCORE		100

6.1 Administrative Documents

Under this Call for Proposals, BNDA requires bidders to submit the following administrative documents:

- A valid Commercial Registration Certificate;
- A valid Tax Clearance Certificate and proof of compliance with social security obligations;
- A Certificate of Non-Bankruptcy issued no more than three (3) months prior to the submission date.

Note: Failure to provide any of the above documents shall result in the rejection of the proposal.

In addition to the administrative documents, each bidder shall submit separately:

- **Technical Proposal;** and
- **Financial Proposal.**

6.2 Technical Proposal

The Technical Proposal shall include, at a minimum:

- A Proposal Submission Letter signed by the duly authorized representative of the consulting firm;
- A presentation of the firm, its organizational structure, areas of expertise, and key competencies;
- Relevant references and experience in carrying out similar assignments, particularly in the areas covered by these Terms of Reference (TOR);
- A clear understanding of the objectives of the assignment, the associated challenges, and the expected results;
- The proposed methodology and technical approach, including in particular:
 - the different phases of implementation;
 - the main activities to be carried out;
 - the tools and methods to be employed;
 - the quality assurance mechanisms to be applied to the deliverables;
- A detailed work plan and implementation schedule;
- An approach describing how any comments or recommendations from the Green Climate Fund (GCF) will be addressed and incorporated;
- The composition of the proposed team, specifying the roles and responsibilities of each expert;
- Detailed curricula vitae (CVs) of the key experts, signed or otherwise endorsed by the individuals concerned, highlighting their relevant qualifications and experience;
- The availability and mobilization arrangements of the proposed experts;
- Any additional information the bidder considers useful in demonstrating its capacity to perform the services covered by the contract.

6.3 3.3 Financial Proposal

The Financial Proposal shall be submitted separately from the Technical Proposal and in sufficient detail to allow for a transparent evaluation of costs.

It shall include, in particular:

- Fees of international experts;
- Fees of national experts, where applicable;
- The number of person-days allocated to each expert;

- Travel and transportation costs;
- Accommodation and subsistence expenses;
- Any other costs directly related to the performance of the services;
- Applicable taxes, duties, and other charges;
- The total amount of the Financial Proposal.

The bidder shall provide a detailed cost breakdown by activity, deliverable, or expenditure category.

The Financial Proposal shall be expressed in **United States Dollars (USD)**.

6.4 3.4 Evaluation of Financial Proposals

The Financial Score (**Nf**) shall be calculated as follows:

Let **Fm** be the amount of the lowest-priced Financial Proposal.

This proposal shall receive a Financial Score of **100 points**.

The Financial Score of the other bidders shall be calculated using the following formula:

$$Nf = 100 \times Fm / F$$

Where:

- **Fm** = amount of the lowest-priced Financial Proposal;
- **F** = amount of the Financial Proposal under evaluation.

6.5 Final Ranking and Contract Award

The contract shall be awarded to the bidder obtaining the highest combined score resulting from the technical and financial evaluations.

The Overall Score (**N**) shall be calculated as follows:

$$N = [80 \times \text{Technical Score (Nt)} + 20 \times \text{Financial Score (Nf)}] / 100$$

The contract shall be awarded to the bidder obtaining the highest Overall Score.

7 Proposal Submission Instructions

Bidders are invited to submit their Technical and Financial Proposals, together with all required supporting documents, in electronic format and protected by password, to the following email addresses:

- ASCOULIBALY@bndamali.com
- SETRAORE@bndamali.com

- modiallo@bndamali.com

The deadline for submission of proposals is: **10 November 2026 at 4:00 p.m. (Bamako time)**.

The passwords or access keys required to open the submitted files shall be transmitted separately on: **11 November 2026** to the same email addresses listed above.

Any request for clarification regarding the preparation of proposals may be submitted by email to: ascoulibaly@bndamali.com

Any proposal received after the submission deadline may be rejected as non-responsive in accordance with the provisions governing this selection process.

8 Contract Duration and Implementation Schedule

The services covered by the contract shall be carried out over a period of thirty (30) working days, commencing from the date of contract award notification to the successful bidder

The detailed implementation schedule shall be finalized with the successful bidder upon commencement of the assignment and shall comply with the requirements set out in these Terms of Reference.