



REQUEST FOR PROPOSALS

Title: Feasibility Study for Bangladesh Orange Bonds

Date of Issuing: November 27, 2024

Deadline for Submitting Questions and Seeking Clarifications: December 04, 2024

Deadline for Application: December 10, 2024

About IIX

Impact Investment Exchange (IIX) is a pioneer in the global impact investing movement, dedicated to reshaping finance for sustainable development. For over a decade and a half, we have been building the sustainable investing market, from establishing the world's largest crowdfunding platform for impact investing (Impact Partners™), operating award-winning enterprise technical assistance programs, creating innovative financial products such as the Women's Livelihood Bond™ Series, (listed 6 bonds in the public market with zero credit default) and establishing an Impact Institute and Research & Advisory practice. Our work spans 60 countries globally, where we have mobilised nearly US\$500 million of capital, positively impacted over 160 million direct and household lives, avoided over 1.9 million metric tons of carbon, and collected over 90,000+ data points on sustainable micro, small, and medium enterprises (MSMEs).

Purpose and Scope of this Request for Proposals (RFP)

This RFP seeks to engage a qualified entity to conduct a comprehensive feasibility study, co-produced with IIX, for launching Orange Bonds in Bangladesh.

The [Orange Movement™](#) was conceived to unite public, private, and civil society actors in advancing sustainable agendas, drawing from the color of **SDG 5: Gender Equality**, 'Orange' blends aspects of climate and gender for environmental and social impact. Spearheaded by a Steering Committee including [Impact Investment Exchange](#) (IIX), the Australian Department of Foreign Affairs and Trade (DFAT), the United States International Development Finance Corporation (DFC), ANZ, Nuveen, and Water.org, this movement seeks to mobilize **US\$10 billion** by 2030 through the [Orange Bond Initiative™](#), to impact **100 million** women, girls, and gender minorities globally.

The Orange Movement™ operates through various channels, including capital mobilization, data transparency and measurement, research and insights, establishing inclusive financing frameworks, and the Orange Pledge. With a particular focus on the Global South, the Orange Movement aims to drive capital toward high-potential and high-impact businesses, showcasing developing and emerging countries as leaders in achieving the UN SDGs through innovative financial instruments. Leveraging innovations in

technology and capital structures, it aims to catalyze capital toward intersectional inclusion and climate action.

The Orange Bonds in Bangladesh aim to leverage capital market instruments to advance inclusive development and growth while addressing challenges in gender equality and climate action by supporting women-focused businesses and MSMEs, climate-resilience projects, and social impact ventures.

As an innovative cross-cutting financial tool, the Orange Bond is positioned to catalyze positive change for women, girls, and gender minorities while contributing to climate adaptation and mitigation efforts. To ensure the viability of the Bangladesh Orange Bonds, a detailed feasibility study, co-produced with IIX, is essential to evaluate the market demand, regulatory framework, risk assessment, and long-term sustainability of the bond. The study will examine market demand, regulatory readiness, financial viability, and the socio-economic and environmental challenges and opportunities specific to Bangladesh.

The study will also involve identifying and engaging key ecosystem stakeholders through interviews and at least 3 consultations to gain insights and feedback that further inform the study findings and recommendations.

The selected entity is required to perform the feasibility study as per the detailed terms of reference and scope of work outlined in Annex 1.

Deliverables

The selected entity is expected to produce the following deliverables:

1. **Implementation Roadmap:** A phased action plan for launching, marketing, and operationalizing the Bangladesh Orange Bond.
2. **Risk and Impact Analysis:** An in-depth assessment of risk factors and the anticipated social and environmental impact.
3. **Financial Model:** A dynamic model assessing financial projections, returns, country-level financials and repayment, currency risks, and other macroeconomic factors impacting bond performance.
4. **Stakeholder consultations:** Interviews and at least 3 consultation sessions with key stakeholders to gain market insights and feedback.
5. **Feasibility Study Report:** A comprehensive document presenting all findings, analyses, and actionable recommendations.

Methodology

The selected entity will employ a mixed-methods approach, combining qualitative and quantitative research to ensure a comprehensive assessment:

- **Desk Research** to gather data on existing gender bonds and similar social bonds globally.



- **Stakeholder Interviews and consultations** to gain insights from key participants, including investors, regulatory bodies, and civil society.
- **Data Analysis** to examine financial projections, social impact metrics, and environmental impact indicators.
- **Workshops and Focus Groups** for iterative feedback from a broad range of stakeholders, enhancing alignment and buy-in.

Project Timeline

Total Project Duration: 14 Weeks

Phase	Duration
Project Kickoff and workplan	Week 1
Data research and information gathering for economic and financial market assessment	Weeks 2–4
Review of regulatory environment and providing recommendations	Weeks 5–6
Identifying and mapping key stakeholders in the bond value chain	Weeks 7-8
Analysing the bond structure options, risk assessment and mitigation, and financial viability	Weeks 9–12
Stakeholder engagement and feedback	Weeks 12–13
First draft of the Study report	Week 13
Final Report & Presentation	Week 14

Application Process

Interested candidates should submit the following documents:

1. **Technical Proposal** (5-7 pages): This should outline the organizational capacity, relevant experience, and approach to the assignment.
2. **Financial Proposal:** Provide a detailed cost estimate in Singapore Dollars (SGD), covering all activities and deliverables.
3. **Key Personnel Documentation:** Include resumes and qualifications for key team members.



Complete proposals must be submitted on or before December 10, 2024 (23.59hrs Singapore time: UTC+08:00) via email to orangeadvisory@iixglobal.com.

The Technical Proposal should be in English and submitted as a PDF or Word document, and the Financial Proposal should be in Excel format. All questions and requests for clarification must be submitted by December 04, 2024 to orangeadvisory@iixglobal.com or tishrat@iixglobal.com.

Eligibility Criteria

- The applying entity must be legally registered in Bangladesh.
- A minimum of 5 years of experience in conducting feasibility studies or market research, with a preferred expertise in sustainable finance or impact investing.
- Proven knowledge and experience in gender equality, climate finance, and alignment with the UN Sustainable Development Goals (SDGs).
- Demonstrated capacity to engage with diverse stakeholders within Bangladesh and a well-established network of Government, private sector, public sector, and civil society in the country..

Evaluation Criteria

Evaluation Criteria	Criteria Weightage
Organizational Capacity	25%
Experience with Similar Assignments	20%
Proposed Approach & Methodology	35%
Experience and Qualification of Key Personnel	20%

Technical Proposal weight: 70%

Financial Proposal weight: 30%

RFP Terms

- All information provided by IIX shall be treated as confidential and not disclosed to third parties.
- IIX reserves the right to cancel or amend this RFP at any time.
- IIX is not obligated to accept the lowest-priced bid and will evaluate proposals based on technical and financial merit.
- The successful applicant will be required to sign a contractual agreement with IIX based on the final agreed upon terms.

Annex A: Detailed Terms of Reference (ToR)

The breakdown of the feasibility study components includes (but is not limited to) -

1. Bangladesh's Macroeconomic and Development Context

- Overview of the current socio-economic landscape
- Post-revolution economic challenges, opportunities, and key priorities
- Landscape of energy security and climate action for sustained development
- Review of financial markets, including current status, financing avenues and mechanisms
- Need for innovative and inclusive financial strategies.
- Role of international partners and support in economic growth

2. Financial Markets Assessment: Demand & Supply Side Analysis of Capital

Economic & Financial Overview

- Overview of Bangladesh's financial and capital markets and analysis of sustainable and development finance initiatives
- Importance of revitalizing financial sector, focusing on transparency and tackling capital flight
- Identify ecosystem gaps, key players, and strategic economic sectors (infra, agri, RMG etc)
- Identify key stakeholders, including governmental bodies, NGOs, and private sector entities, who could support or impact the Orange Bond initiative.
- Map the value chains that the Orange bonds will create

Demand Side of the Capital

- Economic sectors and businesses that have the greatest potential to generate impact at the grassroots level, including women and disadvantaged populations, and drive growth
- Capital requirements and gaps for SMEs, corporations, financial institutions, infrastructure companies, particularly supporting inclusive development and economic recovery
- Analyze Nature Based Solution injected in the value chain of the various sectors
- Assess the skills transferability (of labour and talent) in the strategic sectors (such as RMG) for expanding the local value chains and diversify production capabilities and economic base

Supply Side of the Capital

- Current capital providers in the market (including international agencies, banks, Government, financial institutions)
- Potential fresh sources of capital supporting economic growth and recovery
- Gaps in provision of capital towards SMEs, key sectors, and development infrastructure
- Commitments of international agencies and development organizations to support rebuilding

Achieving Growth, Inclusive Development, and Climate Action through Financial Markets

- Analysing disparity in financial markets, highlighting gaps in access to financing for women and vulnerable populations (comparison with other markets such as Indonesia and Vietnam)

- Supporting development through Gender-Smart Climate Finance - impact of climate action and gender equality on growth, sustainable development, job creation, and economic resilience
- Case study: Gender-diverse companies outperforming less-diverse counterparts in profitability and risk management (donor programs in Bangladesh)

3. Findings and Insights: Stakeholder Engagement and Feedback

- Develop a stakeholder engagement framework, including workshops, interviews, and collaborative sessions
- Analysis and summary of feedback from stakeholder consultations, interviews, and roundtables

4. Introducing the Orange Movement™ in Bangladesh

- Overview, impact, and benefits (social, economic, systemic, development) of Orange Movement in Bangladesh
- Integrating Orange Movement to enhance Bangladesh's appeal to global investors

5. Orange Bonds for a Stable and Resilient Bangladesh

- Overview and relevance of the Orange Bond Principles in Bangladesh's development context
- Potential of Orange bonds in enabling just energy transition for enhanced energy independence and security, and expanding and building local economic and production base
- Analysing the potential social outcomes of Orange Bonds, including gender empowerment, job creation, and social equity
- Role of Orange bonds in helping build the sustainable finance and capital markets in Bangladesh
- Assessing potential environmental impact by examining activities the bond could support

6. Enabling Regulations for Orange Bonds in Bangladesh

- Review Bangladesh's regulatory environment and frameworks, including securities regulations, bond issuance requirements, and guidelines for sustainable finance
- Gaps and constraints in the regulations, policies, and incentives: Reforms needed to enable use of bond proceeds in Bangladesh and develop the local bond market
- Comparative analysis of other emerging markets: Frameworks and regulations in other emerging markets, especially Indonesia
- Recommend necessary policy or regulatory adjustments to support the Orange Bond's success

7. Key Participants and Stakeholders in the Orange Bonds

- Evaluating interest and appetite for Bangladeshi Orange Bonds from across stakeholder categories, including HNWIs, diaspora, DFIs, private sector, institutions
- Mapping potential global issuers such as the International Finance Corporation (IFC) and the Asian Development Bank (ADB), along with key private sector players like IIX
- Role of international governments, UN, World Bank, which are committed to asset recovery initiatives, in helping repatriate wealth, utilizing Orange bonds.
- Role of the Government of Bangladesh in the bond value chain

8. Designing the First Orange Bond for Bangladesh

Structure and Terms

- Evaluate various bond structure options for Bangladesh (including Traditional bond, Hybrid structure, Fund structure)
- Suggest initial terms such as proposed bond size, tenure, de-risking mechanisms
- Incorporating the Orange Seal for monitoring and reporting
- Establish key milestones and deadlines for the bond issuance.
- Identify potential of nature-based solution to be a part of the bond structuring and payment

Fund Allocation and Utilization of Proceeds

- Identify areas for utilisation of funds, including potential capacity building and technical assistance to bond value chain stakeholders
- Map target borrower profiles – financial institutions, infrastructure development projects, and high-impact businesses in sectors such as RMG, agriculture, and community-centered solutions while promoting SME development, women empowerment, and youth job creation
- Financial and Economic Viability: Assess Bangladesh country-level financials, sector-level financials, handpicked companies who can be grown. Further, evaluate currency risks, inflation, and other macroeconomic factors impacting bond performance.

Bond Issuance

- Analysing and recommending international markets for the bond issuance to access global investors and enhance liquidity, such as Singapore
- Mapping process of issuing the bond including legal requirements, underwriting, etc.
- Repayment and monitoring of the Bond, transparent and verifiable impact measurement, compliance with Orange Bond requirements

Risk Assessment and Mitigation

- Identify primary risks associated with Orange Bonds, including financial, social, and operational
- Propose risk mitigation strategies, especially those related to gender and environmental impact

9. Recommendations and Roadmap

- Based on the findings, provide actionable recommendations focusing on structural elements, investor appeal, and social and environmental outcomes.
- Outline a phased step-by-step roadmap for the launch, marketing, and operationalization of the Bangladesh Orange Bond, such as awareness building, training, market readiness, stakeholder engagement, bond structuring, monitoring and reporting