

Request for Proposal

For: Financial Structure Design and Risk Assessment Support for a Carbon Removal Fund

Date Issued: 19th November 2024

Proposal Due date: 11th December 2024

EIT Climate-KIC is looking to procure two separate supporting services for its new initiative, a Carbon Removal Fund: **financial structure design** and **risk assessments**. This Request for Proposal outlines the requirements for both types of roles, but we will accept individual applications for each of these services.

1 Overview

1.1 Executive Summary

This is a Request for Proposal (RFP) that details EIT Climate-KIC's requirements for services. Please treat this document in accordance with the confidentiality obligations detailed further in this document.

Services and/or goods requested	EIT Climate-KIC is looking to engage qualified individuals or organisations with expertise in financial structuring and sustainability to assist in the creation of a robust financial framework for a Carbon Removal Fund. EIT Climate-KIC is also looking to procure qualified individuals or organisations to conduct comprehensive risk assessments for the Fund's projects, ensuring the Fund's portfolio aligns with its mission and delivers sustainable, impactful returns.
The legal entity requesting these goods and/or services	Climate-KIC Holding B.V.
Services and/or goods will be delivered to the following locations	Services will be delivered remotely during CET business hours.
EIT Climate-KIC Contract Manager for submitting proposals and inquiries	Ana Yovtcheva Finance Innovation Analyst ana.yovtcheva@climate-kic.org

1.2 Timelines

EIT Climate-KIC has set the following indicative timelines for this RFP:

Planned Date*	Milestones
19 th November 2024	RFP Issue Date
11 th December 2024	Submission Deadline
13 th December 2024	Supplier selection & contract award



* EIT Climate-KIC reserves the right to amend this timetable during the RFP.

1.3 How you can participate

1. Review the RFP documents provided by EIT Climate-KIC.
2. Email the Contract Manager letting us know you will submit a proposal (within 2 business days if possible).
3. If you have questions on the RFP, email the Contract Manager at least 5 business days before the submission deadline. We aim to respond in a timely manner wherever possible.
4. Submit a proposal following the requirements at Section 6 by the Submission Deadline stated at Section 1.2.
5. EIT Climate-KIC will assess bids and notify bidders following the timeline at Section 1.2.

1.4 About EIT Climate-KIC

EIT Climate-KIC is the EU's climate innovation initiative, working to accelerate the transition to a zero-carbon and resilient world by enabling systems transformation. Headquartered in Amsterdam, it operates from 13 hubs across Europe and is active in 39 countries. EIT Climate-KIC was established in 2010 and is predominately funded by the European Institute of Innovation and Technology (EIT), a body of the European Union.

As a Knowledge and Innovation Community (KIC), it brings together more than 400 partners from business, academia, the public and non-profit sectors to create networks of expertise, through which innovative products, services and systems are developed, brought to market and scaled-up for impact. See <https://www.climate-kic.org/> for more information.

2 Confidentiality

All information provided in this Request for Proposal (hereinafter "RFP") document and any information that may be subsequently disclosed during discussions, correspondence and negotiations is confidential and must not be disclosed to any other party or used for any other purpose whatsoever without the prior written permission of Climate-KIC Holding B.V. or relevant subsidiary (hereinafter "EIT Climate-KIC").

The Supplier must not disclose any such information, materials, specifications or other documents to any third parties or to any other part of the Supplier's group or use them for any purpose other than for the preparation and submission of a response to this RFP. The Supplier must not make any press announcements or publicise in any way EIT Climate-KIC's name, this document, the quotation process or any subsequent agreement without the prior written consent of EIT Climate-KIC.

EIT Climate-KIC may require the execution of Non-Disclosure Agreement as part of this RFP or for future commercial engagements. As part of preparation for the submission of the response and in any subsequent negotiations, the Supplier is allowed to disclose confidential information to others within the Supplier organisation, external advisors or subcontractors, provided that the confidentiality conditions are adhered to.

Employees of either party who have access to confidential information must be notified of their obligations with regard to confidentiality and of the disciplinary proceedings which will result if confidentiality conditions are breached.



3 Introduction and Background

Since EIT Climate-KIC was founded by the EU over 15 years ago, we have supported over 6,000 climate-positive companies to scale and attract over €3 billion in follow-on investments. We channel €100 million a year into climate innovation, giving us extensive experience in identifying and setting up for success high-impact solutions.

We are constantly innovating ourselves in the pursuit of new means of matchmaking the needs of our partners on both the demand and the supply side of climate solutions. Our next venture is a Carbon Removal Fund, our first step towards stimulating the carbon removal market and promoting the widespread adoption of these solutions.

The Climate-KIC Carbon Removal Fund directly addresses the limited supply of high-quality carbon removal credits by providing essential upfront capital to innovative carbon removal projects against future credit delivery. The Fund is still in business development stage, but we have validated the concept with potential Fund partners, investors and prospective portfolio companies.

We are now looking for financial experts who can help us ensure that the Fund's structure is both effective in attracting investment and creating long-term impact. We are also seeking the support of experts in climate risk assessments who can help us evaluate the technical, financial, operational, and market risks associated with the potential portfolio companies and their projects.

So far, we envision the following Fund aspects:

- Fund Size: €100 million
- Investment period: 4-5 years
- Minimum Investment: €1 million
- Fund Launch: Q2 2025
- Portfolio: Diverse mix of both NbS and tech-based carbon removals, mostly from European-based companies with global projects
- Commercial Structure: Investor capital pre-pays for future carbon credits through Forward Purchase Agreements (FPAs), unlocking upfront funding for start-ups to scale. There is no ongoing revenue share or equity stake. Investors can choose whether to receive the credits directly or the revenue from their sale to third parties, managed through Climate-KIC.
- Full business independence: There will be no interference with broader business operations or dilution, allowing project developers to make a clean exit once the credits are delivered.
- Credit pricing: The price per credit will be determined on a project-by-project basis, reflecting both the amount of funding required and the volume of credits that can be delivered over the investment period, but rates will be locked-in.

4 Specification

4.1 Scope

4.1.1 Financial Expert

EIT Climate-KIC is requesting quotations to work with a Financial Expert to help with structuring and modelling the Fund.

In particular, the Consultant will be expected to deliver the following tasks:

- Analyse trends in carbon removal financing and identify best practices.

- Develop a comprehensive financial model for the fund, including revenue streams, risk assessments, and return-on-investment projections.
- Propose scenarios for fund growth and sustainability over 5, 10, and 20 years.
- Design the operational framework of the fund, including governance, capital allocation, and investment criteria.
- Establish performance metrics and impact assessment tools.
- Identify and recommend strategies to attract diverse stakeholders and secure partnerships.

Additional services related to this Scope may be requested on a day rate basis. Please ensure a rate card is included with your submission and any other applicable costs associated with supplementary services.

The supplier will ensure sufficient financial, economic, technical and professional capacity to deliver the services in an efficient and effective manner.

4.1.2 Risk Assessment Expert

EIT Climate-KIC is requesting quotations to work with a Risk Assessment Expert to help with assessing projects in the Fund pipeline.

In particular, the Consultant will be expected to deliver the following tasks:

- Evaluate the maturity and scalability of technologies and methods used by the potential portfolio companies.
- Evaluate the technical risks of the proposed portfolio projects by reviewing the project designs, their yearly carbon projections and underlying assumptions and references used, etc.
- Assess risks related to R&D, intellectual property, and compliance with industry standards.
- Review project financial models and projections for accuracy and feasibility, and identify risks related to capital structure, cash flow, and funding gaps.
- Evaluate regulatory and political risks, including compliance with carbon market standards and policies, implications of host countries' NDC carbon accounting approaches, potential impacts of local political landscape on the execution of the project, etc.
- Assess risks related to supply chain, human resources, and organisational structure.
- Review potential environmental and social risks tied to project execution.
- Recommend ongoing monitoring frameworks to manage risks over time.

Additional services related to this Scope may be requested on a day rate basis. Please ensure a rate card is included with your submission and any other applicable costs associated with supplementary services.

The supplier will ensure sufficient financial, economic, technical and professional capacity to deliver the services in an efficient and effective manner.

4.2 Deliverables

4.2.1 Deliverables for the Financial Expert

The Consultant is expected to coordinate with the Climate-KIC team to gather the necessary information for the successful completion of each deliverable, namely:

Deliverable 1: Detailed Financial Model

Deliverable 2: Fund Structure Blueprint

Deliverable 3: Impact Assessment Framework

Deliverable 4: Stakeholder Engagement Strategy

Deliverable 5: Final report or presentation with recommendations

4.2.2 Deliverables for the Risk Assessment Expert

The Consultant is expected to coordinate with the Climate-KIC team to gather the necessary information for the successful completion of each deliverable, namely:

Deliverable 1: Risk Assessment Reports for each potential portfolio company

Deliverable 2: Portfolio Risk Dashboard, aggregating the overview of risks across the portfolio and highlighting high-priority areas

Deliverable 3: Final report or presentation summarising findings

4.3 Service Level Requirements

In providing goods and/or services to EIT Climate-KIC, the following service levels are requested:

- Services are requested during business hours 9am to 6pm CET, excluding public holidays.
- The provider is to propose a suitable service level agreement to ensure key elements of goods and/or services delivery are defined, aligned and tracked over time. This should include escalation channels, performance indicators / targets and mechanisms for remediation of ongoing missed performance targets (e.g. credits, rebates or reimbursement).
- The service provider should be generally contactable and responsive during business hours by phone or email.
- Services should be delivered by professionally competent and appropriately experienced individuals.

4.4 Sustainability

In order to uphold our commitment to sustainability, EIT Climate-KIC aims to minimise any negative impact we may have on the natural and built environment by effectively managing our resources.

In the efforts to procure in a sustainable manner with minimal impact, the following requests are made of the bidder:

- The services are to be delivered digitally following a paperless policy
- We ask our service providers to consider the greenhouse gas emissions from transport to our offices and events. Cycling, walking, public transport and rail are preferable over air travel wherever possible.
- We love to hear what suppliers are doing to minimise impact. Feel encouraged to share your approach and policies if applicable.

4.5 Eligibility

EIT Climate-KIC reserve the right to reject proposals where the proposed supplier:

- Has insufficient technical, professional or financial capacity to deliver the services;
- Has been bankrupt or insolvent (last 7 years);
- Is sanctioned by a relevant authority;

- Does not comply or has previously not complied with our [Ethical Standards for Contractual Counterparties](#);
- Has been convicted of crime, links to terrorism, breach of tax or social security obligations;
- Is an individual prior employee of an EIT Climate-KIC or group entity (discretionary basis);
- Will continue to be a full-time employee of an EIT grant recipient or EIT Climate-KIC partner during the contract term (discretionary basis).

If any of these scenarios apply, please make EIT Climate-KIC aware in your submission.

4.6 Required Experience and Capabilities

4.6.1 Financial Expert

The team or individuals delivering the services should be able to demonstrate the following experience and capabilities:

- Proven track record in designing financial models and structures for funds, particularly in the sustainability or environmental sector.
- Experience in developing strategies to attract and secure funding.
- Working knowledge of global carbon markets, including regulatory frameworks, pricing mechanisms, carbon credit systems and the different carbon removal approaches in the market.
- Expertise in designing governance and operational frameworks for large-scale funds.
- Developing and delivering analytical and professionally written reports.

4.6.2 Risk Assessment Expert

The team or individuals delivering the services should be able to demonstrate the following experience and capabilities:

- Proven expertise in conducting risk assessments, particularly for climate-focused ventures.
- Strong understanding of global carbon markets, including regulatory frameworks, pricing mechanisms, carbon credit systems and the different carbon removal approaches in the market.
- Demonstrated experience in evaluating technical, financial, operational, political and regulatory risks.
- Exceptional analytical skills and experience working with diverse stakeholders.

4.7 Payment & Invoicing

- Payments will be made following provision of a correctly rendered undisputed digital (via email) invoice to EIT Climate-KIC. The EIT Climate-KIC contract manager will inform the successful bidder where to submit invoices.
- Payment terms associated with delivery of the goods and/or services must be not less than net 30 days.
- EIT Climate-KIC can provide a purchase order number to be referenced on invoices.
- Where EIT Climate-KIC is requesting services over longer periods of time, we ask that bidders invoice in a pay as we go model (e.g. billed on a monthly consolidated invoice based on work completed or completion of deliverables).
- Requests for deposit payments are generally not accepted.

- If the bidder is requesting any form of payment prior to delivery of goods and/or services, this must be raised with EIT Climate-KIC.
- If submitting invoices for subscription services, please ensure these fees are itemised and priced at line level.

4.8 Contract Management

A one-off agreement is proposed for award of work.

EIT Climate-KIC can share their standard terms and conditions but will consider the bidder's own terms and conditions on the basis that the bidder can incorporate the following:

- EIT Climate-KIC requires that that service providers provide an indemnity to EIT Climate-KIC for breach of third-party intellectual property rights;
- EIT Climate-KIC's primary source of funds is the European Institute of Innovation and Technology (EIT) eit.europa.eu/. Consequently, EIT Climate-KIC is obliged to pass through certain FPA/SGA terms to all service provider and service providers are required to agree and comply with such terms. See <http://www.climate-kic.org/policies/>;
- In addition, EIT Climate-KIC will ask that service providers comply with the Ethical Standards for Climate-KIC Contractual Counterparties available at <https://www.climate-kic.org/policies>
- Service providers are required to comply with EIT Climate-KIC's standard data protection clauses (can be provided in advance on request) and provide an indemnity for any breach;
- The liability of the service provider to EIT Climate-KIC (and affiliates) to be uncapped in respect of breach of data protection clauses. For all other heads, liability of the service provider to EIT Climate-KIC (and affiliates) may be capped at a reasonable multiple of fees not less than 2X. If applicable, EIT Climate-KIC liability to service provider also be similarly capped;
- No indemnities extended by EIT Climate-KIC to service providers.

5 Award Criteria

EIT Climate-KIC will assess bids based on the following factors:

Component	Weighting
Cost – the total cost for providing the scope.	40%
Quality – suitability and capability of the proposed services to deliver the scope and requirements, as evidenced by the proposal.	30%
Experience and Capabilities – ability to meet the requirements in Sections 4.1 & 4.2, as evidenced by the proposal.	30%
Total	100%

6 Instruction to Bidders

6.1 Responding with your proposal

EIT Climate-KIC are requesting the following are submitted to bid on this contract:

1. **A Proposal** that sufficiently details the bidder's solution and responds to the requests contained in this document.

- The bidder is kindly asked to include their trading name, VAT or tax identification number (if applicable) and registered trading address (*please note, address is not required for an individual*).
 - Professional references that can be reached by EIT Climate-KIC to verify previous services delivery
2. **A Quotation** that meets the requirements described at Section 6.2
 3. Resumes of individuals that will be assigned to conduct the services for EIT Climate-KIC

Any alternative solutions or services that the bidder may wish to bring to the attention of EIT Climate-KIC should be included at the end of your response. EIT Climate-KIC reserves the right to reject RFP responses that do not confirm with these guidelines.

All responses shall be made to the Contract Manager (refer Section 1.1) via electronic copy

6.2 Quotation requirements

EIT Climate-KIC request that bidders quote in the following manner as appropriate to delivery of the services:

- 6.3 Please provide itemised quotations in Euros and specify if the quote includes / excludes VAT or any other taxes;
- 6.4 grades of employment that will be conducting services for EIT Climate-KIC (e.g. day rate) instead of averaged rates. These may be used for additional services.
- 6.5 The quotation is requested to include a week-by-week resource plan with resolution on role title, days and day rates to reach a total proposed labour cost. Please refer **Table 2** as an example.
 - Travel and subsistence for these services are strictly limited. Domestic travel and subsistence will not be reimbursed unless agreed in advance and in writing with EIT Climate-KIC. If you require international transport and/or accommodation, please make this clear and estimate costs in your quotation. Time for travel will not be billable hours.
 - Include all applicable costs or charges associated with providing the goods and/or services in your quotation.
 - Please quote on a company letterhead or similar company form where possible with the resolution described in **Table 1** at a minimum. Where a resource plan can be provided or explicitly requested, please refer the example in **Table 2**.

Table 1: Provided quotations to include the following details

Item and unit cost (in Euros excluding VAT)
<ul style="list-style-type: none"> • Services as per Section 4.1
<ul style="list-style-type: none"> • Deliverable 1 as per Section 4.2 • Deliverable 2 as per Section 4.2 • Deliverable 3 as per Section 4.2 • Deliverable 4 as per Section 4.2 • Deliverable 5 as per Section 4.2
TOTAL:
Rate card for services (per day/hour, in Euros excluding VAT):
<ul style="list-style-type: none"> • Consultant – XX/day • Associate Consultant – XX/day

Table 2: Example resource-based quotation for proposed labour

Section	Area	Resource	Task	Quantity (days)	Resource day rate (EUR excl. VAT)	Subtotal cost (EUR excl. VAT)
Service delivery	Conducting a risk assessment for a portfolio company	e.g. Consultant	e.g. Prepare a PDD	e.g. 3	e.g. € XX.00	e.g. € XX.00
		e.g. Associate Consultant	e.g. Prepare a PDD	e.g. 1	e.g. € XX.00	e.g. € XX.00
...
Grand total						€ XX.00

6.6 Subcontracting guidance

It is not anticipated that the delivery of these services will require subcontracting.

6.7 Terms of this RFP

1. Your proposal should be submitted according to the instructions as detailed in this section and should be valid for a period of at least six (6) months from the bid due date. Any proposal submitted outside the scope defined may be rejected without provision for re-submission.
2. Any further information pertaining to this RFP, of whatever nature, must be directed to the Contract Manager detailed in Section 1.1. If a point of clarification materially affects the RFP, our response will be circulated to all bidders, otherwise the response will only be sent to the bidder seeking clarification.
3. If any doubt exists concerning any element of this RFP, a clear statement should be made on the assumptions taken to arrive at your quoted costs, or alternatively contact us prior to submitting your proposal to seek clarification.
4. Entering into contractual arrangements with EIT Climate-KIC in connection with this RFP does not guarantee work will be awarded.
5. EIT Climate-KIC reserves the right to reject any proposal(s) received after the submission date/time.
6. EIT Climate-KIC reserves the right to undertake post-bid negotiations with none, all or a shortlist of bidders.
7. EIT Climate-KIC, at its sole discretion, reserves the right to accept or reject any or all of the proposals received and not to award any business and shall not be bound to give reasons for any decision. Only the execution of a written agreement between an EIT Climate-KIC entity and a supplier(s) will obligate an EIT Climate-KIC entity in accordance with the terms and conditions contained in such agreement.
8. EIT Climate-KIC reserves the right to procure services from alternative suppliers(s) where the successful bidder is, or becomes, uncompetitive within the market. However, issues over pricing and specification will be resolved through discussion and mutual agreement between EIT Climate-KIC and the supplier.
9. Bidders are required to email soft copies of their proposal to the Contract Manager detailed in Section 1.1 based on the timeline at Section 1.2.

10. As per above and where applicable, bidders must acknowledge receipt of this RFP by return email to the Contract Manager detailed in Section 1.1 confirming whether they intend to submit a proposal by the Submission Deadline.
11. This RFP does not commit or obligate any EIT Climate-KIC company to pay any expenses incurred by you in the preparation of your Proposal. All such expenses are solely at the risk of the bidder and by submitting a proposal you automatically agree that proposal becomes the property of EIT Climate-KIC.
12. Proposals are to be kept as clear and concise as possible and should be sequenced and numbered in accordance with the format of this RFP.
13. The formatting of this document and the attached response document should not be altered.
14. Whilst this RFP confers no legal rights on its addressees, it is not intended that any other persons acquire rights or obligations in respect of or arising under it.
15. Unsuccessful bidders agree, by the submission of their proposals, to return to EIT Climate-KIC this RFP and any and all papers, records, data and materials supplied to them in connection with it, including all copies made by them.
16. This RFP is for consideration in whole and not in part or parts unless otherwise indicated.
17. All efforts have been made to ensure the accuracy and validity of information contained in this RFP. However, EIT Climate-KIC does not warrant the information accurate or comprehensive.