

RESPONSES TO TOR CLARIFICATION QUERIES

NATURE-FIRST INNOVATION LAB (NFIL) - PILOT IMPLEMENTING PARTNER

No.	Question	Responses
1.	<p>Can you please provide some further details on the Project Governance model? The call suggests the Implementing Partner will be responsible for day-to-day delivery of all 4 workstreams, but in Section 3 it also states the NFIL Project Working Group will manage day-to-day delivery. We note the IP is proposed to be part of the Working Group, but any details on how the work program delivery prioritisation is managed would be helpful.</p>	<p>The Implementing Partner will lead day-to-day delivery across all four workstreams, working in close partnership with the NFIL Working Group. The Working Group provides oversight, prioritisation, and internal coordination within FSD Africa, while the Implementing Partner is responsible for execution, sequencing of activities, and delivery management.</p> <p>Work programme prioritisation will be agreed through a jointly developed workplan and reviewed regularly through Working Group and Implementing Partner meetings, with strategic or material decisions escalated to the Natural Capital Accelerator Steering Committee as required.</p>
2.	<p>The TOR notes that the pilot cohort will include projects sourced from Tanzania, Ethiopia, or Malawi. We would like to confirm whether applicants are permitted to submit a proposal focused on a single country, for example Ethiopia only, provided the proposal meets all other technical and delivery requirements</p>	<p>We require at least 2 projects to be from Tanzania, Ethiopia, or Malawi and the rest of the projects to be from any other African country. We would be hesitant to have a single country focus as this is an Africa-wide programme.</p>
3.	<p>Would it be possible to provide an indicative budget range or maximum budget for this assignment please?</p> <p>At present there is a risk that some prospective delivery partners would interpret the Terms of Reference as fairly light touch / low level of effort, whereas others would interpret the work (for example on market building and knowledge sharing) as more far reaching.</p> <p>Given that the commercial criteria are on lowest cost bid, this creates a perverse incentives when designing the approach.</p> <p>Can you share the indicative budget for the assignment, including grant fund size vs. management fees? What portion of the budget is expected to be allocated to a TA facility and/or seed fund? Is the IP expected to manage and disburse funds?</p>	<p>This tender is an open competitive bid, whereby the financial proposal developed by bidding firms is a component of our assessment & evaluation. Regrettably, additional information on the available budget will therefore not be shared as part of the bidding process.</p> <p>Bidders are encouraged to design proposals that are proportionate, credible, and clearly justified in relation to the scope and intended outcomes, rather than optimised solely for minimum cost.</p> <p>We encourage bidders to provide innovative solutions, including in terms of level of effort, delivery model, and use of grant or returnable capital, in line with their proposed methodology.</p> <p>FSD Africa reiterates that all bids shall be reviewed objectively, and the formula disclosed in the ToR shall be applied under the financial score section.</p> <p>The Financial Score will be calculated based on the total fees for implementation, including the delivery and management</p>

	<p>Could you provide an indicative budget range for the NFIL pilot, including the expected split between delivery fees and grant / disbursement capital?</p> <p>Where an applicant judges the use of returnable grants to be appropriate, can you indicate where in the budget template this cost should be recorded? Could you also confirm that resource to be used for returnable grants will be deducted when assessing and comparing applicants' budget totals and value for money?</p> <p>Can you please clarify if the budget available will be covering for both the technical assistance/inv readiness component and regrant/investment capital? And if yes, can you please clarify what is the total budget available for regrant and or milestone based / performance link funding?</p> <p>Is there a budget cap for the accelerator program?</p> <p>If no fixed ceiling exists, would FSD Africa expect bids to fall within a broadly comparable range to similar accelerator or transaction-advisory programmes (e.g. CAPE)?</p>	<p>(including via subcontracting or outsourcing) of Technical Assistance, together with the proposed non-returnable grant.</p> <p>Costs associated with the management and disbursement of any proposed returnable grants are expected to be included within the implementation approach, but the value of returnable grant capital itself will not be included in the FS calculation. Returnable grant capital is expected to be provided by FSD Africa (via FSDA), and does not need to be contributed by the Implementing Partner unless the bidder elects to do so.</p> <p>FSD Africa welcomes innovative solutions, including in delivery model, capital structuring, and pricing, and does not prescribe a fixed budget ceiling or benchmark split between Technical Assistance and grant or disbursement capital.</p> <p>For a sample budget template: Refer to Annex 1 of this document</p>
4.	<p>Does FSD have a bandwidth for the business investment ticket sizes in mind?</p> <p>Is there a specific 'Ticket Size' range anticipated for the catalytic capital per enterprise (e.g., \$50k-\$500k)?</p>	<p>FSD Africa does not apply a fixed support value. Ticket sizes vary depending on the specific needs, maturity, and risk profile of a project, and the role FSD Africa is playing (e.g. early-stage development support, transaction structuring, or capital mobilisation). Support can range from smaller, targeted amounts to address early-stage or transaction costs, through to larger catalytic investments where required to unlock commercial capital. Final ticket size is determined on a case-by-case basis following due diligence, rather than being pre-set at EOI stage.</p>
5.	<p>How is NFIL funded?</p>	<p>It is donor funded.</p>
6	<p>After the pilot has been completed, what is the total budget and period planned for the programme?</p>	<p>It is a 12-month programme, with a second cohort expected in 2027/2028 and the potential for subsequent cohorts thereafter.</p> <p>We usually don't share available budget for a project in an open tender. It's a competitive bid with finance proposal forming part of the evaluation. In terms of approach, we appreciate that some of the components may be done in-</p>

		house by the IP, whilst others may need to be sub-contracted outside.
7.	Does FSD have a preference on geographies?	We require at least 2 projects to be from Tanzania, Ethiopia, or Malawi and the rest of the projects to be from any other African country.
8.	What do regenerative supply chains mean exactly? Is there a certain definition that you would apply?	<p>In the context of NFIL, regenerative supply chains are understood as supply chains that go beyond reducing harm and are designed to actively restore and enhance natural capital, while remaining commercially viable.</p> <p>This includes enterprises that embed regenerative practices at the production level (for example regenerative agriculture, agroforestry, sustainable fisheries or aquaculture), and that strengthen downstream elements of the supply chain such as aggregation, processing, traceability, and market access.</p> <p>NFIL prioritises business models that generate revenues primarily through mainstream products and offtake arrangements, rather than relying predominantly on carbon credits, while recognising that hybrid revenue models may be appropriate in some cases.</p> <p>Across these models, emphasis is placed on measurable improvements in nature outcomes, livelihoods, and ecosystem resilience. NFIL applies this framing pragmatically, recognising that approaches may vary by context and maturity and will be assessed on a case-by-case basis.</p>
9.	What kind of impact would you expect the Implementing Partner to report on? Is this impact on the pilot, or ex-ante impact on hectares covered, CO2 sequestered, etc? Other impacts?	<p>Impact reporting is expected to combine:</p> <ul style="list-style-type: none"> • Implementation and performance metrics during the pilot (e.g. enterprises supported, capital mobilised, etc.); and • Indicative outcome metrics aligned with NFIL's nature-positive objectives, which may include hectares under regenerative management, improvements in ecosystem condition, emissions reductions or removals, green jobs created, income effects for smallholder farmers etc. <p>The specific impact metrics to be tracked will depend on the nature, sector, and maturity of the enterprises supported, with an emphasis on selecting metrics that are most relevant and decision-useful for each business model.</p> <p>Given the early-stage and catalytic nature of NFIL, some impacts will be tracked ex-ante or on a projected/contribution basis, rather than as fully realised or attributable outcomes within the pilot timeframe. The Implementing Partner will be expected to propose a pragmatic and credible impact measurement approach, proportionate to the businesses supported and aligned with emerging best practice in nature and climate finance.</p>
10.	Please confirm if the grants are to be used to fund external Technical Assistance for both transaction support and other specialist	Grant funding may be used to support both external Technical Assistance providers and services delivered directly by the Implementing Partner, where appropriate. The Implementing

	support, or can some or all of these services be provided by the IP.	Partner is expected to determine when specialist external expertise is required and when support can be delivered in-house or via subcontracting, based on the needs of the enterprises and value for money considerations.
11.	Beyond grant funds provided, is the programme seeking to close additional commercial funding rounds for selected enterprises?	Yes. Beyond grant or returnable grant support, NFIL aims to help selected enterprises progress towards and, where feasible, secure additional commercial funding. While not all enterprises are expected to close funding rounds within the pilot period, strengthening investor readiness and building momentum towards future investment is a core objective of the programme.
12.	Please confirm if the target 6-8 projects are expected to be funded on a purely commercial basis post-technical assistance.	The intent is for the 6–8 projects to move towards commercial funding following technical assistance, and there is a strong preference for projects that can ultimately attract private, commercial capital. However, given the nature of the sector and the profile of many early-stage projects, FSD Africa anticipates the use of a range of financing models, including blended finance and other catalytic structures, particularly where patient capital is required to address early-stage risks or market failures. The appropriate financing approach will be determined on a project-by-project basis, with the objective of enabling a credible pathway to commercial sustainability over time.
13.	Is there an expectation that the IP will travel to site visits and learning events? If so, can you give an indication of the expected travel for budgeting purposes.	<p>The Implementing Partner is expected to undertake site visits and participate in learning or convening events where this is necessary for effective delivery, including enterprise support, due diligence, and monitoring. This may involve a combination of direct travel by the Implementing Partner and, where appropriate, the use of local or specialist due diligence experts.</p> <p>The scale and frequency of travel cannot be pre-determined, as this will depend on the enterprises selected, their locations, and the delivery approach proposed. Bidders are therefore expected to include a reasonable and well-justified provision for travel and related costs within their financial proposal, and to clearly set out their approach to managing travel efficiently and cost-effectively as part of programme delivery.</p>
14.	Please share further details of the existing/proposed joint governance structure for CAPE and NFIL	<p>NFIL will operate as a sister accelerator cohort to CAPE, embedded within a shared governance and oversight framework, including a common Steering Committee which provides overall strategic oversight and ensures alignment across both CAPE and NFIL.</p> <p>The shared governance is intended to support strategic alignment and coherence across both cohorts, including joint oversight of impact and performance, coordination on capital mobilisation and fundraising, cross-cohort learning, and the development of shared, open-source market-building tools and resources. This approach is designed to reduce duplication and ensure consistency, while allowing each cohort to tailor delivery to its specific markets and objectives.</p>

15.	In Workstream 2, Activity set C, how many Financial Institutions are expected to receive capacity building? The TOR also indicates on-the-job training should be provided. For the purposes of budgeting, please elaborate on the extent of on-the-job training that is expected and for how many banks. Also, who will select the banks to receive training?	<p>Financial institutions will be selected by the Implementing Partner in coordination with the FSD Africa team.</p> <p>For budgeting purposes, bidders should assume capacity building support for approximately 10 financial institutions, recognising that the depth and intensity of support may vary by institution.</p> <p>The TA is expected to be practical and transaction-oriented, for example through hands-on support alongside live portfolio screening, product development, or transaction structuring, rather than classroom-based training alone. The extent of such support will depend on the needs, readiness, and pipeline of the selected institutions.</p> <p>Bidders are invited to propose a proportionate and cost-effective approach to on-the-job training and to reflect this clearly in their technical and financial proposals</p>
16.	The TOR reference that at least 2 projects should be selected from Tanzania, Malawi or Ethiopia. Beyond those countries, is the rest of Sub-Saharan Africa the focus geographic scope of this assignment?	Yes. At least two projects must be selected from Tanzania, Malawi, or Ethiopia. Beyond this requirement, the remaining projects may be selected from any other country across the African continent.
17.	The TOR indicate that three references should be included as part of the proposal. Please confirm if this is requesting signed client reference letters or examples of reference projects only	<p>At this stage, bidders are requested to provide details of reference projects, including brief descriptions and relevant client contacts where available. Signed client reference letters are not required as part of the initial proposal submission.</p> <p>FSD Africa may request additional verification or references at a later stage of the procurement process, including during shortlisting or due diligence, if required.</p>
18.	Noting that the TOR are for 1-year only, what is the expected duration of grant agreements? For returnable grants, is there an expectation that grants are issued and returned within the 12-month period?	<p>While the Implementing Partner contract is for a 12-month programme period, returnable grant agreements may extend beyond this timeframe. For returnable grants, there is no expectation that funds are repaid within the 12-month programme period.</p> <p>Repayment triggers and timelines will be determined on a case-by-case basis, agreed with each supported enterprise, and aligned with project-specific milestones, cash-flow profiles, and risk considerations.</p>
19.	Noting the nature and extent of the questions on the TOR, and that question responses are slated to be issued one week out from the deadline, we are requesting an extension of the submission deadline of 2 weeks to allow us ample time to consider and incorporate the responses provided into our proposal	Thank you for your request. Unfortunately, we are unable to extend the submission deadline, as the procurement is operating against strict internal timelines. We encourage bidders to submit proposals based on the information provided in the ToR and the consolidated Q&A responses within the existing timeframe.
20.	Regarding 'success-based remuneration,' is FSD Africa open to the IP earning a 'carried interest' or a percentage-based success fee upon an enterprise successfully securing third-party private investment?	<p>FSD Africa is open to well-designed, performance-based incentive alignment mechanisms that demonstrably enhance value for money, strengthen delivery incentives, and support the long-term sustainability of the accelerator.</p> <p>Proposals may, for example, explore success-based remuneration, co-investment, or other outcome-linked</p>

	<p>a. For the 'co-investment' mention: Does FSD Africa expect the IP to provide cash equity, or can 'sweat equity' also be considered (forgone management fees in exchange for project stakes) as the IP's contribution?</p> <p>b. What are other ideas that we should consider - we're open to performance-based incentive alignment related to each workstream, though wanted to understand this further from FSD's perspective.</p>	<p>approaches, provided these are transparent, proportionate, and aligned with FSD Africa's governance and fiduciary requirements. This may include non-cash forms of alignment, such as deferred or forgone fees linked to performance, where appropriate.</p> <p>Any such mechanisms should be clearly articulated in the proposal, including the outcomes they are linked to, how they would operate in practice, how risks are shared, and how potential conflicts of interest would be managed. Proposals will be assessed on their feasibility, value for money, and alignment with NFIL's objectives, rather than on any single preferred incentive structure.</p>
21.	<p>How many ventures have already been identified for the pilot programme to consider?</p>	<p>No ventures have been pre-identified for the pilot programme. NFIL is expected to support approximately 6–8 ventures, which will be selected through an open and competitive process. While FSD Africa has established networks through which the opportunity can be shared, the effective dissemination of the Expression of Interest and sourcing of high-quality candidates across relevant networks will be a core responsibility of the Implementing Partner. Proposals that demonstrate deep, pre-existing networks and strong sourcing capability will therefore be viewed positively.</p>
22.	<p>What kind of capital is the accelerator deploying - grant, patient, or venture?</p>	<p>The accelerator is expected to deploy a combination of non-returnable grants, returnable grants, and in-kind support (such as embedded technical assistance, transaction support, and access to specialist expertise).</p> <p>NFIL is being designed with the ambition to evolve into a more evergreen facility, enabling supported projects to access follow-on support as they progress towards financial close and commercial investment. The Implementing Partner is therefore invited to propose credible models that demonstrate how the accelerator could transition over time toward greater sustainability and continuity of support.</p>
23.	<p>Regarding the targeted project development support grants contemplated under Workstream 2(b):</p> <p>a. Would the IP act as a pass-through entity for the grants to cohort projects, or would the IP's role be to facilitate/design/structure the grants which would then be issued directly by FSD to the cohort project?</p> <p>b. Is it FSD's expectation that any returnable grants issued under Workstream 2(b) would be returned within the duration of this pilot phase?</p> <p>c. General terms and conditions of the agreements.</p>	<p>a. Grant flow and role of the IP</p> <p>Under Workstream 2(b), the IP is expected to play a facilitation and structuring role, helping to design, size, and structure targeted project development support grants for cohort projects. The precise grant-flow mechanism (i.e. whether grants are issued directly by FSD Africa to projects or passed through the IP) will be determined during contracting and structuring, based on efficiency, risk management, and fiduciary considerations.</p> <p>b. Returnable grants and timing</p> <p>It is not an expectation that all returnable grants would be fully repaid within the duration of the pilot phase. Repayment terms would be structured on a project-by-project basis and aligned to realistic cash-flow timelines, with the objective of recycling capital over time rather than achieving repayment strictly within the pilot period.</p>

		<p>c. General terms and conditions</p> <p>Grant agreements will reflect FSD Africa’s standard terms and conditions, including provisions on use of funds, reporting, governance, safeguards, and audit rights. Where returnable grants are used, additional terms will cover repayment triggers, timing, and conditions, tailored to the risk profile and development stage of each project.</p>
24.	What kind of data protection, venture experienced legal counsel is available at FSD Africa for portfolio companies already? Would this potentially be part of the technical assistance available to them for positioning for growth?	Technical Assistance may include legal, regulatory, tax, data protection, and other specialist advisory support, depending on the specific needs of each venture. This support would not be provided through FSD Africa’s internal resources, but would instead be sourced and managed by the Implementing Partner, for example through external legal counsel or specialist advisors, on a case-by-case basis and in line with value-for-money considerations.
25.	Can a portion of the program budget be allocated to a 'Centralized Shared Services' pool (e.g. fractional CFOs, Legal, impact, grants support, and Marketing) managed by the IP to serve all 6-8 companies, rather than individual grants to each enterprise? We’re happy to help figure out the design of this.	Please share the models that you deem fit. We are looking for creativity and pragmatism in the design of the support the implementing partner will provide.
26.	Is impact measurement at the portfolio company level expected to be across nature, biodiversity, livelihoods, and climate outcomes or primarily nature in the 12 month timeframe?	We recognise that impacts especially those related to nature and biodiversity may be of longer timeframes and we will take that into consideration. We will take a milestone approach on the impact measures as guided by our development impact team.
27.	Does FSD Africa have pre-existing relationships with the 'mainstream financial institutions' they wish to engage, or is the IP to bring its own network of African FIs to the table?	Yes, FSD Africa has strong pre-existing relationships with mainstream financial institutions through FSD Africa and the African Natural Capital Alliance. At the same time, the Implementing Partner is encouraged to bring its own network of African financial institutions, and to leverage both sets of relationships to support effective engagement, pipeline development, and capital mobilisation.
28.	Is the project-investor working groups are meant to begin as soon as the cohort starts the program?	The timing of project–investor working groups will depend on the maturity and readiness of the selected projects and will be determined once the cohort has been selected by the Implementing Partner. While some working groups may begin early in the programme, others may be convened later as projects reach appropriate stages of development.
29.	Similar to CAPE, is there a landing page expected to be developed by the implementing partner?	Similar to CAPE, a public-facing landing page is expected. FSD Africa will host the landing page, with the Implementing Partner contributing content and inputs to be published online, in line with agreed communications and branding guidelines.
30.	How many case studies and events are expected to take place during the 12 month window (WS3)? And what does success look like for these events? More informed investors on opportunities, new investment theses co-developed, opportunities for investees to present, etc?	During the 12-month period, approximately 6–8 case studies are expected, around one per supported enterprise. Events will focus on investor engagement and market-building, including enterprise readiness, knowledge sharing, and opportunities for enterprises to present or pitch to investors.

		Success will be reflected in better-informed investors, stronger and more investment-ready enterprises, and progress towards follow-on engagement or investment.
31.	Are there any other terms and conditions that can be shared pertaining to the prime financiers of this program (NORAD for example)?	This will be shared with the implementing partner once they are on board.
32.	<p>Budget structure for grants and investment capital (Section 5 & Annex 1)</p> <p>Section 5 states that the budget should "include separate line items for grant/disbursement funds vs. fees." However, the Proposed Fee Schedule template in Annex 1 does not include a section for grants or disbursement funds.</p> <p>Could you please clarify:</p> <ul style="list-style-type: none"> • Should applicants propose a specific allocation for investment capital (catalytic capital, grants, and returnable grants) to support the first cohort, or will FSD Africa determine this pool independently? • If applicants should propose this allocation, could you provide guidance on the expected budget template format or whether an amended version of Annex 1 should be used? 	<p>Refer to Annex 1 of this document</p> <p>The Proposed Fee Schedule should be used to set out fees related to programme delivery, including the delivery and management of Technical Assistance, as well as costs associated with the management and disbursement of any proposed returnable grants. These management and delivery costs should be clearly distinguished from grant or disbursement capital.</p> <p>The value of returnable grant capital itself should be shown separately and will not be included in the Financial Score (FS) calculation. Returnable grant capital is expected to be provided by FSD Africa (via FSDA), and bidders are not required to contribute returnable grant capital, though they may choose to do so if they wish.</p>
33.	Page limit for proposal submission (Section 5) The recommended maximum of 15 pages for the proposal submission—does this include the CVs for key personnel (max 3 pages each), or are CVs (and any other submission topics) counted separately as annexes?	You can attach CVs as an annex .
34.	<p>Outcome-linked delivery and incentives: Could you confirm whether FSD Africa’s primary definition of “success” for the 12-month pilot is the demonstration and validation of the NFIL delivery model itself (including positioning and fundraising for future cohorts), rather than the mobilisation of committed investment capital into pilot enterprises within the cohort period? This clarification would help us ensure that any outcome-linked elements focus on outcomes within the Implementing Partner’s reasonable control, recognising that enterprise-level capital mobilisation may occur beyond the pilot timeframe</p>	<p>Yes. The primary measure of success for the 12-month pilot is the demonstration and validation of the NFIL delivery model, including effective cohort delivery, market positioning, and progress on fundraising for future cohorts.</p> <p>While follow-on investment may occur beyond the pilot period, successful delivery is expected to include at least one investment reaching financial close within a defined post-pilot period, recognising that some investments may take longer but should materialise within a reasonable timeframe. The Implementing Partner is expected to play a key role in positioning enterprises and supporting credible progress towards financial close.</p>
35.	Capital scope: Is NFIL funding intended to be limited to grants and returnable grants for transaction advisory and project development,	NFIL funding is limited to non-returnable grants and returnable grants used for transaction advisory, project development, and de-risking activities that support enterprises to reach investment readiness. NFIL is not structured to directly fund or

	or can it also directly fund or co-invest in enterprises?	co-invest in enterprises. The programme's role is to crowd in third-party capital by strengthening commercial structures and reducing transaction risk.
36.	Pipeline maturity: How mature is the existing FSDA/ANCA pipeline for regenerative supply chains, in terms of post-feasibility enterprises that could realistically enter transaction-level support?	A core responsibility of the Implementing Partner will be to identify, source, and assess the pipeline through an open call for proposals, leveraging both FSD Africa/ANCA networks and the Implementing Partner's own networks.
37.	Pipeline sizing: Approximately how many enterprises does FSDA expect the Implementing Partner to assess in order to select the final cohort of 6–8 enterprises?	The final number will depend on the response to the open call for proposals. For planning purposes, FSD Africa would expect at least 50 enterprises to apply, with a larger applicant pool welcomed to ensure a strong and competitive selection of the final cohort of 6–8 enterprises. A staged assessment approach is anticipated, with an initial light-touch screening of applications followed by more in-depth due diligence for a smaller number of shortlisted opportunities.
38.	Use of specialist experts: Can you confirm whether the costs of hiring external specialists to support Workstream 2 (e.g. legal, certification, impact measurement) are expected to sit outside the core professional fees budget, given that these needs will depend on transaction-specific investor diagnostics?	Proposals should be all-inclusive, with bidders expected to make reasonable provision for such specialist support within their overall financial proposal.
39.	Would non-financial mechanisms (e.g. delivery milestones, learning commitments, scale-up design) be considered sufficient, or is FSD Africa explicitly seeking financial risk-sharing and co-investment from an Implementing Partner?	FSD Africa is open to a range of incentive-alignment mechanisms, including both financial and non-financial approaches. These may include, but are not limited to, financial risk-sharing or co-investment, delivery milestones, learning commitments, or scale-up design features.
40.	We wanted to clarify expectations around the transaction advisory role in Workstream 2. Should the Implementing Partner be delivering this support directly, or is the intention that they oversee, and coordinate specialist advisors engaged through the programme?	The Implementing Partner may deliver transaction advisory and enterprise support directly and/or oversee and coordinate external specialist advisors, depending on what is most appropriate for each enterprise and transaction.
41.	How is success of the NFIL pilot primarily assessed: by enterprise investment outcomes, progress toward investment readiness, market-learning outputs, or a combination of these?	The success of the NFIL pilot will be assessed through a combination of enterprise investment outcomes, progress toward investment readiness, and market-learning outputs. Capital mobilisation is a key success metric, provided it is achieved without diluting environmental integrity or nature-positive outcomes. The pilot will also track enterprise-relevant impact indicators within and beyond the 12 month period
42.	Does NFIL have a planned turnover for selected enterprises in mind and what are the minimum & maximum annual turnover if so?	NFIL does not apply fixed minimum or maximum annual turnover thresholds for selected enterprises at this stage. However, the programme is expected to focus primarily on post-feasibility enterprises that are of a sufficient scale and commercial maturity to become attractive to investors,

		recognising that very early-stage or very small enterprises may be less suitable for transaction-level support.
43.	Could you clarify what products you are referring to when you are referencing developing& applying IP? Knowledge products and reports, impact measurement frameworks or other?	By developing and applying IP, we are referring to knowledge and market-building products, rather than proprietary IP. This includes practical tools and templates (such as transaction structuring approaches, impact measurement and MRV frameworks, case studies, and investor-facing materials) developed through NFIL’s Living Lab. These outputs are intended to help other enterprises become investment-ready and enable investors to assess and finance similar transactions, and will be shared openly to strengthen the wider nature-finance ecosystem.
44.	What scale of investment is FSD expecting enterprises/projects to secure following support through the programme?	The scale of investment secured will vary depending on the specific needs, maturity, and risk profile of individual projects. This mobilisation may occur beyond the 12-month pilot period and will be assessed on a portfolio basis rather than at the level of individual enterprises.
45.	Are you able to share more details on the existing pipeline of regenerative supply chain projects/enterprises identified by FSD Africa?	<p>At this stage, NFIL does not have a pre-constituted regenerative supply chain pipeline. As set out in the project proposal, pipeline sourcing will be open and ecosystem-driven, drawing on:</p> <ul style="list-style-type: none"> - ANCA’s network of African and regional financial institutions and nature-positive enterprises - TNFD-aligned institutions and initiatives, including those emerging from FSD Africa–supported capacity-building programmes - FSD Africa’s broader Nature Programme ecosystem, including CAPE, FSDAi and related transaction-advisory and market-building work - Targeted outreach to the wider African regenerative and nature-positive ecosystem via an open call <p>The Implementing Partner will be responsible for leading pipeline development and sourcing, including proactively leveraging their own networks, market presence, and sector relationships. We see the Partner’s ability to bring a strong, high-quality pipeline as central to the success of the programme, complemented by FSD Africa’s convening role and ecosystem access. This will be a key determining factor on the selected implementing partner.</p>
46.	Please could we confirm that we should include in our budget proposal the level of funding that we think would be required for technical assistance and grants to be made available to enterprises participating in the programme? (per end of Page 4)	Yes. Applicants should include indicative allocations for Technical Assistance and grant support for participating enterprises within their budget proposal. These figures may be estimates at this stage, but should be set out clearly.

47.	What proportion of the project do you expect FI capacity building to take up, relative to service delivery?	FI capacity building is expected to represent a relatively small share of the overall programme, with the vast majority of effort and resources focused on enterprise support and pipeline development.
48.	Is FSD Africa looking to invest directly in these businesses?	FSD Africa may invest directly in selected businesses through its investment arm, FSDAi. However, this is not a guaranteed outcome of participation in NFIL. Any potential investment by FSDAi would be subject to competitive selection, due diligence, and alignment with FSDAi's existing investment pipeline and mandate.
49.	<p>Please clarify the geographic scope for sourcing enterprises.</p> <p>a. Could you confirm whether enterprises based in Uganda and Kenya are eligible to be sourced and supported under the initial pilot cohort with at least two enterprises joining from Tanzania, Ethiopia or Malawi? (i.e. 6 enterprises from Uganda and 2 enterprises from Tanzania, Ethiopia or Malawi)</p> <p>b. Or whether the sourced enterprises could all come from one of the listed countries (i.e. 6-8 enterprises from Tanzania)</p> <p>c. Or whether the sourced enterprises have to be from Tanzania, Ethiopia and Malawi? (i.e. 2-3 enterprises from each country)</p>	Enterprises may be sourced from across the African continent. However, at least two enterprises must be selected from Tanzania, Ethiopia, or Malawi. Beyond this requirement, the remaining enterprises may be sourced from any other African country, including Uganda and Kenya. There is no requirement that enterprises be evenly distributed across Tanzania, Ethiopia, and Malawi, nor that all enterprises come from the same country.
50.	Does the Implementing Partner need to have an existing physical presence in each or one of the countries from which enterprises are sourced? Is it acceptable for us to be based in Uganda with frequent travels to the listed countries?	No, you do not need to have physical presence in each of the countries. However, physical presence in a country in Africa is strongly preferred.
51.	Would you consider extending the bid submission deadline? It would be challenging to pull together a high-quality bid and delivery team within just two weeks.	FSD Africa has a standard tender response time of 15 days from date of publication on FSD Africa website. This is believed to be generally sufficient time to enable prospective bidders to prepare a response. Regrettably, we will not be extending the submission time for this procurement.
52.	Should bidders assume that grant / returnable-grant capital for enterprise support is included within the Implementing Partner's proposed budget, or will these funds be held and contracted separately by FSD Africa?	Proposals should include all costs, including any grant or returnable-grant capital intended for enterprise support. The final contracting and fund-flow approach (including whether such capital is held and contracted directly by FSD Africa or managed through the Implementing Partner as a pass-through) will be determined during the detailed design and structuring phase, informed by fiduciary, risk, and governance considerations
53.	<p>Outcome-linked / incentive-aligned delivery</p> <ul style="list-style-type: none"> o Are there specific outcome metrics or performance indicators that FSD Africa 	The examples cited are broadly aligned with FSD Africa's expectations. Bidders are invited to propose and justify appropriate outcome and performance indicators for any

	would expect bidders to link incentive-alignment mechanisms to (e.g. investment readiness milestones, capital mobilised, transactions progressed)?	incentive-alignment mechanisms, focusing on outcomes that are within the Implementing Partner’s reasonable control. Indicative indicators may include enterprise investment-readiness milestones, transactions progressed, and capital mobilisation, provided these are balanced with the maintenance of environmental integrity and nature-positive outcomes. Final indicators and incentive structures will be reviewed and agreed during contracting, and refined as needed to ensure alignment with NFIL’s objectives, delivery realities, and the pilot nature of the programme
54.	<p>Consortium arrangements</p> <ul style="list-style-type: none"> ○ Is FSD Africa open to bids led by a single Implementing Partner with specialist sub-partners, or is there a preference for more formal consortium or co-lead structures? 	Yes. We are happy with a consortium arrangement.
55.	<p>Geographic requirements</p> <ul style="list-style-type: none"> ○ Beyond the requirement that at least two projects be sourced from Tanzania, Ethiopia, or Malawi, are there expectations regarding in-country presence of the Implementing Partner team during delivery? 	Physical presence in any African country is strongly preferred.
56.	What minimum criteria will you use to define “post-feasibility” and “investment-ready” for enterprise eligibility and graduation (e.g., commercial traction, governance, audited accounts, permits/tenure, data room standard)?	<p>For post-feasibility eligibility, enterprises are expected to have moved beyond the concept stage and to demonstrate a defined business model, identified revenue streams, evidence of technical and operational feasibility, and a clear rationale for acceleration or transaction-level support.</p> <p>Investment readiness is expected to reflect a credible commercial proposition, an appropriate governance and ownership structure, financial models and projections, relevant permits or tenure arrangements where applicable, and a clear transaction narrative supported by investor-facing materials (such as data room components and information on impact and risk).</p> <p>Specific criteria and thresholds will be applied pragmatically and tailored to each enterprise, recognising differences in sector, geography, and stage of development.</p>
57.	What are the top 5 success metrics for the 12-month pilot, and are there any indicative targets expected by March 2027 (e.g., readiness milestones, term sheets, capital mobilised, nature outcomes, FI capability)?	<p>Success for the NFIL pilot will be assessed across the 12-month delivery period and the post-pilot phase, using a combination of enterprise investment readiness, market-building, financial and social and environmental impact signals.</p> <p>During the 12-month pilot, core metrics include:</p>

		<ul style="list-style-type: none"> • 6–8 enterprises receiving hands-on technical assistance and catalytic funding • 15–20 investors engaged and tangible progress toward capital mobilisation • 6–8 publicly shared case studies and market-building resources • 10 financial institutions supported to strengthen their ability to assess nature-positive investments <p>Beyond the pilot period, success will be reflected in portfolio-level follow-on investment mobilisation and longer-term environmental and socio-economic outcomes. Environmental KPIs will be defined on an enterprise-by-enterprise basis, with impacts tracked beyond the 12-month timeframe.</p>
58.	What is the indicative size of the grants/TA/disbursement pool available for enterprise support, and are there per-enterprise ceilings?	FSD Africa does not apply a fixed grant or disbursement amount per enterprise, and there are no pre-defined per-enterprise ceilings. The level and form of support will vary on a case-by-case basis, depending on enterprise needs, maturity, risk profile, and the type of support required (e.g. targeted technical assistance versus more catalytic transaction support). The funds available will be disclosed once the Implementing Partner has been selected.
59.	Will the Implementing Partner be expected to manage grant instruments and vendor payments directly, or will FSD Africa contract/pay and the IP focus on delivery management?	<p>The Implementing Partner will be expected to manage grant instruments and related vendor payments as part of programme delivery, including the administration and disbursement of non-returnable and returnable grants, where applicable.</p> <p>FSD Africa will provide strategic oversight and governance, but the Implementing Partner will be responsible for day-to-day management, contracting, and payment of vendors and advisors, in line with agreed workplans, budgets, and controls. Proposals and budgets should therefore be fully inclusive of these management responsibilities.</p>
60.	For returnable grants, is there a preferred approach to repayment triggers/tenor, and who carries repayment risk and administration?	<p>There is no prescribed or preferred repayment structure for returnable grants. Repayment triggers, tenor, and conditions will be structured on a project-by-project basis, aligned with realistic enterprise cash-flow timelines and the specific purpose of the support. It is not expected that all returnable grants will be repaid within the 12-month pilot period, with the objective instead being to recycle capital over time rather than achieve repayment strictly within the pilot phase.</p> <p>Under Workstream 2, the Implementing Partner is expected to play a facilitation and structuring role, helping to design, size, and structure targeted project development support, including returnable grants. The grant-flow and administration mechanism (i.e. whether grants are issued directly by FSD Africa or passed through the Implementing Partner) will be determined during contracting, based on efficiency, fiduciary, and risk-management considerations.</p> <p>Grant agreements will reflect FSD Africa’s standard terms and conditions, including provisions on use of funds, reporting, governance, safeguards, and audit rights. Where returnable grants are used, additional terms will cover repayment</p>

		<p>triggers, timing, and conditions, tailored to each project’s risk profile and development stage.</p> <p>Repayment risk sits at programme level, recognising the catalytic nature of the instrument. FSD Africa is open to and encourages innovative risk-sharing and incentive-alignment models proposed by the Implementing Partner, including approaches that strengthen discipline, recycling, and long-term sustainability of the facility.</p>
61.	Who has final decision rights on cohort selection and any enterprise-level grant approvals (Working Group vs Steering Committee), and what are the key decision gates/timelines?	<p>Cohort selection and enterprise-level grant approvals will follow a structured, joint decision-making process. The Implementing Partner will lead the sourcing, screening, due diligence, and assessment of candidate enterprises, and will prepare recommendations for cohort selection and proposed grant support.</p> <p>These recommendations will be reviewed by the Project Working Group, with final oversight and approval provided by the Steering Committee, in line with agreed governance arrangements. Selection and approval decisions are expected to be taken within the first months of programme implementation, with detailed decision gates and timelines agreed during inception.</p>
62.	For the FI capacity building requirement in Tanzania/Malawi/Ethiopia, what is the minimum expected scope (number of sessions, target institutions, curriculum outputs, reporting)?	<p>At a minimum, the programme is expected to engage at least 10 financial institutions, with the number of sessions, curriculum content, and delivery format tailored to institutional needs. The objective of this engagement is to strengthen the ability of these institutions to assess, structure, and invest in NFIL cohort enterprises, as well as other nature-positive investment opportunities beyond the cohort.</p>
63.	What level of due diligence is expected at the selection stage (light DD vs investment-grade DD), and should bidders budget for external DD and legal support for structuring?	<p>A two-phased due diligence approach is expected. At the selection stage, a light-touch due diligence process will be applied to screen and shortlist enterprises. This will be followed by more in-depth, transaction-level due diligence for a smaller number of shortlisted enterprises as they progress toward structuring and investment readiness.</p> <p>Where required, external due diligence and legal support for structuring may form part of the Technical Assistance provided to enterprises. The depth and nature of such support will vary on an enterprise-by-enterprise basis, depending on sector, maturity, and transaction complexity, and bidders should make reasonable provision for this within their proposed TA approach and budget.</p>
64.	How many investor convenings/working groups are expected during the pilot, and what evidence of “successful engagement” do you want tracked (e.g., DD initiated, IC memos, term sheets)?	<p>The number and format of investor convenings and working groups will be defined during Workstream 1, aligned with engaging approximately 15–20 investors over the pilot period.</p> <p>Evidence of successful engagement will include investors engaged, enterprises connected to investors, progression to structured discussions (e.g. follow-up meetings, working groups, or due diligence), and transaction-linked capacity building. Where they occur, outputs such as DD processes, IC materials, or term-sheet discussions will be tracked. Collectively, these engagements are expected to contribute to</p>

		the programme-level mobilisation of capital to be determined based on the projects selected.
65.	On incentive alignment, are you open to a hybrid structure (base fee plus milestone payments plus a capped success fee), and are there any constraints/caps bidders should follow?	FSD Africa is open to hybrid incentive-alignment structures, including combinations of base fees, milestone-based payments, and capped success-based components. At this stage, there are no prescribed structures, thresholds, or caps, and bidders are encouraged to propose approaches they consider appropriate.

Annex 1: Budget format

Consultancy Fees	Days	Daily Rate USD/GBP	Total Amount USD/GBP
xx	xx	xx	xxx
xx	xx	xx	xxx
Total Remuneration inclusive of all taxes			xxx
Expenses			
Total Amount USD/GBP			xxx
Non-Returnable Grant			xx
Returnable Grant			xx
Total Proposed Costs			xxx
**Fees inclusive of all taxes			xx
**Expenses to be reimbursed on Actuals as per FSD Africa's Travel Policy			

**FSD Africa's Travel Policy can be accessed via this: [link](#)