



Request for Proposals

Ethiopia's National Climate Finance Strategy

1. Introduction

Ethiopia faces escalating vulnerabilities due to climate change, which threaten its development progress. According to recent reports by the World Bank (2021), climate-related disasters such as droughts and floods are increasing, jeopardizing food security, water resources, and livelihoods. Climate change impacts disproportionately affect women, youth, and marginalized groups due to existing socio-economic and structural inequalities. While Ethiopia has adopted frameworks like the Climate-Resilient Green Economy (CRGE) strategy and committed to its NDCs under the Paris Agreement, the successful implementation of these initiatives hinges on mobilizing adequate, predictable, and accessible financial resources.

Climate finance is pivotal for Ethiopia's transition to a low-carbon, climate-resilient economy—supporting investments in renewable energy, sustainable agriculture, disaster risk reduction, and socio-economic resilience. Despite international commitments to mobilize USD 100 billion annually for developing countries, Ethiopia faces challenges in accessing these funds due to bureaucratic hurdles and limited institutional capacity (UNFCCC, 2022). Therefore, a comprehensive National Climate Finance Strategy (NCFs) is essential to align domestic financial mechanisms with both global and national climate priorities.

2. Background

Effective climate policy implementation requires a coordinated, multi-stakeholder approach involving key institutions. Currently, these agencies face capacity constraints, including shortages of skilled personnel, limited data and analytical tools, and inadequate policy frameworks—such as a dedicated National Climate Finance Strategy, Stakeholder Engagement Strategy, and Resource Mobilization Strategy. Addressing these gaps is critical for advancing Ethiopia's climate commitments.

FSD Ethiopia would like to onboard a consultant to develop Ethiopia's National climate finance strategy. This Terms of Reference (ToR) outlines the requirements for a consultant to deliver the strategy to the Ministry of Planning and Development.

2.1. About the Ministry of Planning and Development

The Ministry of Planning and Development (MoPD) is the primary government institution responsible for national planning and development. The MoPD plays a vital role in shaping Ethiopia's sustainable growth and socio-economic transformation. Its vision is to make Ethiopia an African beacon of prosperity, where the aspirations and dreams of its people are realized, and every citizen enjoys a high quality of life. In pursuit of this vision, the MoPD strives to foster a dynamic and inclusive economy that harnesses Ethiopia's rich resources, innovation, and human capital. We aim to create an enabling environment for businesses to thrive, attracting both domestic and foreign investments that generate sustainable employment and drive technological

advancements across sectors. More about FSD Ethiopia can be found here: <https://mopd.gov.et/en/>

2.2. About FSD Ethiopia

FSD Ethiopia is a development agency that supports the development of accessible, inclusive, and sustainable financial markets for economic growth. It aims to address financial system failures by facilitating market actors to address constraints and build a functional financial sector that generates economic gains for all Ethiopians.

More about FSD Ethiopia can be found here: <https://fsdethiopia.org/>

3. Objectives and Scope

3.1. Objectives

The overall objective of the assignment is to strengthen Ethiopia's climate finance landscape by conducting comprehensive assessments, fostering inclusive stakeholder engagement, developing strategic policies, and building institutional capacity for effective climate finance management and implementation.

In summary, the objective is to develop a national strategy that:

- Defines Ethiopia's vision, strategic priorities, and financing needs for climate action.
- Identifies and strengthens climate finance access, mobilization, and coordination mechanisms.
- Provides a roadmap for resource mobilization from domestic, international, public, private, and blended sources including gender-responsive financing instruments.
- Provides a roadmap for resource mobilization from domestic, international, public, private, and blended sources.
- Ensures strong alignment with NDC 3.0, CRGE, Carbon Market Strategy, sector plans, and macro-fiscal frameworks as well as relevant international frameworks and relevant global climate finance and gender equality commitments.
- Strengthens institutional capacity for climate finance planning, management, tracking, and reporting.
- Embed Gender Equality and Social Inclusion (GESI) as a cross-cutting objective, recognizing that gender-responsive climate finance enhances resilience and development impact.

3.2. Scope of work

The consulting firm shall undertake the following tasks.

3.2.1. Situational and Gap Analysis¹

- Review CRGE Strategy, NDC 3.0, National Adaptation Plan, Carbon Market Strategy, sectoral investment plans, macro-fiscal frameworks, and relevant national, regional, and international frameworks.
Map linkages, overlaps, contradictions, and gaps across climate policy instruments.
- Assess roles, mandates, and coordination mechanisms across MoPD, MoF, EPA, NBE, sector ministries, and regional authorities.
- Identify capacity gaps related to climate finance planning, proposal development, fiduciary standards, MRV, and data systems.
- Use the FSD Ethiopia - CPI Climate Finance Landscape Assessment as the primary source of climate finance data and identify gaps or areas needing deeper analysis not covered in the CPI study (if any).
- Assess gender-differentiated climate vulnerabilities, financing needs, and access barriers, including how women, youth, and marginalized groups participate in and benefit from climate finance mechanisms. Analyze gender integration in national policies such as the CRGE, NDC 3.0, sectoral strategies, and institutional mandates.
- Assess Ethiopia's systems for climate finance tracking, use of gender disaggregated data, climate budget tagging, and MRV.

3.2.2. Stakeholder Mapping, Engagement and Consultations

- Identify and map key stakeholders across government, development partners and climate funds, private sector, financial institutions, civil society, and vulnerable communities.
- Organize and facilitate participatory consultations to gather inputs on needs, priorities, and barriers.
- Conduct targeted interviews, focus groups, and workshops for broad engagement.
- Document stakeholder feedback and incorporate insights into strategy development.
- Ensure inclusive participation in consultations, with deliberate outreach to women's associations, youth groups, and gender-focused civil society organizations. Document gender-related insights and integrate them into strategy options.

3.2.3. Five Year Strategy Development

- Draft a comprehensive NCFs, including vision and guiding principles, strategic pillars, five-year prioritization framework, implementation plan, risk and mitigation plan, monitoring, evaluation and learning plan, funding access mechanisms, and institutional arrangements.
- Develop realistic, evidence-based climate finance mobilization and access targets, aligned with NDC 3.0, sectoral investment needs, and the updated climate finance

¹ FSD Ethiopia, in partnership with the Climate Policy Initiative (CPI), is conducting a Climate Finance Landscape Assessment for Ethiopia. The findings of the landscape assessment will serve as a core analytical input to the NCFs. The consultant shall not duplicate this assessment but shall use it to identify gaps, complement analysis where needed, and translate findings into actionable strategy elements.

landscape. Targets should have sector-level financing scenarios (baseline, moderate, ambitious).

- Ensure alignment with Ethiopia's NDC, SDGs, and national development plans.
- Recommend financing instruments and access pathways. Assess and prioritize climate finance instruments by identifying available global, regional, and domestic options (e.g., grants, concessional loans, guarantees, carbon markets, blended finance, green bonds), analyzing their strategic relevance for Ethiopia, and summarizing pros and cons for each to recommend the most suitable instruments for mobilizing resources effectively.
- Assess private sector investment barriers and provide targeted solutions (regulatory reforms, incentives, de-risking instruments, market infrastructure).
- Propose mechanisms to crowd in banks, pension funds, insurance companies, and capital markets.
- Embed gender-responsive and socially inclusive approaches across the NCFS/across all strategic pillars, including recommendations that promote equitable access to climate finance, support women-led climate enterprises, and strengthen gender mainstreaming in national climate finance systems.
- Integrate gender indicators and targets within the strategy's results and monitoring framework.
- Embed lessons learned and international best practices.

3.2.4. Validation and Workshops

- Organize validation workshops to review and endorse the draft strategy with key stakeholders and sectoral ministries.
- Facilitate discussions on implementation arrangements and funding pathways.
- Incorporate stakeholder feedback into the final document.

3.2.5. Resource Mobilization Strategy

- Assess resource mobilization progress so far and identify gaps/constraints.
- Design and recommend resource mobilization and implementation roadmap.
- Identify potential funding sources and entry points.
- Propose a system for long-term pipeline management.
- Ensure the resource mobilization strategies and funding criteria to integrate gender-responsive climate investments and align with the gender requirements of international climate funds (e.g., GCF Gender Policy and Action Plan).

3.2.6. Capacity Building & Knowledge Transfer

- Conduct targeted training workshops on climate finance proposal development, access procedures, and institutional arrangements including gender integration in climate finance proposals.
- Develop user-friendly manuals, guidelines, and toolkits to institutionalize capacity.

4. Deliverables

In line with the scope of work, the expected deliverables under this contract will include the following, organized in a sequence to facilitate milestone-based payments:

- i. Inception Report including but not limited to the methodology, work plan, stakeholder engagement plan

- ii. Diagnostic report on policy review, institutional and gap assessment, climate finance gap analysis (building on the FSD Ethiopia - CPI landscape assessment), climate finance tracking and MRV systems review
- iii. Draft National Climate Finance Strategy
- iv. Validation workshop on the findings and recommendations of the draft strategy
- v. Resource mobilization roadmap
- vi. Final national climate finance strategy incorporating the stakeholder's feedback
- vii. Workshop and consultation reports
- viii. Delivery of Capacity building with manuals, guidelines, and training modules
- ix. Final report summarising activities undertaken, lessons learned, and next steps

5. Ways of working

The Consultant will work closely with the Ministry Planning and Development team and the Financial Markets team at FSD Ethiopia.

6. Timelines

The consultant is expected to execute tasks under each set of deliverables within the specified timelines. The project is expected to be completed in a period of Seven (7) months. Below is the updated timeline for each deliverable:

Deliverables	Cumulative Timeline
Inception report	Within two (2) weeks of award of contract
Diagnostic Report	Within Four (4) weeks of award of contract
Draft National Climate Finance Strategy	Within Fourteen (14) weeks of award of contract
Validation Workshop	Within Sixteen (16) weeks of award of contract
Final strategy incorporating the stakeholder's feedback and resource mobilization roadmap	Within Twenty (20) weeks of award of contract
Capacity building incl. materials like manuals, guidelines, and training modules	Within twenty-five (25) weeks of award of contract
Submission of a final report	Within twenty-five (28) weeks of award of contract

7. Invitation to Submit Proposal

Qualified firms are invited to submit proposals for this assignment. The proposal should include:

- Name and CV of proposed team
- Summary of experience in designing national strategies, policy review, and gap analysis in emerging markets or Sub-Saharan Africa.
- Description of the consultant's understanding of the role and how they intend to fulfil the services within the suggested timeline.
- References letter and/or contact details who can provide testimony for the Consultant's experience, skills, and overall suitability for this assignment highlighting relevant experience to this RFP and dates of service.

- Estimated budget² for both professional fees and reimbursable expenses.

8. How to Apply

Proposals should be submitted electronically to bids@fsdethiopia.org with the subject line “Ethiopia National Climate Finance Strategy” by January 16, 2026.

Note: Technical and financial proposals should be submitted separately but simultaneously.

9. Basis of Award

A contract will be awarded to the most economically advantageous tender based on the following criteria:

Mandatory Requirements
The bid is open to firm-level consultants.
The firm must have experience in designing national strategies, policy review, and gap analysis.
The firm must have experience in organizing participatory consultations, workshops, and validation processes.
Ability to evaluate and strengthen institutional capabilities.
Familiarity with national policies, NDCs, and development frameworks.
Skills in analysing existing data, identifying gaps, and formulating data-driven strategies.
Experience in delivering effective training on climate finance proposal development and institutional arrangements
Demonstrated expertise in gender-responsive climate finance, including experience integrating gender considerations into national strategies and climate related initiatives.

Selection will be made based on the following criteria:

Assessment criteria	Weighting (%)
<p><i>Relevant, demonstrated experience and capacity of firm and proposed team in this area</i></p> <p>The consulting firm/team shall have demonstrated expertise in climate finance strategy development, climate policy and economic analysis, blended finance and private sector mobilization, public financial management and MRV systems, sectoral climate investment planning across priority areas such as energy, agriculture, water, transport, and forestry, as well as strong capabilities in stakeholder engagement, political economy analysis, carbon markets, and results-based finance.</p>	40%
<p><i>Approach and methodology</i></p> <ul style="list-style-type: none"> • Quality of your proposed approach and methodology - 15% 	30%

² The financial proposal template can be found on Annex 1

<ul style="list-style-type: none"> Understanding/interpretation of the task set out in terms of reference including a detailed work plan -15% 	
<p><i>Supplier's demonstration of sustainability value-add</i></p> <p>Bidders that demonstrate localisation, gender, environmental and ethical considerations will be assigned merit points/scored favourably compared to their competitors.</p>	10%
<p>Fee basis and total costs</p> <ul style="list-style-type: none"> FS = 20% x LB/BP where: FS = is the financial score LB = is the lowest bid quoted BP= is the bid of the proposal under consideration. <p>The lowest bid quoted will be allocated the maximum score of 20%. Fee quoted must be inclusive of all applicable taxes (indicated per the template annexed)</p>	20%

10. **Contact**

Questions or comments in respect of these terms of reference should be directed by email to bids@fsdethiopia.org on or before January 06, 2026, and feedback will be provided by January 08 2026.

11. **Applicable Taxes**

As per Ethiopia's tax law, FSD Ethiopia will pay the contractor after withholding the appropriate taxes at the applicable rate. It is the responsibility of the contractor to keep themselves apprised of these applicable taxes.

Equal Opportunity: *FSD Ethiopia is committed to promoting diversity and inclusion in all aspects of its work. We encourage applications from all qualified firms, particularly those that demonstrate a commitment to gender equality and social inclusion.*

Annex 1: Financial proposal template

Organization Name

Financial Proposal

		Deliverable 1		Deliverable 2		Deliverable...n		
FEES								
Title/Role	Daily Rate	Days	Subtotal	Days	Subtotal	Days	Subtotal	Total
Expert 1			\$ -		\$ -		\$ -	\$ -
Expert 2			\$ -		\$ -		\$ -	\$ -
Expert 3			\$ -		\$ -		\$ -	\$ -
Expert 4			\$ -		\$ -		\$ -	\$ -
Expert 5			\$ -		\$ -		\$ -	\$ -
Expert 6			\$ -		\$ -		\$ -	\$ -
Expert 7			\$ -		\$ -		\$ -	\$ -
Expert 8			\$ -		\$ -		\$ -	\$ -
Expert 9			\$ -		\$ -		\$ -	\$ -
Fees Total			\$ -		\$ -		\$ -	\$ -
Reimbursables								
Description	Cost	Multiplier	Subtotal	Multiplier	Subtotal	Multiplier	Subtotal	Total
			\$ -		\$ -		\$ -	\$ -
			\$ -		\$ -		\$ -	\$ -
			\$ -		\$ -		\$ -	\$ -
			\$ -		\$ -		\$ -	\$ -
Expenses Total			\$ -		\$ -		\$ -	\$ -
TOTAL FEES & EXPENSES			\$ -		\$ -		\$ -	\$ -
Tax								\$ -
Grand Total			\$ -		\$ -		\$ -	\$ -