

Integrating SDG as a framework for measuring and increasing the effectiveness of Brazilian DFIs

Questions and Answers

OBJECTIVES AND DEFINITIONS

Does the work focus on project evaluation or does it also include portfolio evaluation? If so, what are the differences it should address?

The project aims at the development of a comprehensive methodology to integrate SDGs in the Brazilian development financial institutions (DFIs). It should consider (a) evaluating projects submitted to the DFIs in terms of their SDG impact (*ex-ante*); (b) assessing the alignment of the credit portfolio of DFIs (*ex-post*); and (c) defining SDGs-based KPIs to report SDGs performance to high level executives (strategic planning) and board (governance). The ToR are not specific about how the products must be conceived. Proposers should present in the "Technical Proposal" how they pretend to approach them.

Should all SDGs be addressed individually for each practice and methodology?

An individual assessment of each SDG would certainly be valued by the Selection Committee, but we also understand the connections and interactions among them. There is no answer for this matter. We recommend clarifying how to approach the issue in the Technical Proposal.

Will the pilot projects consider all ABDE affiliates, including Sebrae and Finep, potentially? How to deal with the differences between these institutions in the Technical Proposal?

The methodology is expected to be applicable to all financial members associated with ABDE. In the case of non-financial members, the indication of adaptability of the methodology to be developed will be considered a differential.

COORDINATION BETWEEN TEAMS AND PARTNERS

What are the main responsibilities of Teams 1 and 2? Will Team's 1 work schedule be finished in the first 6 months?

The ToRs aims is to coordinate (a) inputs of specialists with experience in sustainable development and DFIs at international level and (b) inputs of Brazilian specialists with expertise in the national context and capacity to work in loco at the implementation phases of the project.

In this sense, the Team 1 will be responsible for analysis and methodology but should also be available to support Team 2 in the implementation of the methodology, if needed. Team 2 will be mostly responsible for the implementation but will also participate in the analysis and development of the methodologies, assisting interviews, reviewing, and critically commenting the work of Team 1 and providing inputs about the national context, if needed. Coordination is of extreme importance to the success of the project, which is the reason why consortiums proposals are encouraged.

The products expected from Team 1 are described in section 3 - "Detailing of Products". For some of them, inputs from Team 1 are subsidiary, merely providing technical support for Team 2. Section 4 - "Responsibilities and working methods" details the participation of each Team in the development of the products.

Team 1 is responsible for products (A), (B), (C) and (D) and take the lead in execution and delivery. In all cases, you can count on the local technical support of Team 2, in coordination with ABDE. As for the product (E), Team 1 must be available for any clarifications and adaptations during the period of implementation of the methodology. However, the leadership of the pilot projects will be Team 2.

Please note that some level engagement in the implementation phases is expected from Team 1. For instance, the tasks will not be fully concluded at the 6th month of contract.

There is a potential risk about the sharing coordination between the many entities involved (Team 1, Team 2, ABDE, CAF, GIZ). How do you see this risk and how to best mitigate it? What is the expectation of interaction between ABDE team and Team 1 in the first phase? Will ABDE facilitate the contact between NDFS' members for the research?

High interaction between teams should be expected, which will require enormous coordination effort and teamwork. To avoid potential risks, it is highly recommended to assign the responsibilities of each team very clearly in the "Technical Proposal". The ABDE team will be on hand to support the teams in mapping, developing methodologies and implementing phases. In addition, ABDE will support the coordination of meetings with national and international SNF partners.

Does ABDE have specific international institutions in mind with respect to A?

It would be interesting to consider those institutions with strong connections with the NDFS, such as: IADB, NDB, AFD, CAF, KfW, IFC etc. However, we are open to suggestions from the consultants. Knowledge of international financial institutions that are strongly engaged with SDGs will be appreciated by the selection committee.

SELECTION CRITERIA

What are the scoring criteria for the organization and for the team members of the organization? Is the candidate still eligible even if he does not meet some of the requirements?

The specifics are described in the Term of Reference, item 7. Candidates will not be disqualified if they are not eligible in all criteria, but probably will be ranked lower than others.

Does the international experience refer to the organization or the experience of the team? Does the evidence of international experience refer to previous implementation of a methodology to promote the integration of the SDGs in the monitoring and evaluation processes of Brazilian IFDs? Must the consultancy necessarily have applied methodology on SDGs as an international experience? Can project references documenting the organization's experience be attached to the proposal?

The proof of international experience refers to the implementation and / or participation in the development of methodologies for integrating sustainability criteria in international financial institutions. Methodologies that specifically consider the SDGs will be a differential. Considering that this is a new theme, in the specific case of the SDGs, it is possible to prove only participation in the process of preparing and applying methodologies, without necessarily proving the results of implemented methodologies.

The evaluation of the international portfolio for the project will depend on the interpretation of the Selection Committee, but previous experiences of team members may be considered, in the case of submissions by groups of experts.

As for supporting documents of previous experience, they can be sent attached.

TECHNICAL PROPOSAL

Is it possible to submit proposals for the two teams (Team 1 and Team 2)? Can the same legal person participate in the two terms of reference?

Yes, if he is qualified for both.

What is the page limit for the consortium proposal presented in a single document?

No, in this case the limit is up to 60 pages.

Can single proposals for both projects be contracted for only one of them? Is it possible to send consortium proposals and those same proposals be considered separately by the selection committee?

There is no guarantee that the Selection Committee can split consortium proposals submitted in a single document. Most likely, proposals will be accepted or rejected in full. The submission of consortium proposals in a single document and in separate documents is not prohibited, however it is not recommended, as it implies rework for the Selection Committee. The possibility of sending a single document for both projects is more appropriate when there is only interest in participating in the consortium format. In general, it is recommended to send two separate proposals, indicating the coordination arrangements between the Teams.

Is there a pre-established structure for the proposal? Should the project proposal only include a detailed description of concepts?

The presentation and content of the proposal must be decided by the proposers and will be evaluated by the Selection Committee.

Should the Technical Proposal and the budget proposal be in a single document (PDF with a maximum of 30 pages)?

Yes, technical and financial proposals must be submitted in a single document, with a maximum of 30 pages.

FINANCIAL PROPOSAL

Is there any change in the budget available for Team 1?

Team's 1 budget was not changed. Our understanding is that the inclusion of additional pilot-projects would have a small impact on the activities expected from this Team.

How to assign the financial proposal when it is submitted to both teams? In the case of Team 1, is it possible to indicate the amount of fees in Reais?

It is recommended to present two separate budgets, with values in Euros for Team 1 and values in Reais for Team 2. In the case of Team 1, the values must always be informed in Euros, so we can compare different proposals. If the company selected for the Team is Brazilian, the contract will be in reais according to the quotation at the time of hiring. If it is an international company, the amount will be paid in Euros.

Can the financial proposal contain the amount to be charged by IFD, instead of a closed global amount? How should the proposals estimate different implementation costs, according to the size and level of complexity of the associated institutions?

Only the global value can be presented for the seven pilot projects. However, detailed budgets are welcome if the proposer is willing to provide it. For budgeting purposes, it is

suggested that the consultancy consider 25 person/working days per pilot project, on average, in addition to travel expenses.

No, the values must be informed in Euros, so that we can compare with the other proposals. In the case of Brazilian companies, we will define the value in reais according to the quotation at the time of contracting. In the case of international companies, the amount will be paid in Euros.

CONTRACT AND PAYMENT

Which is the organization responsible for the contract the consulting team? What is the type of hiring, agreement, or contract? Is there an estimated date for the project be contracted?

Yes, the contractor is ABDE. It will be a contract, preferably with Legal Entities. The estimate is that the consultants will be hired in March 2021.

Will each institution be allowed to send an invoice to ABDE for a part of the work and will ABDE pay directly to each Team?

We emphasize that ABDE will sign only one contract for each ToR, or a contract for the two ToRs if the same company or consortium is selected. ABDE will not split the payment for products referring to the same ToR for different Legal Entities. The consortium between Legal Entities for each ToR can be formalized if it is under the responsibility of the contracted consortium itself. ABDE does not require and is not responsible for formal consortia. Payment arrangements other than with the companies officially named in the contract will not be ABDE responsibility.

How are the contractual arrangements expected for individual international consultants? What are the requirements in terms of labor law in Brazil? Will international consultants need to work in person in the Brazilian territory?

Consultants must comply with the laws in force in Brazil. In the case of international consultants selected for Team 1, teleworking will be allowed. International consultants involved in Team 2, must be prepared for face-to-face activities in Brazil and must include their travel expenses in the proposed budget.

Should proposals from international companies foresee rates and currency risk?

As the Team 1 contract will be denominated in Euros, the funds will leave Brazil and the currency risk will be assumed by the contractor. Fees and taxes may be discounted from the contracted gross amount.

Do you have to consider paying taxes in the financial proposal, for both Team 1 and Team 2? If so, what is the tax to consider?

Fees and taxes may be collected when paying for services. In the case of international contracts, fees will depend on the contractor's domicile. In the case of national contracts, with Legal Entities, taxes and fees include IR (1.5%), PIS (0.65%), COFINS (3.0%) and CSLL (1.0%), which will be highlighted in the note.

IN PERSON ACTIVITIES

In the case of in person activities, how will we handle it in the Covid-19 pandemic?

We do not have a clear answer to this question. We are indeed expecting to move with in-person activities in the second semester, but we cannot be sure about the state of the pandemic by then and how it will be in each region of Brazil. We expect the consultants to be physically in the institutions to implement the pilots, but project coordination will not subject implementation teams at health risk situations.