



TECHNICAL SPECIFICATIONS – TERMS OF REFERENCE INTELLECTUAL SERVICES

Agence Française de Développement

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In respect of the service

**“Technical support for the legal structuring and
governance of the Global Fund for Sport Impact”**

1. Context and Justification

As a unifying force and a driver of inclusion, sport is referenced in the UN's 2030 Agenda for Sustainable Development. It contributes to peace, the empowerment of women and youth, and the achievement of the Sustainable Development Goals (SDGs), particularly in areas of health, education, and social inclusion.

Sport is a dynamic economic sector, generating between 2% and 3% of global GDP, according to the OECD. Its growth rate of 5% outpaces global economic growth.

However, sport often represents less than 0.2% of national budgets, resulting in significant deficits in local sports infrastructure and training programs, which severely limits physical activity and sports participation worldwide.

In this context, investors, public development banks (representing nearly 15% of global investment), international sports organizations (IOC, FIFA, etc.), foundations, and the private sector all have a key role to play in addressing funding challenges in the sports sector and significantly harnessing the economic and social potential of sport.

At the inaugural Sustainable Development Summit held before the Paris 2024 Olympic Games, the Paris Agreement for Sport and Sustainable Development gained the support of over 60 heads of state and government and leaders of international organizations. This Agreement, joined by the Olympic Movement, includes 10 commitments focused on 5 major priorities (see here: <https://sport-for-sd.org/accord/>).

As co-organizers of the Summit, France and the IOC aimed to launch an unprecedented movement to accelerate sport's contribution to the SDGs by 2030. To achieve this goal, the 9th commitment of the Agreement outlines the intention to contribute to the creation of an impact fund.

The **Global Sport Impact Fund** (hereafter, the "Fund") aims to support the achievement of the Paris Agreement and address a critical funding gap for sports infrastructure and development projects. The Fund will provide financing through grants and debt for initiatives that are partially supported by other funding sources, which would otherwise struggle to materialize.

Through an innovative, blended financing structure, the Fund will offer catalytic funding from public and philanthropic resources to strengthen the engagement of other public actors and attract additional private investment. By rigorously selecting projects and strategically allocating funds, the Fund aims to generate tangible social and environmental impacts while targeting attractive financial returns.

The legal structuring of the Fund must be designed with **specific requirements for governance, regulation, and transparency to ensure effective management, investor trust, and compliance with international regulations.**

2. Mission Objectives

The primary goal of this mission is to analyze, design, and propose an optimal legal structure for the Fund, taking into account:

- **Choice of the Host Institution and Jurisdiction:** Selection of the geographical jurisdiction based on financial regulation, taxation, and access to both public and private institutional investors.
- **Investment Vehicle Typology:** Determining the appropriate investment vehicle type that ensures flexibility, transparency, and alignment of investors' interests.
- **Tax and Regulatory Implications:** Addressing fiscal and regulatory considerations, including tax risk management and compliance requirements.
- **Governance Structure:** Defining the roles and responsibilities of stakeholders, decision-making mechanisms, and control structures.
- **Management and Operationalization Modalities:** Ensuring that the chosen structure facilitates the effective implementation of the investment strategy.

3. Expected Deliverables

3.1. Deliverable A – Comparative Note on Potential Jurisdictions

- Identification and evaluation of **three to five public host institutions and potential jurisdictions** suitable for the Fund's domicile.
- Analysis of the **advantages and disadvantages for each host institution and jurisdiction**, based on the following criteria:
 - Credibility and expertise of the public host institution
 - Types of investment vehicles available and associated compliance rules
 - Regulation and investor protection
 - Fiscal attractiveness and double taxation treaties
 - Access to financial markets and funding sources
 - Legal framework and political stability
- **Tax and Regulatory Analysis**
 - Study of the tax implications according to the chosen jurisdiction.
 - Tax optimization strategies in compliance with international regulations.

- Reporting requirements (AML/anti-money laundering, KYC, FATCA, BEPS, etc.).
- **Recommendation of the most suitable host institution and jurisdiction**, with a detailed justification.

3.2. Deliverable B – Fund Structuring Proposal (report)

- Definition of the **optimal investment vehicle** (Closed-end Fund, Venture Capital Investment Company, Reserved Alternative Investment Fund, SICAV, Limited Partnership, Global Business Company, etc.).
- Analysis of **capitalization modalities** (evergreen fund, fixed-term fund, variable capital, etc.).
- Definition of **investor entry and exit mechanisms**, including liquidity options.
- Proposal for **structuring investor classes** (senior, mezzanine, equity, philanthropic).

3.4. Deliverable C – Fund Governance and Management

- Definition of **governance bodies**:
 - Board of Directors
 - Investment Committee
 - Advisory Committee
 - Audit Committee
 - Other potential bodies (Management Secretariat, etc.)
- Allocation of powers and roles of investors, the host institution, and the fund managers.
- Mechanisms for monitoring and transparency (financial reporting, auditing, impact evaluation).

4. Desired Profile of the Service Provider

- A consulting firm **specialized in fund structuring and impact finance**.
- **Experience in creating and domiciling international funds**, particularly in blended finance.
- **Knowledge of the regulations of relevant financial jurisdictions** [host institution country], Luxembourg, Mauritius, Switzerland, etc.

5. Duration

- Target Deadline for Submission of Client-Approved Deliverables

Deliverables A	M+1
Deliverables B	M+2
Deliverables C	M+3

Each deliverable will be presented to AFD review, and the final validated version should be submitted within the agreed time frame after receiving feedback. The overall project completion should aim to meet the specified deadlines.

6. Estimated budget

The total budget for all three deliverables mentioned above is estimated by the Client at approximately €80,000, including VAT.