TECHNICAL SPECIFICATIONS – TERMS OF REFERENCE FOR SERIVCE PROVISION

PROPARCO
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Regarding the service

« Insurance technical assistance for PROPARCO infrastructure finance activity »

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ARTICLE 1. Presentation of the Service Prescriber

PROPARCO is the private sector financing arm of the Agence française de développement Group (AFD Group), funding and supporting both businesses and financial institutions in Africa, Asia, Latin America and the Middle-East. Focusing on key development sectors as infrastructure, PROPARCO's operations foster the private sector's contribution to the Sustainable Development Goals and is committed to sustainable economic growth and poverty reduction. Further information: www.proparco.fr

PROPARCO's Energy, Digital and Infrastructure (ENI) division finances infrastructure projects

(i) in all sectors (renewable energy, transport, water, sanitation, waste, digital infrastructure, mining, etc.)
(ii) through various financial instruments, including and not limited to loans, guarantees, bonds whether corporate or project finance
(iii) during the instruction and monitoring phases, until they are fully repaid.

ENI is made up of around 35 people, organized into three teams:

- (1) Energy and Digital in Africa and the Middle East and (2) Energy and Digital in Latin America and Asia , focusing on **energy** (renewable energy production, energy efficiency, and access to clean power) and **digital infrastructure** (telecom towers, broadband networks, data centers, ESCOs, digital connectivity)
- (3) Urban transition and mobility (other infrastructure), mainly water and waste management, social infrastructure, transport, biomass and cogeneration.

Since 2005, ENI has mobilized **€4.7 billion** in financing, managing a portfolio of **129 projects** worth **€1.6 billion** in outstanding commitments. ENI is **a key driver of PROPARCO's development impact**, combining technical expertise, innovative financial structuring, and strong local partnerships to deliver **sustainable, high-impact infrastructure** in emerging markets.

ENI's mission is to promote **inclusive, sustainable economic growth** by:

- Expanding **access to essential infrastructure** (energy, water, transport, telecoms);
- Supporting the **energy transition and climate adaptation**;
- Encouraging **private investment** in strategic infrastructure sectors;

Enhancing the **resilience** of local economies and communities.

Financial Instruments available

ENI provides a broad range of **tailored financial solutions**, including:

- **Senior and subordinated debt** (including mezzanine and blended finance);
- **Equity and fund investments**
- **Guarantees and risk-sharing mechanisms**;
- **Technical assistance** to strengthen operational and ESG performance.

ARTICLE 2. Purpose of the contract

Insurance technical assistance for PROPARCO infrastructure finance activity

With the aim of responding more effectively to the needs of its clients and in connection with the growth of its activities in project finance and infrastructure, ENI is willing to put in place an insurance technical assistance than would enhance ENI's understanding and management of key insurance matters encompassed by their transactions.

This technical assistance will allow PROPARCO to gain expertise through regular trainings addressed to investment officers and legal department, and also provide ad hoc insurance expertise on specific infrastructure projects. Since PROPARCO currently is only relying on Lenders Insurance Advisor this technical assistance will contribute to increase in-house knowledge and capacity to evaluate insurance program, and to assess any deviations on an insurance program (typically in a context of a waiver).

ARTICLE 3. Context and objectives of the mission

The technical assistance is divided in 2 activities:

a. ACTIVITY 1 – TRAINING ON INSURANCE
b. ACTIVITY 2 - CAPACITY BUILDING FOR PROPARCO ON INSURANCE-RELATED MATTERS

The selected Consultant will not be prevented – across the duration of the FA - from responding to RfPs and from being appointed as Lender's Insurance Advisor (LIA) for PROPARCO and ENI projects. In case the selected Consultant is conflicted on a project (eg he is acting as the current LIA for a project), he will be prevented from conducting Activity 2 on this project.

The proposed technical assistance is structured under 2 activities:

ACTIVITY 1 – TRAINING ON INSURANCE

Description : providing general and detailed training (including detailed supporting documents) and/or specific training on insurance to PROPARCO's investment and legal team once a year
Geographical scope : trainings will generally take place in Paris (PROPARCO HQ) or remotely
Estimated number of beneficiaries: approx. 40 people maximum for the training (the entire ENI team and additional representative from Legal team).

ACTIVITY 2 - CAPACITY BUILDING FOR PROPARCO ON INSURANCE-RELATED MATTERS

Description: strengthening PROPARCO's capacity in insurance providing on-demand expertise on projects or any insurance-related matter.

Geographical scope : ENI's projects cover the full geographical scope of PROPARCO (Asia, Latin America, Africa, Middle-East and Non-EU Eastern Europe). No travel will be expected under this activity.

Estimated number of beneficiaries: ENI team and any additional relevant PROPARCO staff.
On-demand : When a demand is identified by PROPARCO, a Purchase Order will be sent to the consultant to specify the exact content of the request. A detailed description of the expected services will be provided by PROPARCO as part of the Purchase Order of each assignment under Activity 2, and could include 1 or several tasks listed below. The Purchase Order template will be agreed between the selected Consultant and PROPARCO and will be included in the FA.

ARTICLE 4. Services and expected deliverables

The description of the activities and asks listed below should be regarded as a general framework for the assignments . A detailed description of the expected services will be specified by PROPARCO (i) prior to the training for Activity 1 and (ii) in the dedicated purchase order for Activity 2.

Activity	Tasks	Deliverables
Activity 1. TRAINING ON INSURANCE	• 1. a) Annual presentation to PROPARCO on the insurance sector: general training on insurance, the insurance basics and requirements in project finance ~ 2 hours • 1. b) Annual presentation of one/two case studies (one for construction and one for operations), market trends review and any additional specific section requested by PROPARCO ~ 2 hours	The powerpoint presentations for both sessions are expected to be detailed and self-explanatory. Preparation of 2 case studies presentation - Construction phase - Operation and maintenance phase To be organized once a year (the two sessions could take place on different dates).
Activity 2. CAPACITY BUILDING FOR PROPARCO ON INSURANCE-RELATED MATTERS	• 2.a) Support on-demand requests to assist PROPARCOon insurance-related matters, notably regarding specific transactions, such as and not limited to: - providing a critical analysis of the LIA's analytical work (during the DD or formalization). - general insurance questions arising during origination, instruction or portfolio management (i.e. waiver requests) in substitution or in addition to the LIA. - demands related to claims ; - review/ comment project agreements; - review of insurance programs resp. insurance structure requirements for credit committee; - production of technical cheat sheets on specific insurance topics; - assistance during calls with PROPARCO's clients; - portfolio review of insurance (compliance, requirements…).	2.a) A detailed description will be attached to the Purchase Order 2.b) Training and all training materials

	• 2.b) This activity may also include ad hoc interventions and training for PROPARCO's employee on insurance: changes in the insurance market, trends in certain geographical areas, new products, etc.	

ARTICLE 5. Terms of execution

5.1 Expected methodology

The service provider may propose the methodology deemed most appropriate for carrying out its activities, in agreement with the project manager.

5.2 Specific implementation requirements / Conditions for execution

The framework agreement will be signed between the Consultant and PROPARCO. The service will be paid directly by PROPARCO (France).

The expenses related to visits to PROPARCO's headquarter (travel and accommodation costs) will be paid by PROPARCO is needed. International travel fees will be paid on actual costs.

The Consultant will nominate a key focal point to interact with PROPARCO, and will directly report to dedicated contacts of the ENI division based at PROPARCO's headquarter.

On top of the meetings to be held as part of the assignment itself, a meeting will be held at each anniversary date of the framework contract, in order to monitor the contract and discuss the services' implementation. Meetings could either be organized online or in-person, at PROPARCO's headquarter in Paris.

5.3 Implementation schedule

The assignment is estimated to start in December 2026 for an initial 2-year period. The period can be extended for an additional year, twice. Hence, the deadline to sign purchase orders shall be the fourth anniversary of the notification date of the Framework agreement.

ARTICLE 6. Skills and competencies expected of the Service Provider

The Consultant shall demonstrate strong technical expertise and a proven track record in advising on insurance matters, notably related to **infrastructure project finance transactions**, particularly in emerging and developing markets. The selected advisor should have a comprehensive understanding of the **risk allocation framework** typically applied in limited recourse financings, as well as deep knowledge of **construction, operational, and political risk insurance** relevant to infrastructure assets.

Specifically, the Consultant shall meet the following criteria:

- **At least 10 years of experience** in the insurance advisory field, with a focus on **project finance and infrastructure transactions** (energy, transport, utilities, telecoms, etc.);
- Demonstrated experience advising and training **lenders, sponsors, or multilateral financial institutions** on the design, placement, and review of insurance programs compliant with international lenders' requirements;

- Proven ability to **assess and benchmark insurance policies** (construction all risks, third-party liability, business interruption, political risk, etc.) and ensure alignment with **contractual and financing documentation** (EPC, O&M, financing agreements);
- Strong understanding of **market practices** and relationships with **international and local insurers/reinsurers**;
- Ability to deliver **clear, actionable recommendations** and liaise effectively with all project stakeholders (borrower, sponsors, lenders, brokers, and insurers);
- Excellent command of **English (and French preferred)**, with strong report drafting and communication skills.

The use of additional consultants from any department of the selected firm, due to their specific expertise (which could especially be required under Activity 2), falls within the scope of the proposed FA.

ARTICLE 7. Resources made available to the Service Provider

Upon notification of the contract, the service provider will have access to existing documentation relating to the subjects on which it will be working.