

# Terms of Reference (ToR)

for

## Research on Blended Finance for Climate Action in Bangladesh & South Asia: Opportunities, Challenges, and Pathways for Just Transition

### BACKGROUND

ActionAid Bangladesh (AAB), in collaboration with Climate Action Network South Asia (CANSA), is initiating a research study to explore the role of blended finance in addressing climate challenges across Bangladesh and the South Asian region.

South Asia is among the most climate-vulnerable regions globally, facing disproportionate climate impacts despite minimal contributions to global emissions. Bangladesh ranks among the most climate-risk-affected countries, with significant financing needs under national frameworks such as the National Adaptation Plan (NAP) and Nationally Determined Contributions (NDCs).

Blended finance defined as the strategic use of public or concessional finance to mobilize private investment, has emerged as a promising mechanism to bridge the climate finance gap. However, growing evidence highlights key concerns, including:

- Increasing debt burdens in vulnerable countries
- Limited transparency and accountability
- Exclusion of frontline and marginalized communities

There is also limited clarity regarding governance structures, decision-making processes, and accountability mechanisms within blended finance initiatives. Without appropriate safeguards, such models risk reinforcing inequalities rather than advancing climate justice.

Blended finance presents opportunities to support renewable energy transitions, locally-led adaptation, and community-based solutions through innovative financing mechanisms such as guarantees, risk-sharing facilities, and community investment funds.

Given ActionAid's climate justice mandate and CANSA's regional advocacy role, this study aims to generate grounded, qualitative evidence to assess whether blended finance can deliver equitable, feminist, and community-centered climate solutions.

## **OBJECTIVE OF THE STUDY**

The overall objective of this study is to generate qualitative evidence on the effectiveness, equity, and feasibility of blended finance approaches for climate action in Bangladesh and South Asia.

## **SPECIFIC OBJECTIVES**

- To map the current landscape of blended climate finance initiatives across Bangladesh and selected South Asian countries
- To analyze opportunities, scaling potential, and lessons learned from past initiatives
- To examine key challenges, including governance gaps, debt implications, and exclusion of marginalized communities
- To assess community-level perceptions of access, ownership, and impact
- To develop actionable recommendations for just, feminist, and effective blended finance models aligned with climate justice principles

## **KEY RESEARCH QUESTIONS (include concrete examples and cases)**

- What is the current state of blended finance for climate action in Bangladesh and South Asia?
- What structural and political economy barriers limit its effectiveness?
- How have past blended finance initiatives performed (successes vs. failures)?
- To what extent do blended finance mechanisms benefit or exclude frontline communities?
- What opportunities exist for scaling private sector engagement?
- How can blended finance support renewable energy and locally-led adaptation?
- What governance structures are required to ensure transparency and accountability in respective countries?
- What innovative financing mechanisms can be developed using existing national and local capacities?
- How can blended finance be aligned with climate justice and just transition principles?

## **SCOPE OF WORK**

The consultant will undertake a qualitative, multi-country study (Bangladesh as primary focus, with insights from India, Nepal, Pakistan, and Sri Lanka).

The scope of work includes, but is not limited to:

### **1. Inception & Research Design**

- Develop research framework, methodology, and tools
- Conduct stakeholder mapping (national and regional)

### **2. Desk Review & Mapping**

- Review existing literature, policy documents, and reports
- Map blended finance initiatives and actors across the region
- Analyze governance structures, financial risks, and inclusion/exclusion dynamics
- Identify best practices, gaps, and emerging trends

### **3. Data Collection**

- Conduct Key Informant Interviews (KIIs) with relevant stakeholders
- Facilitate limited consultations (FGDs or expert discussions where feasible)

### **4. Analysis**

- Based on the gathered information, identify best practices, gaps, opportunities, possible policy recommendations, and emerging trends

### **5. Report Writing & Recommendations**

- Develop a comprehensive research report
- Produce a policy brief with clear advocacy messages
- Formulate actionable recommendations aligned with climate justice and feminist principles

### **6. Dissemination Support**

- Develop communication materials (key messages, summaries)
- Organize a regional webinar to share findings

## DELIVERABLES

The consultant is expected to deliver:

### 1. Inception Report

- Methodology, tools, workplan, and detailed timeline

### 2. Draft Research Report

- Landscape mapping
- Analysis of opportunities and challenges
- Case examples and comparative insights

### 3. Draft Policy Brief (Advocacy-Oriented)

- Concise, visually engaging document
- Key messages, recommendations, and talking points

### 4. Final Documents

- Revised version incorporating feedback

### 5. Presentation & Dissemination Support

- Slide deck summarizing findings to use in regional webinar
- At least 4 communication materials to disseminate in social media

## DURATION OF THE ASSIGNMENT

The assignment is expected to be completed within **4 months** from the date of contract signing.

## PROFILE REQUIREMENTS OF THE CONSULTANT

- Proven experience in climate finance, climate justice, or related fields
- Strong understanding of blended finance and development finance mechanisms
- Experience in qualitative research, policy analysis, and report writing
- Demonstrated experience working in South Asia or similar contexts

- Ability to produce high-quality analytical and advocacy-oriented outputs
- Proficiency to organize webinar and develop communication materials to disseminate findings

## **SUBMISSION OF PROPOSAL**

Interested people/s are requested to submit:

- Technical proposal (methodology, approach, workplan) not more than 3 pages
- Financial proposal (within the indicative budget of **BDT. 13,50,000** including Vat & Tax)
- Detailed CV(s) of consultant(s)
- At least 3 samples of previous relevant work

## **CONCLUSION**

Blended finance presents both opportunities and risks. While it can unlock critical resources for climate action, without safeguards it may deepen inequality, debt burdens, and exclusion.

This research will provide a grounded, justice-oriented analysis to ensure that future climate finance mechanisms are equitable, transparent, and community-driven, contributing to a just transition in Bangladesh and South Asia.

### **Deadline for Proposal Submission: 25 May 2026**

- Please click below the link to submit your proposals

**Link:** <https://jobs.actionaidbd.org/consultancy>

**Disclaimer:** ActionAid Bangladesh reserves the right to accept or reject any or all applications without assigning any reason thereof