

WWF – Blue Heart of Africa Initiative

Joint Consultancy to Define the Architecture, Governance, and Capitalization of the Africa Water Resilience Fund (AWRF)

Terms of Reference (TOR)

1. Introduction

The proposed Africa Water Resilience Fund (AWRF) is conceived as a flagship continental platform to address Africa’s escalating water insecurity and climate resilience challenges through a coordinated, basin-scale, and finance-driven approach. Anchored in the vision of WWF’s Blue Heart of Africa initiative and aligned with continental frameworks such as the Africa Water Vision 2063, the AWRF is designed to mobilize large-scale blended finance while catalyzing systemic transformation in water stewardship. By bridging fragmented investments across corporate, public, and philanthropic actors, the Fund will shift the current paradigm from localized, project-based interventions toward integrated, landscape-level resilience programming that delivers measurable outcomes for water security, ecosystem integrity, biodiversity, and community livelihoods. Critically, the Fund must demonstrate impact not only on business and social water security but also on biodiversity outcomes, including environmental flows, water quality improvements, habitat connectivity, and river and wetland restoration, which are central to WWF’s core strategic goals.

Within this context, the development of a robust technical architecture and operational structure is a critical foundational step to ensure the Fund’s effectiveness, scalability, and credibility. The proposed consultancy will design an integrated institutional and operational framework covering financial structuring, governance systems, programmatic delivery mechanisms, and monitoring, reporting, and verification (MRV) architecture, including KPIs that explicitly measure biodiversity and ecosystem outcomes alongside economic and social water security indicators. This will include alignment with key continental institutions such as the African Union Commission (AUC), African Ministers’ Council on Water (AMCOW), and the African Development Bank (AfDB), while embedding innovative financing instruments, including Adaptation Benefits Mechanisms (ABM), to unlock results-based climate finance. It should be noted that the AWRF is at an early stage of development: while The Coca-Cola Company and AB InBev have provided seed funding to develop the concept, and AUC, AMCOW, and AfDB have been engaged and expressed interest, formal institutional endorsements and partnership agreements have not yet been concluded. Depending on the maturity of these consultations at the time of contracting, the consultant may be asked to deliver either definitive recommendations or an options paper setting out alternative structures and governance arrangements with the pros and cons of each, to be confirmed at inception. The consultancy will ultimately position the AWRF as a credible, investment-ready platform for advancing Africa’s long-term water resilience and climate adaptation agenda at scale.

2. Overall Objective

The overall objective of this consultancy is to define the institutional architecture, governance model, hosting arrangements, and capitalization pathways of the Africa Water Resilience Fund (AWRF), a pan-African blended finance mechanism targeting the mobilization of USD 2 billion by 2028 to deliver climate adaptation, water security, ecosystem restoration, biodiversity outcomes, and human development outcomes at basin scale. The USD 2 billion target is based on analysis of estimated financing gaps across priority African basins and benchmarking against comparable continental blended finance facilities; the consultant should review and, if necessary, revise this figure as part of the financial structuring component. Depending on the stage of partner consultations at the time of contracting, the deliverables may take the form of definitive recommendations or an options paper presenting alternative models with the pros and cons of each. to be agreed with WWF BHoA at inception.

This assignment responds to a systemic gap in Africa's water and climate finance landscape. While multiple financing instruments and facilities exist, investments remain fragmented, short-term, and predominantly project-based, limiting their ability to address watershed degradation, wetland loss, and basin-wide resilience challenges at scale. At the same time, private finance alone remains insufficient; however, a significant opportunity exists to leverage growing corporate water stewardship commitments by aligning them with public finance, multilateral development banks, and climate funds within a structured, outcome-oriented framework.

The consultancy will therefore translate the AWRF concept into a credible, investable, and policy-aligned institutional platform. It will clarify governance and accountability structures, define operational modalities, and establish clear pathways for converting capital into measurable adaptation and development outcomes. The work will be aligned with Africa Water Vision 2063, the Africa Water Investment Programme (AIP), and AfDB climate financing frameworks, while operationalizing Adaptation Benefits Mechanisms (ABM) to link verified adaptation outcomes for people, ecosystems, and economies to scalable finance flows.

3. Scope of Work and Methodology

The consultancy will adopt an integrated and multi-disciplinary approach combining strategic analysis, institutional and financial design, stakeholder engagement, and operational planning. While maintaining a primary focus on defining how the Africa Water Resilience Fund (AWRF) will function as a facility and financing platform, the scope is designed to ensure the Fund is structurally robust, operationally viable, partner-aligned, and investment-ready.

The methodology should include:

- a) A desk review of comparable blended finance facilities globally and in Africa, drawing lessons from both successes and failures;
- b) Structured interviews with a minimum of 15 relevant experts across institutional, corporate, and development finance stakeholders;
- c) A review of existing literature and policy documents, including Africa Water Vision 2063 and relevant AfDB frameworks; and
- d) At least two stakeholder consultation workshops — one with continental institutions and one with private sector partners, to validate findings and refine recommendations.

The assignment will cover the following interrelated components:

a) Strategic and Market Analysis

Undertake a comprehensive review of existing African and global water and climate financing instruments, including African Development Bank facilities, climate funds (e.g. GCF), bilateral initiatives, and private financing platforms, to:

- Identify systemic gaps in financing related to basin-scale restoration, coordination, and the deployment of blended finance
- Clarify limitations of existing mechanisms in addressing large-scale wetland and watershed restoration and integrated water resilience
- Assess fragmentation, duplication, and barriers to scaling investments

In parallel, the consultancy will analyze corporate water risk exposure, stewardship practices, and sustainability commitments to:

- Understand private sector demand for collective, basin-level water resilience action
- Identify opportunities to aggregate corporate contributions and align them with public and concessional finance
- Explore pathways for crowding in private capital through structured, outcome-oriented investment mechanisms

b) Institutional Architecture and Hosting Arrangements

Map and scope all relevant stakeholders of the proposed AWRF, their current roles and complementarities.

- Analyse potential institutional hosting and implementation offtake arrangements to the proposed AWRF
- Identify potential de-risking actors and instruments (e.g. first-loss facilities, guarantees, concessional tranches) and assess their applicability to the AWRF structure
- Assess the engagement expectations and potential counter-offer positions of critical institutional actors, informing a realistic negotiation and partnership strategy

Define and assess viable institutional architecture options for AWRF, including:

- Comparative analysis of hosting models (e.g. AfDB-hosted, independent entity, hybrid structures)
- Legal, fiduciary, and administrative arrangements suitable for blended finance involving public, private, and climate funding sources

The consultancy will clearly define roles and functional responsibilities across:

- Political leadership and continental oversight
- Fiduciary management, fund administration, and financial intermediation
- Technical coordination, implementation partners, and basin-level delivery structures

c) Governance Framework

Design a governance model that ensures legitimacy, transparency, and operational effectiveness, while maintaining investor confidence. This will include:

- Decision-making structures, governing bodies, and accountability mechanisms
- Representation of key stakeholder groups, including public institutions, private sector contributors, and technical partners

- Transparent systems for oversight, performance management, and reporting

d) Financial Structuring and Capitalization Strategy

Develop a comprehensive blended finance framework and capitalization strategy for the AWRF, including:

- Definition of capital structure, funding windows, and risk-sharing instruments
- Clear investor entry pathways for different capital providers, including:
 - Corporate contributors seeking basin-level risk reduction and resilience benefits
 - Public and concessional finance institutions (e.g. AfDB, GCF, bilateral donors)
 - Outcome buyers and impact investors
- Articulation of capital blending approaches (e.g. leverage ratios such as 1:1, 1:2, or higher)
- Design of financial instruments, including grants, concessional finance, guarantees, and results-based payments
- Identification of potential anchor investors and early capitalization opportunities

e) Programmatic and Operational Model

Define how the AWRF will operationalize and deploy capital at basin and landscape levels, including:

- Investment strategy and criteria aligned with water security, ecosystem restoration, and climate adaptation outcomes
- Project origination, screening, and approval processes
- Modalities for financing and implementation, including partnerships with governments, NGOs, and private actors
- Integration of basin-level planning, ecosystem-based approaches, and community resilience priorities

f) Pipeline Development and Investment Readiness Framework

Develop a structured approach for building and scaling a pipeline of bankable investments, including:

- Criteria and frameworks for identifying and prioritizing investment opportunities
- Mechanisms for project preparation, technical assistance, and capacity support
- Approaches for aggregating and bundling smaller interventions into investable portfolios
- Linkages between upstream watershed restoration and downstream economic benefits (e.g. water supply, hydropower, agriculture)

g) Adaptation Benefits Mechanism (ABM) Design and MRV Framework

Design the functional and institutional architecture of Adaptation Benefits Mechanisms (ABM) as a core innovation of the AWRF, including:

- Identification, quantification, and valuation of adaptation benefits across livelihoods, ecosystems, water security, and economic productivity
- Principles and systems for monitoring, reporting, and verification (MRV) of adaptation outcomes, with KPIs that explicitly encompass: (i) biodiversity and ecosystem indicators —

including environmental flow regimes, water quality improvements, habitat connectivity, and river and wetland restoration metrics; and (ii) business, social, and economic water security indicators. The KPI framework must ensure that AWRF delivers measurable biodiversity outcomes alongside water security and climate adaptation goals, in line with WWF's core strategic mission

- Governance structures for adaptation credits and mechanisms for monetizing verified outcomes

The consultancy will position ABM as a mechanism to convert upstream restoration investments into measurable, outcome-backed financial assets capable of attracting results-based climate finance.

h) Strategic Partnerships and Stakeholder Engagement

Undertake structured consultations with key stakeholders, including:

- Continental institutions such as the African Union Commission (AUC), AMCOW, and AUDA-NEPAD
- African Development Bank and relevant climate finance entities
- Corporate partners and water-dependent private sector actors
- Technical organizations, NGOs, and civil society partners

The consultancy will define partnership modalities, ensure alignment with existing initiatives, and synthesize stakeholder inputs into actionable recommendations.

i) Policy Alignment and Strategic Positioning

Ensure that the AWRF is fully aligned with continental and global frameworks, including Africa Water Vision 2063, the Africa Water Investment Programme (AIP), Nationally Determined Contributions (NDCs), and international climate finance architectures.

This component will also position the Fund within the broader ecosystem of water and climate finance initiatives to maximize complementarity, avoid duplication, and strengthen its value proposition to investors and partners.

j) Implementation Roadmap and Operationalization Plan

Develop a phased and practical roadmap for establishing and operationalizing the AWRF, including:

- Key milestones, timelines, and sequencing of activities
- Institutional set-up requirements and transitional arrangements
- Resource needs and early-stage priorities for fundraising and pilot implementation
- Clear recommendations to support rapid progression from concept to launch and initial capitalization

3. Expected Deliverables

The consultant(s) will deliver:

1. **Inception Report** outlining methodology, stakeholder engagement plan, and workplan.
2. **AWRF Institutional Architecture and Governance Paper**, detailing:
 - Hosting options and recommended structure
 - Governance bodies, roles, and accountability mechanisms
3. **Capitalization and Investor Entry Framework**, clearly describing:

- How different types of capital can enter the Fund
- Blending and leverage strategies
- Conditions for engagement by corporate, public, and climate finance actors
- 4. **Adaptation Benefits Mechanism (ABM) Architecture Note**, covering:
 - Benefit mapping and valuation logic
 - MRV and credit governance principles
 - Linkages between restoration outcomes and financial returns
- 5. **Operational Roadmap**, setting out:
 - Steps to establish and operationalize the AWRF
 - Sequencing toward capitalization and early deployment
- 6. **Final Synthesis Report and Executive Presentation**, tailored for senior leadership and potential funders.

4. Governance and Coordination Arrangements

The consultancy will be coordinated by **WWF Blue Heart of Africa (BHoA)** in close collaboration with:

- **Public institutional anchors:** African Union Commission (AUC), AMCOW, African Development Bank (AfDB) - consulted at senior level and have expressed interest in providing institutional anchoring; formal endorsements to be confirmed during Phase 1
- **Private sector partners:** The Coca-Cola Company and AB InBev — have provided seed funding to develop the AWRF concept; their buy-in to the full fund structure and governance model remains to be confirmed through Phase 1 consultations
- **Technical partners:** Select international NGOs including GWC, IUCN and TNC

A small reference group will provide strategic guidance and ensure alignment with continental priorities and investor expectations. Given that the available budget is drawn from seed funding provided by The Coca-Cola Company and AB InBev, proposals should include a prioritized workplan that identifies which components are highest priority and how the scope could be phased or adjusted if budget constraints require it. If necessary, the commissioning team may scope down the initial assignment, for example, focusing first on institutional architecture and governance options before commissioning detailed financial structuring or MRV design in a subsequent phase.

5. Timelines

The AWRF is structured around three phases:

- Phase 1 (2026) - Design, Alignment and Soft Launch;
- Phase 2 (2026-2027) - Consultation and Pilots; and
- Phase 3 (2028) - Full Launch and Capitalization.

This consultancy covers **Phase 1 (Design and Alignment)** only, and is expected to commence no later than June 2026, with outputs delivered in advance of the planned soft launch at the UN Water Conference (UAE) and any capitalization and pilot implementation phases. Consultants should familiarize themselves with the full AWRF Concept Note and available ABM background materials, which will be appended to this ToR at the time of issue. A detailed timeline will be agreed upon at inception.

6. Procurement Modality

Open tendering

7. Consultant Profile

The assignment requires demonstrated expertise in:

- Blended finance and climate adaptation finance
- Fund architecture, governance, and institutional design
- Water resources management and basin-scale resilience in Africa
- Development of outcome-based finance and MRV systems
- Engagement with multilateral development banks and corporate investors

8. Application and Selection

Proposals must be submitted in English and should not exceed 20 pages (excluding CVs and budget).

Each proposal must include:

- a) A proposed technical approach and methodology, with clear reference to how the consultant will address the scope of work;
- b) A stakeholder consultation plan, identifying key groups to be engaged and the approach for doing so;
- c) A description of key deliverables and proposed timeframe;
- d) CVs of the lead consultant(s) and any other core team members;
- e) A summary of directly relevant experience on comparable assignments; and
- f) An itemized budget with day rates and total cost.

Proposals will be evaluated against the following criteria and weightings: technical approach and methodology (40%); relevant experience and track record (30%); value for money (20%); and proposed timeframe and team availability (10%). Selection will follow WWF procurement procedures.

Duly completed Technical and Financial bids to be submitted on or before COB, 5th June 2026.

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