



TERMS OF REFERENCE

FEASIBILITY FOR THE DEVELOPMENT OF A WASH INVESTMENT CASE

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About PlanBørnefonden and Capital 4 Impact Foundation

PlanBørnefonden (Plan International Denmark) is an INGO that works across 55 countries to ensure that all children and young people, regardless of gender, have equal opportunities. We raise funds to implement projects in humanitarian and development contexts on early childhood development, inclusive quality education, youth employment and youth entrepreneurship, water sanitation and hygiene (WASH), with gender and climate as cross-cutting themes.

Capital 4 Impact Foundation is founded by Plan International Denmark, and is a social impact investment foundation, working through the global network of Plan International. We unlock private sector capital by mitigating risks and we leverage our presence and partnerships to bring social impact to scale while creating return on investment. Our subsidiary Capital 4 Impact is an alternative investment fund manager licensed to manage funds intended to deliver impact for up to Euro 100m. Our strategic geographical focus is Sub-Saharan Africa, the Middle East and North Africa (MENA), Latin America and Southeast Asia. We invest in education, health, financial services, water & sanitation and sectors in the green transition economy.

Context and Background

PlanBørnefonden's WASH programme portfolio is worth almost 200 million DKK (31 million USD) and spans across Ethiopia, Togo, Kenya, Ukraine, Ghana and South Sudan. We support the assessment, drilling and installation of solar-powered water systems, install container-based sanitation, support watershed restoration, and our multi-user systems support irrigation agriculture and food security. Our work is primarily in rural and peri-urban settings, including humanitarian contexts where we work with both refugees and host communities.

PlanBørnefonden is exploring the financial sustainability of water systems for its more mature projects, and the role of blended finance to support this. They conducted a first study on financial sustainability and blended finance on its SunWash project in Ethiopia. With the support of the Grundfos Foundation, PlanBørnefonden implemented the SunWash phase 1 and 2 programme in Gambella, Ethiopia between 2020 and 2026. SunWash provides access to WASH services through solarised water systems to refugees and hosting communities and has reached 204,000 people. The installation of the water systems has been grant-funded and the water systems are looking to become self-sustaining during their operation stage via affordable end user water fees. The study quantified SunWash's social return on investment (SROI) at 5:1 for each dollar spent via productivity and education gains, public health costs, and job creation. Based on the context, the study assessed the most suited initial blended finance model to consist of 20% investment funding and 80% grants.

Meanwhile, Capital 4 Impact launched its first fund, the Middle East & North Africa Fund I (C4I MENA Fund I) in January 2026 with a backing of DKK 62 million (10 million USD) in first loss capital from the Danish Ministry of Foreign Affairs. The fund will deploy 150-250 million DKK (23-39 million USD) to SMEs, with an expected 8% return on investment. Following the launch of this fund, Capital 4 Impact is establishing further funds and investment pipelines, including a potential WASH Fund in Kenya and Ethiopia, with programmatic, scalable business models to provide access to clean water, sanitation and hygiene via a combination of investment and grants.

PlanBørnefonden and Capital 4 Impact jointly organised stakeholder consultations to discuss blended finance and investment challenges and opportunities, including with Kenyan blended finance actors and water companies, as well as with Danish Embassies in Kenya and Ethiopia, the Nairobi Regional Innovation Centre, the Grundfos Foundation, and Impact Fund Denmark. We have determined that there is seed funding capital for SMEs and large investment ticket sizes for large-scale infrastructure investments, but that there is a gap in medium-sized investment in SMEs working in Operations & Maintenance (O&M), water retail and service delivery to support their scaling. This is due to higher perceived risks and these SME financing needs for lower ticket size that present higher costs for investors. Kenya and Ethiopia's water sector faces challenges that create barriers to investment, including willingness to pay, inefficient O&M models, poor water resource management practices, low availability of data preventing companies to build their tariffs or breakeven strategy, and providers needing significant capacity building. Grant funding has a role to play to fund capital expenditure and can be used to de-risk and attract investments, support the diversification of revenue streams and support companies to reach breakeven.

Now, PlanBørnefonden seeks to further explore opportunities for blended finance models in the water sector Ethiopia and Kenya that will lead to a strengthened sector, improved access to water services and job creation for the youth, including identifying a potential fit for Capital 4 Impact investments. The objective is to develop a concrete investment case and model for PlanBørnefonden and Capital 4 Impact to partner with investors on blended finance.

As we develop this investment case, we continue our discussions and engagements with blended finance ecosystem actors who will be invited to weigh in on the model, including Impact Fund Denmark, Grundfos Foundation, and the Danish Embassies in Kenya and Ethiopia.

Consultancy objectives and scope of the Feasibility Study

Scope of the Feasibility Study

The purpose of the Feasibility Study is twofold: 1) To support PlanBørnefonden in articulating its blended finance strategy, including clear implementation approaches where their grants can best support crowding-in commercial investments that will help scale WASH systems and their impact on populations. 2) To support Capital 4 Impact in developing an investment case for a WASH Fund in Ethiopia and Kenya, where they can have the most additionality amongst the existing supply of capital. This additionality should lead to strengthening the water value chain, with the broader impact objectives of improving access to water services and job creation for the youth.

The Feasibility Study for the investment case will be conducted in two phases. The Phase 2 research and its associated advisory report is this assignment's most significant deliverable (See deliverables and payment milestones sections). Applications to this ToR should reflect this in the proposed resource allocation. The Feasibility Study will include the following analyses:

Phase 1 – scoping blended finance investment models

- a) Detailed mapping of existing blended finance initiatives, frameworks and impact investors, including ticket sizes, portfolio profile, financing supply gaps, investor appetite, risk return profiles
- b) Analysis of challenges, lessons and best practices from existing blended finance initiatives, including relevant best practices from South Africa that are replicable in the Kenyan and Ethiopian contexts

- c) Analysis of where in the water value chain (sub-sectors, types of products and services, level of scale) do Capital 4 Impact and PlanBørnefonden respectively bring the most additionality
- d) Assess and propose strategic uses of philanthropic capital in blended finance partnerships: e.g first loss, guarantees, technical assistance grant, performance-based grants
- e) Develop investment decision criteria for Capital 4 Impact
- f) Develop a shortlist of most relevant investment cases in the blended finance space that can be implemented

Phase 2 – selection and building of investment case

- g) Based on investment decision criteria and Phase 1 analyses, select the specific investment model in collaboration with PlanBørnefonden and Capital 4 Impact
- h) Build an implementation manual on blended finance for PlanBørnefonden including detailed partnership models
- i) Build the detailed investment case, including
 - a. Identified commercial investors that align with PlanBørnefonden and capital 4 Impact's strategic mandates
 - b. Identified relevant target investee profiles and pipeline potential in the water value chain in Kenya and Ethiopia, including the costs of pipeline development
 - c. Identified first-loss and technical assistance providers for pipeline development

Applicants to this ToR are encouraged to propose additional relevant analyses in their application.

Methodology

The Feasibility Study will use desk research and extensive stakeholder interviews. We expect interviews to mainly be conducted online but strongly suggest scheduling strategic stakeholder interviews in-country.

Deliverables

Deliverable #	Deliverables	Due date (no later than)
1	In-person half-day inception workshop with the Consultant team in Copenhagen. The Consultant is expected to prepare a workshop presentation ahead of the workshop and to participate in the workshop, which will be coordinated by PlanBørnefonden.	Presentations to be sent no later than 2 weeks before workshop date. Workshop date: November / early December 2026
2	Inception report in Word format (30 pages maximum) including: Refined and detailed scope, proposed approach to address list of analyses, detailed work plan, list of identified stakeholders, detailed outline of the Feasibility Study report.	February 2027

	Stakeholder interview guides: List of questions and information the consultants seek to obtain from each type of stakeholder	
3	Phase 1 scoping blended finance investment models report	April 2027
4	In-person 1-day workshop on analysis findings and selecting the investment case model with the Consultant team in Copenhagen.	May 2027
5	Phase 2 - Final Investment Case and blended finance manual in Word format	September 2027

The inception report, the Phase 1 report and Phase 2 report are all expected to undergo 2 rounds of review from PlanBørnefonden and Capital 4 Impact Foundation. PlanBørnefonden reserves the right to add additional review rounds based on the quality of the draft deliverables received.

Duration of the assignment

Applicants to the ToR should specify the number of person-days proposed for each deliverable in their application.

The final report is expected to be shared no later than on 30 September 2027. Earlier timelines are possible, subject to approval.

Contractual arrangements and supervision

The Feasibility Study will be conducted under PlanBørnefonden's terms of reference and supervised by a main point of contact from PlanBørnefonden for the study design, analyses and reports within the agreed timeframe. Capital 4 Impact will jointly review the study's design and reports and shall provide necessary advice for the analyses.

The consultant is expected to provide a main point of contact for the coordination of the project.

Gender equality and climate

The consultant is expected to consider gender and climate as part of the investment case's impacts.

Expected qualifications

Key selection criteria:

- Experts in blended finance investment models in international development contexts
- Excellent analytical skills and track record of delivering quality advisory reports
- In-depth knowledge of the water sector in development contexts
- Experience in conducting research and interviews with Kenyan and Ethiopian stakeholders
- In-depth knowledge of the impact investment landscape in Kenya and Ethiopia

- Experience providing advisory on blended finance from both philanthropic and commercial capital providers' perspectives
- Track record of delivering timely projects / strong project coordination
- Research Ethics and Safeguarding considerations are consistent with Plan International standards

Ethical consideration and Plan's Child and Youth Safeguarding Policy and Code of Conduct

Plan International ascribes to the Convention on the Rights of the Child and the Children's Act No. 29 of 2022. All individuals and organizations who work in partnership with Plan International shall at all levels, subscribe to and uphold the principles and practices outlined in the Policy and Code of conduct which will be provided to the assigned consultant.

Rights to Intellectual Property

- All intellectual property accessed or acquired during the occurrence of this agreement, including all availed documents/papers, books, photographs, videos, computer software or other literary or pictorial books shall be considered works made for hire and all rights to such intellectual property shall be held by Plan International.
- The consultant shall not use Plan International's intellectual property except directly in the performance of this agreement.

Payment Schedule

Milestone	Detail	Amount to be Paid (%)	Expected Timeframe
Inception report	An approved inception report	20%	One week after inception meeting
Phase 1 report	An approved final report	20%	One week after receiving final reviewer's comments
Phase 2 report	An approved final report	60%	One week after receiving final reviewer's comments

Application process

When and how to submit

Deadline for submission: 30 October 2026

Submit applications via email, with the title "Application Blended Finance Feasibility Study" to: Emily.gamble@planbornefondben.dk

Please note that applications will not be viewed or reviewed until after the deadline for submission.

For any questions on the application process, please contact:

Emily Gamble

Senior Manager – Climate, Innovative Finance, M&E

Email: Emily.gamble@planbornfonden.dk

Phone number: +45 53 73 56 89

What you should include in your application

Interested applicants should submit a concise application in Word (up to 10 pages maximum excluding annexes) or PowerPoint format (up to 20 slides maximum excluding annexes) including the following:

- Written narrative response to the ToR, including suitability and brief proposed methodology
- Proposed timelines and person-days by deliverable
- Proposed project manager who will act as the main point of contact between Plan International and the consultancy
- Proposed core team, their roles and responsibilities
- Examples of previous work; references are a plus
- Detailed budget by deliverable, including person-days, daily fee rate, expenses, etc.
- Ethics and safeguarding approaches
- A separate annex with
 - Concise CVs of the core team
 - Optional: Excerpt of previous advisory reports (anonymised if needed)

Consultant selection timeframe

Application submission	30 October 2026, 17:00 CET
Plan review applications	2 – 6 November
Online interview with top 3 applicants	12 November
Applicants notified of selected consultant	17 November
Contracting of consultant	18 November – 04 December
Consultancy Start date	05 December 2026