

Call for Proposal

Brazil E-Bus Credit Enhancement Facility Blended Finance Vehicle

1. Purpose

Catalytic Finance Foundation ('Catalytic') and WRI Brasil invite guarantee managers to submit their proposals to **define, structure, and manage** the *Brazil E-Bus Credit Enhancement Vehicle* (the 'Vehicle'), a transformative blended finance vehicle aimed at supporting the development of debt solutions for electric mobility in Brazil. An Appendix containing sensitive information on the vehicle, including a preliminary term-sheet can be shared upon request.

2. Background

Catalytic is a Swiss-based non-for-profit blended finance incubator, technical assistance provider, and catalytic investor dedicated to accelerating the design and deployment of innovative finance solutions for sustainable infrastructure. Its track record includes supporting the creation of funds such as the [Subnational Climate Fund](#) (USD 750M), [GAIA Climate Loan Fund](#) (USD 1.5BN), and the [Global Fund for Coral Reefs](#) (USD 500M). Under the Catalytic Cities program - funded by Bloomberg Philanthropies and delivered in collaboration with C40 Cities and the Global Covenant of Mayors for Climate Change (GCOM) - Catalytic is advancing the development of a credit enhancement blended finance vehicle to accelerate the uptake of electric buses in Latin America.

WRI Brasil works to improve people's lives, protect and restore nature and stabilize the climate. As an independent research organization, it leverages its data, expertise and global reach to influence policy and catalyze change across systems like food, land and water; energy; and cities. WRI Brasil is part of the World Resources Institute, which has offices in more than a dozen focus countries and partners in over 50 nations. This global research and fieldwork organization has strong technical capacity, and for more than 40 years of experience working with international, national, and local leaders and governments to turn great ideas into action. WRI, through its cities program in Brazil and Global team, has extensive experience working with electromobility in Brazil. It has conducted several studies¹, provided technical assistance to main Brazilian cities, and supported national programs to advance public transport electrification.

WRI Brasil has been selected through the [2024 Call for Projects](#) by the Mitigation Action Facility (MAF) to lead the design and implementation of an innovative financial mechanism aimed at accelerating bus adaptation in Brazil. Subject to final confirmation, MAF has earmarked EUR 16m in anchor capital to support the development of this Vehicle.

1. Additional information in the Appendix

The business case for e-buses in Latin America presents a strategic opportunity for investors seeking stable, long-term returns aligned with climate and impact goals. Despite higher upfront capital costs, e-buses offer a lower total cost of ownership over their lifecycle due to significantly reduced fuel and maintenance expenses. The Vehicle aims to adequately mitigate key financial risks currently hindering the wider adoption of e-bus projects in Brazilian cities, thereby enhancing their bankability.

Catalytic and WRI Brasil (the 'Partners') are collaborating on the development of the Vehicle proposal, with the goal of securing approval from MAF by 2026. This Call for Proposal (the 'CfP') seeks to **identify a guarantee management partner** to advance the design of the Vehicle.

3. The Project

The Vehicle aims, in its initial phase, to support the deployment of 1,739 electric buses across up to five Brazilian cities – to be selected by December 2025 – by addressing key barriers to project bankability that currently hinder investor interest and limit the participation of financiers. It is designed to tackle structural challenges in the local market, including the lack access to finance due to the creditworthiness of private operators and municipalities, the institutional capacity of transit system operators, limitations in concession contract structures, battery replacement risks, among others. The ultimate beneficiaries of the Vehicle are municipal governments and private transit operators, who will gain improved access to financing and more robust project structure.

The **target size** of the Vehicle is EUR 48m following a blended finance approach and composed of two sources of capital:

- **Concessional:** EUR 16m in concessional anchor capital.
- **Commercial:** An additional EUR 32m to be raised from the private sector, institutional investors, impact investors, DFIs, MDBs, and others.

An **Appendix with the preliminary term sheet** is available upon request.

As part of the potential grant to be obtained from MAF, an additional EUR 9 million is expected to be allocated for Technical Assistance, to be implemented by WRI Brasil during the project's implementation period. This component will support pipeline sourcing and project preparation, among other activities.

Having completed much of the initial feasibility work and fundraising for concessional funding, Catalytic and WRI Brasil are not equipped to deploy the funds due to their non-profit status. The Partners are thus seeking a **guarantee manager** who will be responsible for establishing the legal, financial and administrative framework of the investment platform, and raising capital to meet the target Vehicle size by reaching an adequate investor pool. Once the Vehicle is established, the guarantee manager will be responsible for project origination and due diligence, custody and management of the fund, investment analysis, financial structuring, deployment of funds and portfolio management.

4. Selection Criteria for the Guarantee Manager

Candidates should demonstrate how they meet the following criteria to be eligible for consideration as the guarantee manager:

- Institutional Eligibility and Track Record (55%)
 - Experience in designing, managing, and deploying credit guarantees or **risk mitigation instruments**
 - Demonstrated experience or ability to establish **operational presence** and navigate **regulatory environments** in Brazil
 - Experience in **blended finance** is a strong plus (e.g. raising and managing first-loss instruments)
 - Competitive **operating fees**
- Governance and Compliance (15%)
 - Clearly defined **governance** structure and risk management frameworks
 - Commitment to regular, standardized financial and impact **reporting** in line with donor and institutional investor requirements
- Technical and Sectoral Expertise (15%)
 - Familiarity with **bus electrification** projects (e.g. fleet operators, leasing companies, and city procurement dynamics)
 - Ability to **assess and manage risks** related to municipalities, state-owned enterprises, or public-private partnerships
 - Capability to integrate **SDG metrics** and to report on climate impact
- Strategic fit and Scalability (15%)
 - Ability and interest in **scaling** the vehicle to other cities in Brazil and potentially other geographies in Latin America
 - Strong **network** in the development finance community / strong relationships with development institutions and other public sector entities to create debt investment solutions is a strong plus
 - Willingness to **collaborate** with technical assistance providers, public agencies, MDBs/DFIs, and private co-investors.

6. Application Process

Proposals should address each of the points set out in the selection criteria and include their perspective of the Vehicle. Catalytic will lead the review and selection process with the support of WRI Brasil and a reputed financial advisory firm. A Selection Committee will be formed to oversee the selection process. The expert Selection Committee will be chaired by Catalytic and WRI Brasil, and will be supported by high-level experts.

Submissions should be sent to secretariat@catalyticfinance.org and magdala.arioli@wri.org by 31st July with the subject line 'CfP Brazil E-bus Credit Enhancement Facility'. Please keep your proposal to a maximum of 10 pages long, without including annexes.

7. Timeline

CfP Timeline	Date
Launch of CfP	23 rd June 2025
Q&A Sessions	14-15 & 21-22 July 2025
Submission of Proposals	31st July 2025
Review and Clarification of Proposals	4 th –15 th August 2025
1 st Selection Committee Meeting	Week of 18 th August 2025
Shortlisted parties to be notified	25 th August 2025
Bilateral Interviews	1 st – 19 th September 2025
2 nd Selection Committee Meeting	Week of 22 nd September 2025
Final candidate selection	Week of 29 th September 2025
Announcement with Partners	3 rd – 21 st November 2025
MoU Signature with selected Guarantee Manager	December 2025