

REQUEST FOR PROPOSALS

| Cambodia Australia Partnership for Resilient Economic Development (CAPRED) Program | |
|--|--|
| RFP Number | RFP25-0058 |
| Project Name | Domestic Bond Guarantee Capacity Enhancement |
| Domain Name | Infrastructure Development |
| Initial Application Closing Date | 5 pm (Phnom Penh Time), 1 March 2026 |
| Assignment Duration | 12 months |

1. Background**1.1. CAPRED**

The CAPRED Facility is Australia's flagship bilateral economic development program in Cambodia, focusing on economic recovery and resilience until 2027, with a possible three-year extension. Funded by the Department of Foreign Affairs and Trade (DFAT) and implemented by Cowater International, CAPRED supports Cambodia in implementing a range of important economic reforms to support the country's economic transition. These interventions and reforms aim to encourage more productive and inclusive public and private investment, promoting a resilient, inclusive, and sustainable economy (RISE).

CAPRED interventions fall under three technical components: Agriculture and Agro-processing; Trade, Investment and Enterprise Development and Infrastructure Development; and three Cross-Cutting components: Gender Equality, Disability and Social Inclusion (GEDSI); Climate Resilient initiatives, and policy support.

1.2. About Infrastructure Bond Guarantee Framework Consultancy

Cambodia's planned graduation from Least Developed Country (LDC) status by 2029 will reduce its access to concessional finance, making domestic capital markets increasingly important for funding critical infrastructure. While Cambodia's capital market has developed into a viable platform for raising capital, its growth is constrained by limited breadth and depth, with few annual issuances and an inactive secondary market. Bonds are typically held to maturity rather than actively traded.

In this context, bond guarantees are essential for building investor confidence. With support from Australia, CAPRED is collaborating with the Credit Guarantee Corporation of Cambodia (CGCC) to enhance its domestic bond guarantee services. CGCC was established to improve access to finance and promote the development of Cambodia's financial markets. In 2023, the Ministry of Economy and Finance (MEF) approved CGCC's Bond Guarantee Framework, enabling CGCC to provide guarantees on Khmer Riel-denominated corporate bonds listed on the Cambodia Securities Exchange (CSX).

Although CGCC's bond guarantee framework has been operational, it requires enhancement to align with regulatory updates, new securities products, and stakeholder feedback since the framework completion in May 2023. This Request for Proposals (RFP) seeks a qualified consultant or consortium to support CGCC in updating and developing a comprehensive Bond Guarantee Framework meeting international best practice. This framework will define the institutional, regulatory, financial, and operational mechanisms needed for CGCC to effectively assess, price, and provide bond guarantees.



The task of updating the framework will be divided into two phases. Phase one will focus on a review of the existing framework and recommendations for improvement. Phase two will focus on the implementation of the selected recommendations and the enhancement of specific areas of the framework. This request for proposal covers phase one, which is expected to be completed in three to four months. Based on the performance of the contractor during phase one, the contract may be extended into implementation of phase two. This task will be undertaken under **Component A, which covers only phase 1**, of this RFP.

In addition, CGCC is expanding its service to support an upcoming **Infrastructure Bond (Infra-Bond)** guarantee transactions which are distinct from corporate bonds due to their project-based risk profile, long-term financing structure, technical due-diligence requirements, and the need for more specialised guarantee design. CAPRED is collaborating with the CGCC to enhance its domestic bond guarantee services, particularly for infrastructure bonds. This initiative includes providing tailored transaction advisory support to CGCC to conduct comprehensive due diligence and risk assessment for one to two specific infrastructure bonds in its current pipeline. This consultancy will strengthen the quality of CGCC's assessment and decision-making process for the Infra-Bond guarantee and contribute to building CGCC's institutional capacity in infrastructure-related capital-market transactions. This task will be undertaken under **Component B** of this RFP.

Firms, consortiums or individuals would be welcome to bid for Components A and B - or Component A or B. A separate financial proposal should be submitted for component A and B. CAPRED reserves the right to award component A and B to different firms, consortiums and/or individual consultants.

2. Scope of work

Component A

CAPRED is seeking applications from qualified firms, consortiums or individual(s) to support CGCC in conducting a comprehensive review of CGCC's existing bond guarantee framework and provide recommendations on areas for enhancement to ensure its alignment with new regulatory changes, broaden its scope in anticipation of potential security types, and align with international best practices. The selected applicant will be expected to undertake, but not be limited to, the following key tasks:

- Review the existing bond guarantee framework and underlying guidelines and procedures, which include:
 - Assessment and due diligence, including relevant tools and processes.
 - Covenant requirements.
 - Monitoring processes and early warning indicators.
 - Risk management
 - Capital adequacy
 - Pricing functions
 - Claim and recovery processes.
 - Provisions on guarantee policy, guarantee tenor and size ranges, eligibility criteria, risk coverage parameters, and approval processes.
- Review Cambodian capital-market regulations updated or developed after the framework's inception, including but not limited to:
 - Prakas on Private Placement of Debt Securities.
 - Prakas on the Issuance of Infrastructure Bonds.



- Guideline on Eligible Assets to be Used for Infrastructure Bonds Issuance.
- Guideline on Issuance of Green, Social and Sustainable Bonds.
- Other relevant SERC, MEF, CSX, and NBC guidance.
- Alignment with Ministry of Economy and Finance new policy directions.
- Identify regulatory provisions affecting CGCC's guarantee operations.
- Consult CGCC technical teams to validate issues and gaps.
- Prepare a gap analysis comparing the current CGCC Framework vs. new regulations.
- Identify international and regional best practices in infrastructure bond guarantee mechanisms.
- Conduct stakeholder consultations with competent authorities, market intermediaries, non-bank financial institutions, etc., to ensure relevance and acceptance by market participants.
- Recommend areas for improvement, including but not limited to:
 - Updates to the existing framework to ensure alignment with new regulations, new coming securities, and international best practices.
 - Templates, procedures, guidelines, and analysis tools (e.g. credit risk assessment/internal credit risk rating tools).
 - Human resources capacity building.
- Where agreed by CGCC and CAPRED, update the existing framework, guidelines, policies, or procedures to implement the agreed-upon recommendations. This work will be funded by drawing down from a pre-allocated number of working days at a pre-determined daily rate to be proposed in the financial proposal.
- Recommendations that require a significant amount of effort and specialised expertise will be implemented in the second phase of CAPRED's support for CGCC.

Component B

CAPRED is seeking applications from qualified firms, consortiums or individual(s) to provide transaction-oriented advisory support for CGCC to review and assess specific infrastructure bond for guarantee, hands-on technical assistance that builds institutional capacity and operational readiness for CGCC to issue and manage infrastructure bond guarantees. The selected applicant will be expected to work closely with CGCC bond guarantee team to effectively undertake, but not be limited to, the following key tasks:

Transaction Assessment Support

- Review and advice on key project documents (feasibility studies, financial models, contracts, permits, etc.).
- Identify and assess project-finance risks, including construction, completion, operational, market, regulatory, and Environment & Safeguards risks.
- Review and assess project sponsor capacity, governance structure, and financial standing.
- Recommend and advice on risk-mitigation strategies appropriate for CGCC as guarantor.

Infrastructure Bond Due Diligence Guidance

- Advise CGCC on due-diligence requirements specific to infrastructure assets and project-finance structures.
- Advise on the Due Diligence Questionnaire for infrastructure projects for guarantors.
- Assess the issuer's repayment capacity including but not limited to projected cashflows and debt service coverage ratio, funding structure, security package, and bond terms.
- Identify additional due-diligence requirements (technical, legal, financial) as necessary.



Guarantee Structuring Support

- Recommend an appropriate guarantee structure in line with global benchmarks (CGIF and GuarantCo) that are applicable to Cambodia.
- Advise on guarantee coverage levels, risk-sharing mechanisms, and payment & fee structures.
- Suggest covenants, security packages, monitoring indicators, early-warning signals, and documentation requirements.
- Recommend the timeline of reporting and requirements.

Regulatory Alignment and Compliance

- Ensure the proposed transaction structure aligns with:
 - Prakas on the Issuance of Infrastructure Bonds
 - Relevant capital-market regulations
 - CGCC's Bond Guarantee Framework
- Identify regulatory considerations that may influence structuring or approval.

Transaction Negotiation Support

- Provide technical advice to CGCC throughout discussions with:
 - Issuer
 - Securities Firm / Lead Manager
 - Legal advisors
 - Relevant technical stakeholders
- Support CGCC in negotiation strategy and drafting/structuring discussions.

Capacity Building Through Applied Support

- Provide on-the-job technical guidance to CGCC team members throughout the process.
- Document key lessons learned and recommendations for future Infra-Bond transactions.
- Give feedback on post-transaction upon completion of the transactions.
- Regularly meet and update CAPRED and CGCC teams on work progress

3. Qualifications, knowledge and experience required**Component A**

Applications are open to all Cambodian or international qualified firms, consortiums or individual(s) that meet the following criteria.

- Proven track record in financial sector development, capital market advisory, or project finance.
- Prior experience in designing or operationalizing credit guarantee mechanisms.
- Demonstrated experience in working with governments, regulators, or development finance institutions (DFIs) in the region.
- Evidence of similar assignments in Cambodia, ASEAN or comparable emerging markets (e.g., design of credit enhancement facility, infrastructure financing framework, or guarantee funds).
- Strong understanding of Bond market development, including legal, regulatory, and institutional requirements for corporate or infrastructure bond issuance, particularly Cambodia securities regulations and other regulatory context.



- In-depth expertise in credit risk assessment, pricing models, and guarantee structuring.
- Familiarity with public–private partnership (PPP) frameworks, infrastructure project finance, and capital mobilization instruments.
- Proven ability to advise on standard operating procedures, monitoring guidelines, and portfolio risk management.
- Knowledge of regional and/or comparable guarantee institutions.

Component B

- Proven experience in infrastructure finance, capital markets, or credit guarantee operations, particularly in emerging or developing economies.
- Demonstrated experience in designing, implementing, or managing credit guarantee schemes, preferably in infrastructure or project finance sectors.
- Successful track record providing transaction advisory or hands-on support for infrastructure bond issuance, project financing, or credit enhancement transactions.
- In-depth expertise in:
 - Developing risk-based pricing models and market benchmarks;
 - Advanced financial modeling techniques, including scenario and sensitivity analysis; and
 - Analysis of revenue projections, offtake agreements, and cost structures.
- Deep understanding of:
 - Infrastructure design, technology assessment and construction risk evaluation; and
 - Operational feasibility, O&M contractor capability and resource availability;
- Proven ability to:
 - Review ESIAs and ESMPs, in compliance with international standards;
 - Address GEDSI, safeguard, and climate vulnerabilities; and
 - Review land acquisition procedures and consideration of displacement and resettlement.
- Knowledge of domestic financial markets, local regulatory frameworks, and key sector stakeholders. Strong relationships with public and private institutions involved in infrastructure finance.

Other qualifications for both components

- Demonstrating integrity and high ethical standards.
- Displaying sensitivity and adaptability to cultural, gender, religious, racial, national, and age differences.
- Treating all people fairly without favouritism.
- Fulfilling obligations to GEDSI sensitivity and maintaining a zero-tolerance policy for sexual harassment.
- Strictly comply with the DFAT and Cowater policies, guidelines, and regulation, including Child Protection Code of Conduct and policy, Code of Conducts, the PSEAH policies, Fraud and Corruption Control Policies (e.g., requiring all staff and engaged partners to report suspected non-compliant behaviour), and considerations of the Value for Money for the works
- Complying with Cambodian laws and DFAT's policies, including climate/environmental protection safeguard policies.
- Teams with an appropriate gender balance are strongly encouraged to apply.

4. Evaluation criteria

CAPRED will use an objective and equitable process to evaluate each application. The applications will be evaluated on the following criteria:

- Compliance with this Request for Proposal.



- Understanding and ability to meet the eligibility criteria.
- The applicant's proposal positively contributes to GEDSI (gender equality, disability, and social inclusion), climate resilience, and/or the environmental protection.
- Expertise of individuals and overall team nominated to deliver the assignment. CAPRED reserves the right to reject any individual being proposed and to ask the supplier to provide an alternative.
- Past performance relevant to this RFP (as determined by referee checks)
- Relevant examples of previous work.
- Proposed financial plan for the services.

Note: Whilst price is a factor, it is more important that the applicant can demonstrate value for money. CAPRED reserves the right to contract more than one supplier for these services and may actively seek to contract more than one supplier to ensure the supply of technical services. CAPRED reserves the right to vary the contract terms, and to exercise the option period at its sole discretion.

Due diligence checks will be conducted on the organisation/s and individuals nominated in the RFP prior to awarding contract/s.

5. How to Apply

The proposals including the Technical and Financial Response Forms must be submitted no later than **5 pm (Phnom Penh time), 1 March 2026** by email to procurement@capred.org with “**Domestic Bond Guarantee Capacity Enhancement**” in the subject line. Proposals should be clearly marked as for Component A, B or A and B. Any proposals submitted after this time and date will not be considered. Shortlisted candidates will be invited for an interview to provide additional information deemed required by the evaluation panels for a complete evaluation of technical proposals.

CAPRED is available to answer questions or provide more details on the scope of work. Please email procurement@capred.org with “Domestic Bond Guarantee Capacity Enhancement- Enquiry” in the subject line.

Attachments:

- Technical Response Form
- Financial Response Form

Cowater International is an equal opportunity employer, basing employment on merit and qualifications as they relate to professional experience and position expectations. Cowater does not discriminate against any employee or applicant on the basis of race, religion, sex, gender identity, disability, age, or any other basis protected by law. CAPRED aims to have a diverse workforce and a workplace that is supportive of gender equality, disability, and social inclusion. Women, people with disabilities, and other minorities are highly encouraged to apply.

