

REQUEST FOR EXPRESSIONS OF INTEREST
CONSULTING SERVICES FOR BANK-EXECUTED OPERATIONS
SIMPLIFIED COMPETITIVE SELECTION PROCESS

PROJECT NAME: Building a Dynamic Vulnerability Measure for IDB Borrowing Member Countries in Latin America and the Caribbean

SELECTION PROCESS #: RG-T4639-001

SELECTION METHOD: Simplified Competitive

COUNTRY: REGIONAL

SECTOR OR DEPARTMENT: VPC

TC NAME: Supporting the Transition to a Vulnerability-Based Concessionality Model to Strengthen Resilience to External Shocks and Address Shared Challenges in Latin America and the Caribbean

FUNDING – TC #: ATN/OC-21404-RG

LINK TO TC DOCUMENT: <https://www.iadb.org/es/proyecto/RG-T4639>

Attention Consulting Firms: Important Update Regarding BEO Bidder Portal Registration

Effective July 1, all consulting firms, both new and previously registered in the [BEO Portal](#), **must add their Business Partner Number (BP Number)** to their organization's profiles to participate or continue participating in a BEO procurement process.

Please refer to the [FAQs](#) in the Portal for more details on **"How to Find or Obtain Your BP Number"**.

Avoid delays by not waiting until the last moment to complete this update. This process may take up to **48 hours** to complete and could prevent your organization from participating in a BEO Process.

For further questions or assistance, use the [live chat](#) on the BEO Bidder Portal page or email us at ocs.procurement@iadb.org

The Inter-American Development Bank (the Bank) was established in December of 1959 to help accelerate economic and social development in Latin America and the Caribbean. Today, the Bank is a major catalyst in mobilizing resources for the region (For more information about the Bank, please refer to the Bank's website at www.iadb.org.)

Section 1. Purpose of this Request for Expression of Interest

1.1 The Bank is executing the above-mentioned project. The Bank intends to contract consulting services described in this Request for Expressions of Interest (REOI). The purpose of this REOI is to obtain sufficient information to enable the Bank to evaluate if the eligible consulting firms (CF) have the experience and qualifications relevant to provide the consulting services requested by the Bank.

1.2 As defined in the Corporate Procurement Policy ([GN-2303-33](#)), participating CF must be from a Bank's Member Country¹ or Territory² to be eligible to submit an Expression of Interest (EOI). CF with the required experience relevant to the assignment shall be assessed. The Bank will conduct the assessment and ranking of the EOI submitted by the CF that expressed interest. The Bank will invite CF to submit a proposal in the order in which the ranking is established. If the proposal of the first-ranked CF is acceptable, the CF will be invited to negotiate a Contract. If the negotiations with the first-ranked CF fail, the next-ranked CF may be invited to submit a proposal and negotiate.

1.3 This REOI is not to be construed as either an RFP or an offer to contract and in no way obligates the Bank to contract anyone. The Bank reserves the right to reject any and all participating CF for any or no reason without having to provide an explanation. The Bank does not bind itself in any way to select any participating consulting firm. No debrief will be provided as to why CF have or have not been shortlisted.

Section 2. Instructions to the eligible consulting firms

2.1 Expressions of interest must be delivered using the *Bidder Portal for the Selection and Contracting of Consulting Firms for Bank-Executed Operations* (the Portal) (<http://beo-procurement.iadb.org>) by: Friday, January 17, 2027, 5:00 P.M. (**Washington, D.C., Time**) in PDF format only (Max. 45MB).

2.2 To access the Portal, the CF must generate a registration account, including **all** the data requested by the Portal. If any of the information requested is not included, the consulting firm will not be able to participate in this or any other Bank-executed selection process for operational work. If the consulting firm has been previously registered, please validate that you have **all** the consulting firm's information updated and complete before submitting an EOI.

2.3 Eligible CF may partner in the form of a Consortium/joint venture (JV) to enhance their qualifications. Such Consortium/JV shall appoint one of the CF as the representative responsible for the communications, the registration in the Portal, and the submission of the corresponding documents.

¹ **Member Countries:** Argentina, Austria, Bahamas, Barbados, Belgium, Belize, Bolivia, Brazil, Canada, Colombia, Costa Rica, Chile, Croatia, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Guyana, Haiti, Honduras, Israel, Italy, Jamaica, Japan, Mexico, Netherlands, Nicaragua, Norway, Panama, Paraguay, People's Republic of China, Peru, Portugal, Republic of Korea, Slovenia, Spain, Suriname, Sweden, Switzerland, Trinidad & Tobago, United Kingdom, United States, Uruguay and Venezuela.

² **Eligible Territories:** a) Guadeloupe, French Guiana, Martinique, Reunion – as Departments of France; b) U.S. Virgin Islands, Puerto Rico, Guam – as Territories of the USA; c) Aruba – as a constituent country of the Netherlands; and Bonaire, Curacao, Saint Marten, Saba, St Eustatius – as Departments of the Netherlands; d) Hong Kong – as a Special Administrative Region of the People's Republic of China.

2.4 Interested CF may obtain further information during office hours, 09:00 AM to 05:00 PM (**Washington, D.C. Time**), by sending an email to: [Samar Rimawi samarr@iadb.org](mailto:Samar.Rimawi@iadb.org), with a copy to [Julieta Pérez, julietap@iadb.org](mailto:julietap@iadb.org)

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2.5 The Bank hereby invites eligible CF to indicate their interest in providing the services described below in the draft Terms of Reference for the consulting services. Interested CF must provide information establishing that they have the necessary experience and are qualified to perform the services. So that all responses may be properly evaluated, eligible CF must include in their submissions the information requested in the following section, with full and clear explanations.

Section 3. Consulting Services

3.1 The consulting services include support the IDB's transition to a vulnerability-anchored concessional finance framework. The consultancy will focus on developing a conceptual framework for assessing vulnerability in IDB borrowing member countries, incorporating economic, environmental, social, and institutional dimensions. It will also include creating a replicable and transparent methodology to evaluate country-level exposure to exogenous shocks and resilience capacities, ensuring alignment with regional needs and international best practices. Additionally, the consultancy will produce a vulnerability ranking system to prioritize countries based on their assessed vulnerability, facilitating eligibility and allocation of concessional resources. The estimated duration of the services is 4.5 months, with an available budget of \$150,000.

3.2 Although there is no standard format for presenting an Expression of Interest, eligible CF must submit an EOI containing the following information:

- 1) Basic Information—Provide the official name of CF, the contact's name, email address, phone numbers, and office address (es) of the key contact (s) responsible for the EOI.
- 2) Background—Provide a description of the CF. The CF may include brochures or documents that provide information about its organization, history, mission, structure, and number of staff.
- 3) Experience related to the requested consulting services—Provide all kinds of evidence the CF considers appropriate to show its experience and expertise in delivering services similar to those described in Annex A, Terms of Reference (e.g.,

brochures, reports, studies, description of similar assignments, references to cases in which it has provided similar services, experience in similar conditions, availability of appropriate skills among staff, etc.)

3.3 Estimated budget: \$150,000.

Annex A. Draft Terms of Reference

Please note that the attached Terms of Reference may be subject to changes by the Bank. The CF that have been shortlisted will be notified of these changes.

ANNEX A – Terms of reference

TERMS OF REFERENCE

Building a Dynamic Vulnerability Measure for IDB Borrowing Member Countries in Latin America and the Caribbean

REGIONAL

RG-T4639

I. Background and Justification

- 1.1 The IDB Group's new Institutional Strategy Transforming for Scale and Impact (2024 – 2030) sets the strategic direction for the organization through 2030. This strategy aims to evolve the IDB Group's operational model to better serve its clients and deliver impactful results in a dynamic regional and global context. The strategy is built around three mutually reinforcing objectives: promoting sustainable development, enhancing institutional capacity, and fostering regional integration. By aligning its efforts with these objectives, the IDB Group seeks to address the unique challenges faced by Latin America and the Caribbean, including economic instability, social inequality, and environmental vulnerabilities. The strategy emphasizes the importance of measuring outcomes and developing top-line indicators to ensure that the impact of its initiatives remains at the forefront of its efforts.
- 1.2 In line with the new Institutional Strategy, the IDB Group is revisiting its concessional framework to address better the needs of the poorest and most vulnerable countries in the region. This involves creating incentives that tackle vulnerability and address regional and global shared challenges. The strategy recognizes that vulnerability is multidimensional, encompassing economic, social, environmental, and institutional factors. By incorporating these dimensions into its concessional framework, the IDB Group aims to allocate resources more effectively to countries that are most at risk from external shocks and climate change.
- 1.3 The current IDB's concessional framework has its origins in the establishment of the Fund for Special Operations (FSO) in 1959, which aimed to provide concessional resources to the region's poorest countries. Over the years, the framework has evolved to better address the needs of these countries. In 2002 a new performance-based allocation system was adopted for determining access to concessional resources. On June 19, 2002 the Board of Executive Directors approved document GN-1856-31 "Proposal for a Performance Based Allocation of FSO Resources". On February 21, 2007, the Board approved document GN-2442 "Implementation of multilateral debt relief and concessional finance reform at the IDB. Proposal for the implementation of a Debt Sustainability (DSF) and Enhanced Performance-Based Allocation (EPBA) framework. Since then, the IDB delivers on a biennial basis an allocation of concessional resources for consideration of the Board of Executive Directors under four major components: (i) country eligibility; (ii) total amount of resources (envelope) to be allocated; (iii) performance-based allocation (PBA) system; and (iv) level of concessionality of a country's allocation. Currently, the IDB's eligibility for concessional resources (AB-3066-2) approved in 2016 sets income as the key eligibility criterion to access concessional resources through per capita income, ensuring that resources are directed to countries most in need. The last allocation approved for the Board of Executive Directors was for the 2023-2024 period and included Haiti, Nicaragua and Honduras as beneficiaries based on access criteria.
- 1.4 The IDB Group's new Institutional Strategy approved in March 2024, Transforming for Scale and Impact (2024 – 2030) (CA-631) mandates to revisit the Bank's concessional finance framework to address better the needs of the poorest and most vulnerable countries in the region. This involves going beyond the income-based methodologies, setting vulnerability as

an eligibility criterion, and creating incentives to address regional and global shared challenges. The strategy also recognizes that vulnerability is multidimensional, encompassing economic, social, environmental, and institutional factors. The mandate of the Institutional Strategy also calls Management to work on a definition of vulnerability that can be applied across the IDB group to be addressed by operations that remains consistent across all Group entities and takes into consideration MDB work in this area and best practices, including the multi-dimensional nature of vulnerability.

- 1.5 Against this backdrop, the IDB is leveraging in-house expertise and international best practices on vulnerability definitions (e.g., climate) and metrics to dynamically classify borrowing member countries and transition to a vulnerability-anchored Concessional Resource Allocation Framework. To support this effort, the Bank seeks a consulting firm to design a comprehensive framework and methodology to assess vulnerability in Latin America and the Caribbean, while advancing knowledge production on vulnerability, fragility, and resilience

II. Objectives

- 2.1 This consultancy seeks to support the IDB's transition to a vulnerability-anchored concessional finance framework by achieving the following objectives:
- Develop a conceptual framework for assessing vulnerability in IDB borrowing member countries, incorporating economic, environmental, social, and institutional dimensions.
 - Create a replicable and transparent methodology to evaluate country-level exposure to exogenous shocks and resilience capacities, ensuring alignment with regional needs and international best practices.
 - Produce a vulnerability ranking system to prioritize countries based on their assessed vulnerability. This will facilitate the eligibility and allocation for concessional resources.

III. Key Activities

- 3.1 Develop a conceptual framework for assessing vulnerability to external shocks with a clear methodology and a ranking system for IDB borrowing member countries. This will include developing metrics to evaluate their capacity to respond to, manage, and recover from these shocks. The evaluation must consider critical factors such as institutional strength, economic resilience, and social stability.

3.2 The system must:

- Incorporate clear and transparent metrics to assess vulnerability, response, and recovery capacity.
- Establish a working definition of vulnerability, identifying relevant sub-variables with clear justifications and reliable data sources.
- Justify the selection of variables and dimensions, ensuring alignment with regional needs and international best practices.
- Include a flexible weighting system for the selected dimensions, allowing for adjustments in line with evolving corporate priorities.
- Ensure replicability by using publicly available and reliable data sources.
- Be validated by the Bank's technical team before data collection.
- The methodology should determine the impact of shocks on the region and include flexibility to adjust to corporate priorities.

- 3.3 Compile findings into an analytical report that outlines the defined vulnerability

framework, methodology, data sources, rationale for metrics, and ranking results.

IV. Expected Outcome and Deliverables

4.1 Conceptual Framework and Ranking System: A document defining vulnerability, detailing the conceptual framework, selected variables, data sources, and the ranking methodology for LAC countries.

4.2 The proposed vulnerability ranking system will focus solely on exogenous sources of shocks and trends, excluding influences from domestic policy decisions or endogenous developments. The methodology will be grounded in a transparent, logical chain linking exogenous vulnerability sources to country-level exposure and resilience.

4.3 The methodology will consider :

4.3.1 Dimensions of Vulnerability. The index will be broken down into two primary dimensions:

- Exposure to areas of vulnerability (by Shock Types): This dimension identifies and incorporates indicators corresponding to the exogenous sources most relevant to LAC countries, whether it is recurring or progressive, taking into account both the magnitude of the shocks and the level of each country's exposure. Exposure is understood as the likelihood or intensity of being affected by a specific shock, independent of domestic decision-making factors (e.g., geographic location, proximity to fault lines). Proposed components include:
 - Natural Disasters: Frequency and intensity of events such as earthquakes, hurricanes, and floods.
 - Climate Change: Shocks of extreme temperature, sea level changes, and extreme precipitation events.
 - Cross-Border Migration: Inflows of migrants caused by crises in neighboring countries.
 - Pandemics: Health crises with regional or global impacts, measured by for, example, excess deaths.
- Resilience: Captures the capacity to absorb, respond to, and recover from shocks, which depends on domestic factors and policy (e.g., infrastructure quality, emergency response systems). Identify variables and indicators that measure overall capacity and structural resilience deficits. Consider policies and programs that improve resilience, such as diversification to reduce economic concentration in high-risk sectors, the existence of early warning systems, and investments in mitigation measures.

4.3.2 Measurement Approach. A set of well-defined indicators, available in reputable databases, will represent each source of vulnerability. Each indicator should be classified into one of two types of variables:

- Exposure Variables: Quantifying the exogenous event's frequency and/or magnitude.
- Resilience Variables: Measure the ability to mitigate or adapt to the event's impacts.

- 4.3.3 Weighting Scheme. Detail the weighting of dimensions so that the Bank's team can update these to reflect corporate priorities in the future. The index will offer two alternative weighting approaches:
- Uniform Weights: Equal weights for all variables, ensuring an agnostic and neutral perspective.
 - Contextual Weights: Weights determined by either (i) Economic Relevance, Based on the relative economic costs associated with each source of vulnerability (e.g., percentage of GDP affected by disasters) or (ii) Statistical Relevance, Using methods like Principal Component Analysis (PCA) to assign weights based on the variance explained by each variable.
- 4.3.4 Data Sources and Variable Selection. All variables will be selected based on i) Availability in formal/official databases (e.g., World Bank, IMF, UN, IDB). ii) Coverage across all IDB borrowing countries. iii) Temporal consistency for comparability over time.
- 4.3.5 Aggregation of the Index. The index will be constructed as a weighted sum of exposure and resilience components. A breakdown by thematic source of vulnerability (pandemics, disasters, etc.) should also be presented.

4.4 Products

- Deliverable 1: Conceptual Framework of the vulnerability metric and indicator selection, including a broad draft classification of the shocks and overview of the ranking system. This first report must contain a literature review section that summarizes the main analytical underpinnings of the areas of vulnerability and resilience and their relative impact to IDB's lending member countries, as well as a summary of the main vulnerability indices existing among other multilateral organizations and other widely used rankings.
- Deliverable 2: Full methodological approach including the proposed ranking system validated by the IDB's technical team; summary statistics of the vulnerability components (exposure and resilience) as well as computer code associated with data collection, cleaning and description.
- Deliverable 3: Estimated results and sensitivity analysis.
- Deliverable 4: Compilation of all results into the final report. The document must be previously validated in a workshop with the technical team.