

TERMS OF REFERENCE SHORT TERM CONSULTANCY

In the framework of the European Union (EU) funded CIRCULAR project, Expertise France is seeking a consultant/ an organisation to design and deliver a Masterclass in Circular Economy Finance for Financial Institutions in Sri Lanka.

I. General information

Title of the Assignment	Providing technical consultancy for designing and delivering a Masterclass in Circular Economy Finance for Financial Institutions in Sri Lanka under the Access to Finance component of the CIRCULAR project.
Name of the project	Circular Economy in the Food Sector (CIRCULAR)
Country	Sri Lanka
Duration of the assignment	3 months
Expected starting date of the contract	01 June 2026
Maximum budget for the Assignment	39,000 EUR

II. Context and justification of the need

1. Expertise France

Expertise France is the French Public Agency for International Technical Cooperation. As a subsidiary of the Agence Française de Développement Group (AFD Group), it designs and implements projects which aim to contribute to the balanced development of partner countries, in line with the Sustainable Development Goals (SDGs) of the 2030 Agenda and the priorities of France's external action.

The agency achieves this goal by implementing national or regional projects in major areas of public action:

- Democratic, economic and financial governance
- Peace, stability and security
- Climate, agriculture and sustainable development
- Health and human development.

Expertise France promotes international solidarity by facilitating the transfer of skills, fostering peer dialogue, and mobilizing experts to support development cooperation aligned with the rule of law, human rights, and France's Official Development Assistance priorities. For more information, please visit the website - www.expertisefrance.fr

2. CIRCULAR Project

“Circular Economy in the Food Sector (CIRCULAR)” project, is a three-year initiative funded by the European Union and partly co-funded by the German Federal Ministry for Economic Cooperation and Development (BMZ). The project is jointly implemented by Expertise France (EF), the Food and Agriculture Organization of the United Nations (FAO) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

CIRCULAR takes an integrated approach to promoting a circular economy in Sri Lanka’s food sector, focusing in particular on reducing food loss and waste, as well as limiting the use of Single-Use Plastics (SUP). The overall objective of the project is to **promote a Circular economy approach in the food sector**, while increasing resilience to food crises and climate change.

The specific objectives (outcomes) of the project are twofold:

Specific Objective 1 (SO1): *to increase recovery, processing and supply of edible and safe food surplus and/or waste for the benefit of vulnerable consumers and/or food producers* (implemented by FAO).

Specific Objective 2 (SO2): *to enhance effectiveness of the sustainable production, distribution and consumption models related to food waste/loss and single-use plastic food packaging* (implemented by EF and GIZ).

Expertise France contributes under the following outputs:

- **Output 2.1:** Increased awareness (and behavioural change) among the general public, economic operators, consumers and civil society about public incentives, sustainable products, solutions and services on the market.
- **Output 2.3:** MSME, startups, social enterprises, cooperatives have increased access to finance and BDS related to sustainable and gender sensitive business models and practices.

Via **output 2.3**, EF will be taking a holistic approach to increasing access to finance for Circular Economy targeting growth and expansion firms in the food sector requiring financing of \$500,000 to \$5 million. For this, Expertise France will be working with Accounting firms, certification bodies, insurance companies, banks, NBFIs, DFIs and other key actors in enhancing the circular economy financing ecosystem.

3. Context

Globally and nationally, financial institutions are increasingly exposed to risks arising from linear production systems, resource inefficiency, climate vulnerability, and waste intensive business models. In the Sri Lankan agri-food sector, these risks when combined with climate change impacts such as heat stress, floods, and supply disruptions pose long term threats to portfolio resilience, food security, and financial stability. While demand and operations of circular economy solutions is growing, financial institutions face persistent challenges in:

- Identifying and evaluating circular business models
- Understanding and pricing risks associated with linear value chains
- Integrating circularity into credit appraisal and risk modelling
- Designing financial products for the active development of circular economy beyond pilot initiatives
- Measuring, reporting, and managing circular economy and climate impacts

III. Objectives and desired results

a) General objective of the consultancy

Under the EU-funded CIRCULAR Project, Expertise France proposes the “**Masterclass in Circular Economy Finance**”, a targeted Technical Assistance and training programme to address the gaps identified above by positioning circular economy financing as a risk mitigation and value creation strategy for the financial sector.

The overall objective of this consultancy is to design and deliver the "Masterclass in Circular Economy Finance" for Financial Institutions in Sri Lanka. This training programme goes beyond general awareness and focuses on the practical transfer of technical skills. It is intended to equip credit officers, risk managers, investment analysts, and product developers within banks and NBFIs with the capacity to assess, price, and structure circular economy investments.

The consultant will be required to translate environmental sustainability concepts into core financial decision-making frameworks, such as Internal Rate of Return (IRR), Net Present Value (NPV), and Risk-Weighted Assets (RWA), in line with local regulatory and banking standards. This should enable financial institutions to incorporate circular economy considerations into their risk modelling, and to better assess and integrate these opportunities into their mainstream lending and investment portfolios.

b) Specific objectives of the consultancy

Expertise France seeks to engage a qualified consultant or organisation with demonstrated expertise in circular economy, sustainable finance and agri-food systems to design and deliver the Masterclass in Circular Economy Finance for Sri Lankan Financial Institutions.

Specifically, the consultancy will aim to:

1. Strengthen the ability of financial institutions to identify and evaluate circular economy business models in the agri-food sector, with particular emphasis on contrasting the risks of linear versus circular systems, drawing on global research and guidelines on Circular Economy financing.
2. Enable financial institutions to integrate circular economy considerations into credit appraisal and risk assessment, including risks related to waste, inefficiency, soil degradation, climate vulnerability, resource dependency and regulatory exposure.
3. Build practical capacity in financial modelling and bankability assessment of circular food system investments including revenue diversification, cost savings, payback periods, IRRs and sensitivity analysis.
4. Support the design of financial products that enable scaling of circular economy investments in the food sector in Sri Lanka including concessionary loans, transition finance, sustainability-linked bonds and other innovative and blended finance solutions.
5. Promote institutional mindset change across departments and seniority levels, positioning circular economy financing as a core risk management and portfolio resilience strategy rather than a niche sustainability initiative.

The Masterclass in Circular Economy Finance will be delivered virtually through self-paced e-learning modules in English. These modules will be hosted on local online platforms identified by Expertise France and made accessible to representatives from participating financial sector institutions. This delivery format has been selected to accommodate the demanding schedules of financial sector professionals and to allow participants to engage with the training content at their convenience.

Expertise France will coordinate closely with participating financial institutions to ensure active engagement and completion of the trainings. Participating banks and NBFIs will formalise their engagement through MoUs with Expertise France and circular finance action plans that nominate internal circular champions and outline how they will be supported in applying learnings. This includes developing at least one circular finance product concept and identifying a pipeline of investment opportunities. Expertise France will further extend technical assistance support to Financial Institutions that are interested to launch circular bonds and financial products. The consultant will base the applied learnings on findings from the diagnostic review, using simulation exercises that reflect challenges in application of circular economy finance concepts. These may include exercises on due diligence, financial structuring and using tools such as scoring templates, risk assessment frameworks and due diligence checklists to guide participants through structured evaluation and decision-making processes.

IV. Description of the assignment

The consultant will achieve the objective of this assignment through the following activities:

1. Needs assessment and diagnostic review

The consultant will conduct a rapid needs assessment across participating banks and NBFIs to identify and understand gaps on circular financing to tailor the technical training to institutional realities. For this, the consultant will start by reviewing the Diagnostic and Strategy report published under the CIRCULAR project. Expertise France will then enable relevant introductions to the Financial Institutions and the Sri Lanka Banking Institute for:

- a) Assessment of current understanding of circular economy concepts among credit, risk, sustainability and management teams with a gender lens
- b) Review of existing credit adjudication frameworks, internal risk models and ESG or climate risk integration
- c) Review of internal incentives, mandates, and governance structures influencing circular investment decisions
- d) Portfolio review and sector mapping to identify exposure to linear agri-food business models
- e) Identification of financial institution demand and readiness for circular economy investments within the agri sector

2. Design and delivery of the core six-module technical curriculum

The consultant will design and deliver a structured technical training programme for the financial sector that moves beyond general awareness raising to support decision oriented capacity building on circular financing. The technical curriculum will consist of five interlinked core modules, each supported by video scripts, presentation slides and a technical reference note (white paper). A short assessment quiz will need to be included at the end of each module. The modules will equip financial institutions with the knowledge and tools to understand the risks of linear business models, identify circular investment opportunities, assess financial viability, structure circular finance solutions and finance inclusive, bankable transitions to circular systems. These modules are indicative at this stage and Expertise France welcomes suggestions from the consultant on the content and sequencing based on their professional expertise.

a) Module 1: The financial risks of linearity and the case for circularity in Sri Lanka

This module will examine the financial and systemic risks associated with linear systems, including waste, inefficiencies, price volatility, climate exposure and long-term food security risks. It will position circular economy models as a risk mitigation and resilience strategy for financial institutions, drawing on relevant research from global sources. The module will also link linearity

to broader climate risks and macro-financial vulnerabilities, with specific relevance to Sri Lanka's post-crisis economic recovery.

b) Module 2: Circular economy concepts and applications in the food sector

Participants will be introduced to core circular business model strategies as defined by the World Economic Forum. This includes circular inputs, sharing economy, product as a service, product life extension and resource recovery. The module will explore how these models evolve across value chains and help identify practical circular opportunities within the food sector. To support this, the CIRCULAR project is developing The Circular Food Business Handbook: Replicable Circular Economy Models for Profitability and Sustainability, which documents and analyses 30 Sri Lankan businesses successfully applying circular models across the food value chain.

c) Module 3: Assessing existing portfolio exposure of linear business models

This module will focus on assessing risks associated with linear business practices within existing lending portfolios. Participants will learn to identify portfolio exposure to linear models by analysing cost structures, waste streams and missed value opportunities. Particular attention will be given to resource dependency, input price volatility, climate vulnerability and supply chain disruptions to understand how these risks translate into cash flows, cost structures, and repayment capacity. The module will support the identification of clients most vulnerable to linear risks, as well as those positioned to benefit from a transition to circular models. It will also examine the longer-term financial and systemic implications of maintaining linear practices, including asset stranding, increased cost pressures, supply chain disruptions and declining competitiveness.

d) Module 4: Credit assessment and financial modelling for circular investments

This module provides practical guidance on evaluating the financial viability of circular businesses and integrating circular economy considerations into credit risk assessment and appraisal processes across sectors. Participants will learn to:

- Develop financial models for circular businesses, including cash flow projections, valuation of by-product revenue streams, operational cost savings and capital versus operational expenditure trade-offs.
- Evaluate key investment metrics such as payback periods, internal rates of return and sensitivity to resource availability, input price volatility, and demand shocks.
- Apply practical approaches to embed circular considerations into internal risk models, credit appraisal frameworks and decision-making tools, ensuring alignment with broader climate and ESG risk frameworks.

e) Module 5: Financial product design, pipeline development and impact measurement

The final module will focus on translating portfolio insights and financial modelling into practical financing solutions that support circular economy businesses. Participants will learn to:

- Design financial products tailored to circular enterprises including green and sustainability-linked loans with circular KPIs, working capital solutions for circular SMEs, circular bonds and blended finance structures combining grants, debt and guarantees.
- Develop a pipeline of circular economy investments by identifying promising clients, screening opportunities, and linking assessment results to potential financing solutions.
- Integrate impact measurement and reporting into lending practices, including selection of relevant circular economy indicators, linking impact outcomes to financial performance and ensuring credible verification to mitigate greenwashing.
- Monitor and track portfolio-level outcomes, connecting financial and environmental/social impacts to inform future product design and investment decisions.

3. Gender Equality, Disability and Social Inclusion

Gender equality and social inclusion will be integrated throughout the modules, aligned with EU priorities on inclusive and sustainable development. The masterclass will show how financial institutions can support circular economy investments equitably, with a focus on small businesses and enterprises led or owned by women and persons with disabilities. Expertise France will engage with the consultant and the financial institutions to increase participation of women staff by equipping them with the skills, tools and support to apply circular finance principles. Inclusive financing approaches for MSMEs and smaller producers will also be promoted, helping them transition to circular value chains and improving access to finance for socially and regionally diverse actors.

4. Applied learning and practical exercises

At the start of the training, each participating bank or NBF will define objectives for its nominated officers, forming part of their Circular Finance Action Plan. Objectives may include designing a circular finance product, reviewing portfolio exposure, or strengthening internal risk and credit frameworks. Participants will complete practical assignments and simulation exercises aligned with these objectives, working with their supervisors to ensure outputs are relevant to internal processes. These efforts will link to MoU commitments with Expertise France with additional technical assistance available for institutions pursuing circular bonds or innovative financial products.

The consultant will provide simple guidance, templates and scoring tools to support this process, while allowing sufficient flexibility for institutions to tailor outputs to their own priorities. This approach ensures that learning is applied within the actual roles and responsibilities of the participants and that outputs can be directly used by the institutions following completion of the training.

5. Digital package and instructional design

The consultant will lead the development of the module content and set the overall design direction, including the structure, flow, and key design requirements. An UI/UX developer is to be subcontracted by the consultant for designing the interface and user experience, translating this vision into clear, engaging, and user-friendly module layouts. The modules will be hosted on platforms selected by Expertise France and both the consultant and the UI/UX developer will work closely with the DevOps teams of the selected platforms to ensure compatibility and smooth functioning. The consultant will coordinate with all parties and retain overall responsibility for the quality and final output of the modules.

6. Online discussion with participants

The consultant will host a 2 hours virtual session about two months after the training launch, giving participants time to apply the learning and raise questions or concerns. Expertise France will support planning, including scheduling and invitations. Key insights from the session will be used to develop a FAQ section on the platform.

7. Online certification for participants

The e-module training will include online certification to recognise participants for both learning and practical application. The consultant will work with the selected web platforms to ensure automatic certificate generation and to maintain functionality beyond the duration of the CIRCULAR project.

The anticipated deliverables for the proposed scope of work is as follows:

Tasks	Deliverables	Indicative Timeline
1. Needs assessment and diagnostic review	<ul style="list-style-type: none"> • Diagnostic and needs assessment report summarising key gaps, risks, and priority capacity-building areas for financial institutions • Meeting notes of 8 stakeholders interviewed 	Week 1-2
2. Design of structured Masterclass curriculum plan	<ul style="list-style-type: none"> • Technical reference notes/white papers outlining the content in 2-3 pages for each of the modules. 	Week 3-4
3. Development of technical training modules	<ul style="list-style-type: none"> • Five core interlinked modules with: <ul style="list-style-type: none"> ○ Video scripts ○ Presentation slides ○ Technical reference notes/white papers ○ End of module quizzes <p>Module 1: Financial risks of linearity and case for circularity Module 2: Circular economy concepts and food sector applications Module 3: Portfolio exposure to linear models Module 4: Credit assessment and financial modelling for circular investments Module 5: Financial product design, pipeline development, and impact measurement</p> <p>Material should include:</p> <ul style="list-style-type: none"> ○ GEDSI integration across modules ○ Guidelines and recommendations for inclusive participation of women and persons with disabilities ○ Inclusive financing approaches for MSMEs and smaller producers 	Week 5-8
4. Design and delivery of applied learning exercises and return to work plan	<ul style="list-style-type: none"> • Practical assignments that include 5 simulation exercises to enable participants to apply circular finance concepts in practical scenarios • Guidance materials such as scoring templates and checklists 	Week 9
5. Digital package and instructional design in coordination with UI/UX designer and DevOps team	<ul style="list-style-type: none"> • User-friendly module design compatible with selected hosting platforms • Automated certificate generation for module completion 	Week 10
6. Online discussion with participants	<ul style="list-style-type: none"> • 2 hours virtual Q&A session ~2 months after training launch • FAQ section developed from session insights 	Month 2 post training launch
7. Training evaluation and reporting	<ul style="list-style-type: none"> • Training evaluation report based on results from Post training online survey completed by participants 	Month 2 post training launch

Monitoring and Evaluation (M&E) of the consultancy assignment

The consultant will be required to regularly report on the progress of the assignment. As the work progresses, the consultant may need to adjust the approach or activities based on findings from the diagnostic and needs assessment. Any changes should be clearly documented. The consultant should also outline how data will be collected, analysed, and reported, including the tools and methods used to ensure the quality and effectiveness of the assignment.

Visibility & Communication

The Consultancy Team will have to ensure that the visibility and communication about the activities are compliant with European Union and the CIRCULAR project guidelines.

V. Place, Duration and Indicative Timeline

1. **Estimated start date:** 01 June 2026
2. **Effective duration:** 3 months
3. **Location:** Sri Lanka

VI. Required Expertise and profiles

The applicant will be a consultant or an organisation with a track record of delivering circular economy finance training to financial institutions, including experience in building capacity on risk assessment, financial modelling and product development.

Education and training

The core team of the consultancy is expected to have advanced academic qualifications (Master's degree or equivalent) in Finance, Economics, Sustainable Development, or related disciplines, and/or relevant professional certifications such as ACCA, CFA, or equivalent.

Professional experience

- A minimum of 15 years of professional experience specifically in Credit, Risk, Structured Finance, Sustainable Finance, agricultural value chains or circular economy is mandatory
- The consultant should have strong technical expertise in finance, banking, or investment, with demonstrated experience in credit appraisal, financial analysis, risk assessment, and financial product development.
- Proven knowledge of sustainable finance, circular economy financing models, or ESG integration in financial decision making is required.
- The consultant should have prior experience in designing and delivering technical trainings for financial sector professionals, preferably through virtual or blended learning formats. This includes the ability to develop structured training content, practical case studies, and applied tools that support the development of circular financial products and investment pipelines.
- Strong understanding of financing circular economy business models in the Global South
- Proven experience in consulting and collaborating with government agencies, business chambers and financial institutions, would be a strong asset

Skills

- Excellent knowledge of Sri Lankan Financial Sector ecosystem and international development partners involved in Circular financing.
- Excellent research and analytical skills.

- Excellent listening, synthesis and communication skills.
- Very good analytical, oral and written command of English.

VII. Application

Interested applicants should submit:

- A **technical proposal** (maximum 3 pages) outlining methodology, relevant experience and detailing the suitability and interest to engage on this assignment.
- A **financial proposal** providing cost estimates for each of the seven main tasks, along with their associated outputs, in EUR (excluding taxes and the amount of expected VAT).
- A **CV** of the consultant/core team

The applications must be submitted on Expertise France platform through the following link:

<https://expertise-france.gestmax.fr/cv/upload/vacancy/15169>

N.B. All required documents may be submitted in a single PDF file, to be uploaded under the “CV” section.

and sent by e-mail to: habbipriya.karthigesan@expertisefrance.fr

CC: amila.bogahawatta@expertisefrance.fr

Deadline for applications: **06 May 2026 (17:00 Paris Time / 20:30 Colombo Time)**

VIII. CONTACTS

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