Request for Proposals

Feasibility Study for the Construction and Operation of a Plywood Manufacturing Facility

This document provides an overview of the assignment context relevant to the Subnational Climate Fund (SCF) Technical Assistance Facility, along with the goals of the mandate and the estimated scope of work requested from the consultant. Final details of the mandate should be covered in the subsequent proposal submitted by the consultant.

1. The Subnational Climate Fund

The SCF is a blended finance impact fund formed to pursue attractive risk-adjusted returns for private investors while generating measurable and certified environmental and social impacts. The Fund is focused exclusively on pursuing investments in mid-size climate infrastructure with nature-based solutions in various developing countries across Latin America and the Caribbean, Africa, the Mediterranean, and Asia. The Fund is managed by Pegasus Capital Advisors, a commercial Private Equity impact fund manager, and further benefits from a separate, grant-funded Technical Assistance facility managed by The International Union for the Conservation of Nature (IUCN) and implemented by Catalytic, IUCN, and Gold Standard.

2. Context of the Assignment

The project sponsor is developing an integrated restorative forestry and timber processing platform in the State of Pará, Brazil. The project is built around the restoration of degraded land through polyculture planted forests, combined with conservation of native vegetation, and the development of downstream value-added timber products. The upstream forestry component, including land sourcing, species selection, silviculture design, and long-term feedstock availability, has already been substantially developed and assessed.

As part of the project's early development, the sponsor has completed a preliminary business and financial assessment focused on forestry operations, log production, and carbon revenues. This earlier work demonstrated that the forestry-only component of the project is financially viable on a standalone basis, with attractive risk-adjusted returns, under conservative assumptions on yields, prices, and carbon revenues. Importantly, this prior analysis did not include downstream manufacturing activities and therefore provides a clear counterfactual against which additional value creation can be assessed.

In parallel, a dedicated market and industry study on the global and Brazilian hardwood plywood sector has been undertaken, examining demand dynamics, product segments, cost structures, and competitive positioning. That study confirmed sustained demand for hardwood plywood, the strategic relevance of Paricá and other plantation species in Brazil, and the presence of established manufacturing know-how and competitive cost structures within the country. The market study was intended to de-risk demand-side assumptions, rather than to define a specific plant configuration.

Building on this foundation, the sponsor is now considering the establishment of a plywood manufacturing facility on an existing industrial site associated with its offtake partner in Pará. The rationale for this step is to capture additional value through vertical integration, improve margins relative to log sales, and strengthen supply chain resilience, while remaining aligned with the project's environmental and social objectives.

This Feasibility Study represents the next stage of project development. Its purpose is not to reassess upstream feedstock availability or downstream market demand in detail, but to determine whether the construction and operation of a plywood manufacturing facility — at the proposed site, at an appropriate scale, and using suitable technology — is technically feasible, constructible at acceptable risk, and financially value-accretive relative to the forestry-only baseline.

Duration

The assignment is funded through Technical Assistance support under the SCF. The total duration of the assignment will be agreed during contract negotiation based on the consultant's proposed approach and methodology.

3. Scope of Work

The consultant will deliver an integrated feasibility assessment structured around four core areas: (i) technical feasibility, (ii) construction and site feasibility, (iii) operational feasibility, and (iv) financial feasibility.

3.1 Technical Feasibility

The technical assessment shall define a technically feasible and commercially relevant configuration of a plywood manufacturing facility, taking into account feedstock characteristics, target product specifications, and certification requirements.

Key tasks include:

- Assessment of log input specifications, including species mix (Paricá, Eucalyptus, and potential combi core configurations), diameters, lengths, moisture content, and implications for veneer recovery, yields, and waste streams.
- Evaluation of plywood manufacturing processes and technology options, including debarking, peeling, drying, gluing, pressing, finishing, grading, handling, and packaging, with a focus on high value plywood products.
- Determination of optimal plant capacity, utilisation assumptions, and scalability options, including explicit assessment of one shift, two shift, and continuous (24 hour) operating scenarios.
- Definition of the recommended product mix, including sizes, thicknesses, grades, and applications, and assessment of the technical feasibility of combi core plywood products, including options incorporating FSC certified tropical hardwood faces (via purchased veneers or logs).
- Assessment of utility requirements, including electricity, thermal energy, and water; consumables including resins and chemicals; and waste streams, including opportunities for biomass recovery or energy use.
- Definition of storage and handling requirements for logs awaiting peeling and finished boards, explicitly linked to plant configuration, throughput assumptions, and operational flow.
- Plant configuration, equipment selection, and supplier assessment, including both domestic and international suppliers, with indicative benchmarking of equipment costs, delivery timelines, and commercial payment terms.
- Identification of applicable certification requirements for domestic and export markets (Brazil, Europe, USA), including FSC, product standards, and relevant labour, environmental, and operational best practices required to achieve and maintain certification.
- Benchmarking of technical assumptions against comparable plywood facilities in Brazil and similar markets.

The output shall be a clear description of a technically feasible, certifiable, and commercially relevant plant design concept.

3.2 Construction and Site Feasibility

The construction feasibility assessment will evaluate whether the proposed plywood facility can be implemented efficiently on the existing industrial site and within realistic cost and schedule parameters.

Key tasks include:

- Review of the existing site, warehouse structures, and infrastructure, including access, logistics, utilities, layout constraints, and interfaces with existing operations.
- Identification of required civil works, retrofitting, and/or new construction.
- High-level layout of the proposed facility, illustrating production flow, storage areas, material handling, and logistics interfaces.
- Identification of permitting, environmental, and regulatory requirements relevant to construction and operation.
- Preparation of a detailed CAPEX estimate, broken down by major components (equipment, civil works, utilities, installation, contingencies, plus allowances for certification and related investments).
- Development of an indicative construction and commissioning schedule, including critical path and key execution risks.

The assessment should explicitly identify construction-related risks and mitigation measures.

3.3 Operational Feasibility

The operational assessment will test whether the facility can be run efficiently and reliably and in compliance with certification and market requirements.

Key tasks include:

- Definition of operating assumptions, including shifts, staffing levels, skills profiles, labour availability, and organisational and governance structure.
- Assessment of operational cost drivers, including labour, energy, resins, maintenance, consumables, and overheads, with separation of fixed and variable costs.
- Review of maintenance strategy, spare parts, and operational resilience.
- Ramp-up assumptions, commissioning risks, and expected time to steady-state operation under different operating scenarios.

3.4 Financial Feasibility

The financial assessment will evaluate the incremental financial performance of the plywood manufacturing facility, with a focus on unit economics, robustness, and sensitivity to key risks.

Key tasks include:

- Development of a transparent, auditable financial model covering CAPEX, OPEX, production volumes, revenues, margins, working capital, and cash flows.
- Explicit modelling of alternative operating scenarios, including one shift, two shift, and continuous operation, with corresponding impacts on unit costs and profitability.
- Disaggregation of revenues and margins by product type, grade, thickness, and target market, based on feasibility level price assumptions.

- Development of price assumptions by product and market, including indicative sensitivity to market cycles, without undertaking a full downstream market study.
- Estimation of project-level and incremental IRR, NPV, and payback period attributable to the plywood facility.
- Sensitivity analysis on key variables, including product prices, utilisation rates, energy and resin costs, and CAPEX overruns.
- Scenario analysis comparing alternative plant sizes, phasing options, or operational assumptions.
- Development of both a standalone plywood facility financial model and an integrated model that shows interactions with the broader operations of the project sponsor, including feedstock supply assumptions and assessment of working capital requirements under different operating scenarios.

The financial analysis must clearly demonstrate whether the plywood facility improves or weakens the overall investment case.

4. Out of Scope

The following elements are explicitly out of scope, except where required as fixed assumptions:

- Detailed upstream forestry feasibility, land acquisition analysis, or silviculture modelling.
- Full downstream market studies or demand forecasting.
- Legal structuring of the investment vehicle.
- Detailed engineering design (beyond feasibility-level layouts and specifications).

5. Deliverables

The consultant will deliver the following:

1. An integrated Feasibility Study report (maximum est. 50 pages excluding annexes), clearly structured and decision-oriented.
2. A financial model in editable format with clearly stated assumptions.
3. A concise executive summary and investment recommendation.

Format: All reports should include an Executive Summary, a table of acronyms, and a bibliography. Reports should follow the SCF's template for TA studies and be delivered in Word format.

6. Requirements

The assignment should be undertaken by a consultant or consortium with demonstrated experience in the following areas:

- **Plywood or wood-based panel manufacturing feasibility studies** (must have).
- **Techno-economic and financial modelling of processing facilities** (must have).
- Familiarity with Brazilian timber industrial and regulatory contexts (nice to have).
- Industrial plant construction and commissioning in emerging markets (nice to have).

Evaluation Criteria	Weight
Technical Qualifications and Experience — demonstrated track record in plywood or wood-based panel manufacturing feasibility studies; techno-economic modelling of processing facilities; relevant in-country or regional experience	40%

Technical Approach and Methodology — clarity and rigour of proposed analytical framework; proposed approach to the four feasibility workstreams; treatment of financial modelling and scenario analysis	30%
Key Staff and Qualifications — profiles and CVs of principal staff; depth of relevant sectoral expertise; evidence of similar assignments	20%
Budget and Value-for-Money — professional fees only; clarity of day-rate breakdown by staff and task; reasonableness relative to scope	10%
Total	**100%**

7. Indicative Timeline

Work is expected to commence immediately after the consultant is appointed. The delivery of services and reporting timeframes are anticipated to be as follows:

Activity / Deliverable	Indicative Timeline
Kick-off meeting Establish communication channels for initial information exchanges, confirm project schedule, confirm reference framework, and review document and data availability.	Week 1
Site visit and data collection — On-site assessment of existing infrastructure, equipment, and logistics; collection of technical inputs from client and third-party suppliers.	Weeks 2-4
Interim progress update — Presentation of preliminary technical findings and draft financial model structure for client alignment prior to full report preparation.	Week 7
Draft Feasibility Study report provided to Catalytic	Week 12
Review period	Weeks 12-14
Final Feasibility Study report and financial model provided to Catalytic	Week 16

8. Management and Coordination

The consultant will work under the direction of the Subnational Climate Fund and the project sponsor and coordinate closely with designated technical and financial counterparts. Regular progress updates and interim validation of assumptions will be required. Reporting cadence will be defined and agreed with the consultant during contract finalisation.

9. Form of Proposal & Requirements

Please prepare a brief proposal for the performance of this work, including the scope of work, project team and qualifications, and estimated costs.

1) Scope of Work

The scope of work should include a description of the specific activities that will be performed in order to accomplish the required tasks identified in Section 3. This should include any proposed site visits/reconnaissance, documents to be reviewed, interviews, etc. If the Consultant feels that

additional tasks or components within a required task are suggested or warranted, these should be stated and delineated as "Optional Tasks".

2) Project Team and Qualifications

This should include the name of the principal staff members and any sub-contractors, and a brief description of their role within the project team. Qualifications of staff should include relevant technical capabilities, full CVs, specific previous experience similar to this assignment, and specific in-country experience and knowledge.

3) Estimated Costs

A total consultancy fee estimate (not to be exceeded), in US Dollars, must be provided for the required scope of work. A breakdown of estimated costs by task must be presented in tabular format and should include Direct Labour Costs (number of days per staff member and associated unit costs). Please note that Catalytic is exempt from VAT; your financial proposal should therefore not include VAT. Travel expenses, if applicable, will be reimbursed separately subject to prior approval and submission of receipts.

Travel expenses incurred in the performance of the assignment (limited to flights, local transport, and accommodation) will be reimbursed by Catalytic separately from the consultancy fee, subject to prior approval and submission of receipts, and should be separated from the consultancy fees in your financial proposal. Proposals must clearly indicate whether VAT (or equivalent sales tax) applies. Financial proposals must show fees net of VAT. If VAT is applicable under the bidder's national legislation, it must be itemized separately.

4) Contract & Payments

The contract will be based on Catalytic's standard terms of engagement, fixing a total consultancy fee on a lump-sum basis in US Dollars. Catalytic will pay the consultant in instalments linked to delivery milestones: an advance payment upon signature of the contract, a payment after delivery of the draft report, and a final payment after delivery and approval of the final report. Disbursement amounts shall be agreed during contract negotiation.

5) Conflicts of Interest & KYC Documentation

As part of the proposal, the Consultant shall confirm that they do not have a conflict of interest and that they are in a position to provide an adequate, accurate, and objective review. In addition, we will request an extract from the commercial registry and a passport copy for a KYC/DD check for shortlisted candidates.

6) Q&A Session

Interested bidders will have the opportunity to ask questions in relation to this RFP during a 30-minute Q&A session to refine their proposals. Date and timing of the session remain to be determined and will be communicated to bidders by E-Mail. Questions should be sent 2 hours in advance to project@catalyticfinance.org.

10. Submission

Please submit your proposal before **6 April, 2026 (COB CET)** by sending it to **project@catalyticfinance.org** and **ole.ohlhoff@catalyticfinance.org**