United Nations Convention to Combat Desertification | United for land

CALL FOR EXPRESSIONS OF INTEREST (EOI)

Provision of Fund Management and Promoter Services

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1. Background

The Global Mechanism (the "GM") of the United Nations Convention to Combat Desertification (the "UNCCD") is developing a blended-finance facility to catalyse investment into drought resilience - the Drought Resilience Investment Facility (the "DRIF" or the "Fund"). DRIF will invest in revenue-generating drought-resilient infrastructure spanning three sectors: water infrastructure, agriculture-related infrastructure, and nature-based solutions (green infrastructure). A dedicated Technical Assistance Facility (the "TAF") will operate alongside the investment fund to help originate and prepare a pipeline of bankable projects and to support post-investment capacity building.

The Fund is intended to be housed within the Luxembourg Earth Impact Fund (the "LEIF"), currently managed by Schroders Investment Management (Europe) S.A. (the "**Management Company**"), a SICAV impact platform enabling the creation of sub-funds with diverse impact strategies. Using a layered (blended) structure, DRIF will leverage concessional/public capital to crowd in private investment while targeting market-rate portfolio returns. At first closing (expected in 2026), the Fund aims to secure commitments from anchor investors, with an initial minimum target of approximately USD 300 million. Typical investment ticket sizes are expected to range from USD 2–20 million, with flexibility as the market evolves.

2. Call for expressions of interest

The GM invites qualified alternative asset managers to submit Expressions of Interest (EOIs) to be considered for inclusion in a shortlist of institutions from which the GM will select a partner (the "**Partner**" or the "**Fund Manager**"). The Partner will lead the final steps of legal structuring and launch, manage the Fund post-launch, and act as promoter to support capital raising. Shortlisted candidates will be invited to submit detailed proposals under a subsequent Request for Proposals (RFP) process.

The DRIF sub-fund will operate under a regulated framework i.e. Luxembourg Part II SICAV[1] where the Management Company plays a crucial role. Under Luxembourg law, the portfolio management function is the responsibility of the Management Company, which may be delegated and as such, the Fund Manager's appointment will translate into an Investment Management Agreement whereby the Management Company will delegate the portfolio management activities. The Management Company conducts oversight of this function as it remains ultimately responsible. The Management Company would need to conduct due diligence (DD) on the Partner once selected. The investment advisor is appointed by the Partner, and an advisory agreement needs to be established between the advisor and Partner. The Management Company must carry out the DD prior to such appointment, which is approved by the Fund Investment Committee and/or the LEIF Board.

3. Scope of services

The Partner's responsibilities will span three phases and will be implemented in close coordination with the GM and relevant governance bodies:

Phase 1: Implement & Finance

Legal structuring and acting as an anchor investor

- Drafting legal and administrative documentation required for the Fund (in close collaboration with the Fund's service providers, including legal counsel).
- Develop a term sheet summarizing key terms and conditions of the Fund structure; prepare all policies and procedures required for financial and operational management of the Fund in collaboration with the Management Company.
- Build a full financial model (asset/liability, income, cost structure) with base and stress scenarios; simulate risk–return at portfolio and share/note level.
- Identify 5-10 concrete investment proposals already identified by the GM and develop pipeline origination plans.
- Identify anchor investors; define a fundraising strategy.
- Secure first-closing investors, including active marketing with donors and investors.
- Support the Management Company in the legal establishment with relevant authorities (including liaison with the local regulator).
- Prepare and co-organize necessary events and the launch event (COP17 in Mongolia).

Phase 2: Manage

Full fund management services

- Enter into an Investment Management Agreement (IMA) with the appointed Management Company (in the presence of the Fund); manage the Fund to professional

[1] Luxembourg Law of 17 December 2010 relating to undertakings for collective investment.

standards aligned with responsible finance and development finance best practices and in compliance with regulatory and applicable laws.

- Coordinate origination, structuring, and monitoring with specialized advisors; propose an approach to internalize advisory where capacity exists.
- Present investments to the Fund's Investment Committee/Board; review, monitor, and supervise all investments.
- Provide portfolio, Asset and Liability Management (ALM), cash, hedging, compliance, and risk management services; manage liquidity, FX, and credit risks; implement risk mitigation and diversification.
- Ensure continuous compliance with Anti Money Laundering (AML) guidelines and interact with governing bodies and service providers (Administration Agent, Custodian, Transfer Agent, regulators).
- Prepare periodic reporting (quarterly/annual) to the Management Company and the Board.
- Maintain & update fund policies under the supervision of the Management Company.
- Meet agreed annual performance targets in compliance with the Fund documentation.
- Establish operational links to the TAF and coordinate pre- and post-investment technical assistance.

Phase 3: Promote

Promoter services

- Manage PR and external communications; actively promote the Fund in compliance with applicable regulatory requirements.
- Undertake distribution activities (with potential support from agents) and on-board investors jointly with the Management Company and the Administrative Agent (without exclusivity rights).

4. Application for pre-qualification

Applications shall be submitted in English and structured as follows:

1. Letter of Expression of Interest, including the name and address of the applicant firm, contact person and details (email and telephone).
2. Brief presentation of the firm (max. 3 pages) describing legal form, ownership, Assets under management (AUM), and relevant capabilities.
3. Overview of fund management experience and references relevant to DRIF and blended finance (max. 3 pages).
4. Initial comments (max. 2 pages) on Phase 1-3 scope, fund structure within LEIF, and approach to specialized advisors.

5. Pre-qualification eligibility criteria

- Authorized to act as a qualified alternative asset manager with an excellent international reputation.
- Demonstrated familiarity with impact investment management and ability to operate in emerging markets (LMIC & UMIC).
- Experience working with specialized investment advisors, DFIs, donor agencies, and PPP structures.
- Proven experience in financial structuring (senior debt, quasi-equity), complex blended vehicles and Venture Capital (VC) strategies.
- Robust and dedicated team with relevant track record and network; willingness to manage or coordinate a TAF is an asset.
- Confirmed interest in the DRIF concept and capacity to act as Fund Manager and Fund promoter.

6. Evaluation criteria & Selection process

Based on the EOIs, a shortlist of pre-qualified firms will be invited to submit detailed proposals and attend interviews under the RFP process. Eligible applicants will be evaluated broadly on: (i) Quality and feasibility of the proposed approach; (ii) Appropriateness of team and organizational capacity (experience and expertise, in VC funds /investment vehicles similar to the Fund), proposed fee approach (including performance-based elements tied to financial and impact targets); (iii) Investment management and investment process.

Criterion	**Points (illustrative)**
Strategic Note (fund concept, structure, deployment strategy, TA alignment)	20
Management & distribution fee scheme (including performance-based elements)	20
Adequacy to expected profile (AUM, track-record, DFIs/PPP, team, financing expertise)	40
Marketing & distribution approach	20

Total: 100 points. A minimum of 70 points will be required to be considered for interviews.

7. Submission of applications

EOIs should be submitted by e-mail to: drif@unccd.int no later than EOD 14 November 2025. Enquiries or requests for clarification should be submitted in writing to: drif@unccd.int with copies to rjain@unccd.int

Shortlisted candidates will be informed and invited to submit full proposals in accordance with the RFP schedule.

Annex 1: DRIF – Fact Sheet

Concept

A blended finance fund investing in drought resilience through water infrastructure, agriculture-related infrastructure, and nature-based solutions. The Fund utilises concessional and commercial capital in a layered structure to crowd in private investors while achieving measurable impact.

Objective

- Demonstrate the business and investment case for drought resilience by mobilising private capital into resilience-enhancing infrastructure.
- Target market-rate portfolio returns while delivering impact aligned to climate adaptation, water security, food security, and ecosystem resilience.

Geography

- Global remit with an initial focus at launch on a region/small number of countries; exclusively operating in lower-middle income (LMIC) and upper-middle income (UMIC) countries.

Sectors

- Water infrastructure: desalination, wastewater treatment/recycling, storage and distribution.
- Agriculture-related infrastructure: water-use efficiency, regenerative agriculture, drip irrigation, agri-resilience enablers.
- Nature-based solutions: reforestation/afforestation, bioswales, natural retention basins, wetland/floodplain restoration; potential revenue from ecosystem services and environmental credits.

Investment strategy

- VC

Investment model & instruments

- Debt and quasi-equity instruments in USD and local currencies.
- Ticket sizes typically USD 2–20 million (flexible).
- Revenue sources may include offtake agreements, service fees, sale of produce, and environmental credits.

Technical Assistance Facility (TAF)

- Grant-funded facility operating alongside the Fund to develop a pipeline of bankable projects and support post-investment capacity building.
- Financed by public and private donors, bilateral agencies, DFIs, and potentially from Fund surplus returns.

Structure & governance

- Layered fund with share classes/notes to accommodate different risk/return profiles; anchored by public/DFI capital to mobilize private investors.
- Housed within LEIF (Luxembourg), managed by the Management Company (Luxembourg), enabling efficient set-up and long-term platform stability.
- Governance of the Fund to include an Investment Committee and potentially an Advisory Committee.

Investors

- Development finance institutions, qualified institutional investors (banks, insurers), pension funds, private foundations, impact funds, and HNWIs.

First closing & fundraising

- Target initial anchor commitments in concessional capital in 2026; Target total AUM of a minimum of around USD 300 million; proactive fundraising to expand AUM as the pipeline and track record mature.

Illustrative impact metrics (non-exhaustive list)

- Increase in agricultural productivity or yields in drought-prone areas (%).
- Area of land with improved ecosystem health or rehydration (hectares).
- Jobs created or sustained through drought-resilient infrastructure (FTEs)