



TERMS OF REFERENCE

BIODIVERSITY FINANCE INITIATIVE (BIOFIN) GROWING PROTECTED AREA REVENUE

LOCATION:	Home-based with travel to provinces
APPLICATION DEADLINE:	06 December 2021
CATEGORY:	Energy and Environment
TYPE OF CONTRACT:	Professional Service Contract
LANGUAGE REQUIRED:	English
STARTING DATE	15 December 2021
DURATION OF ASSIGNMENT:	160 working days

1. BACKGROUND SUMMARY:

The Biodiversity Finance Initiative (BIOFIN) is implemented by the United Nations Development Programme, with financial support from the European Commission and the Governments of Germany, Switzerland, Norway and Flanders. This global initiative is envisioned to transform the way in which biodiversity finance is mobilized allowing for greater resources to be enacted as required within the Aichi Targets defined in the CBD’s Strategic Plan (2011 – 2020). Over the past nine years, the UNDP Global BIOFIN team together with 40 countries have been involved in developing and piloting the BIOFIN methodology which is continuously refined through national, regional, and global learning.

In South Africa, the BIOFIN programme is implemented at a national level by the UNDP in partnership with the Department of Forestry, Fisheries and Environment (DFFE). South Africa initiated its BIOFIN programme in 2015 and has met several envisioned goals including the undertaking of a Policy and Institutional Review (PIR), Financial Needs Assessment (FNA), Biodiversity Expenditure Review (BER) and Biodiversity Financial Plan (BFP). Within the Biodiversity Finance Plan, 16 financial solutions were identified as being instruments that could be developed or refined to increase financial flows earmarked for biodiversity protection. As part of Phase II implementation, eight priority finance solutions have been identified for implementation.

One of the priority financial solutions that has been identified is on Growing Protected Area own revenue in 5 Management Authorities. These include Ezemvelo KZN, Eastern Cape Parks and Tourism Agency (ECPTA), Limpopo Department Economic Development, Environment and Tourism (LEDET), Department of Environment and Nature Conservation (DENC) and 1 Marine Protected Area.



Management authorities face the challenge of financial sustainability as historically, allocations are not able to meet operational expenses and over and above this, public expenditure has been declining and worsened by budget adjustment to accommodate COVID 19 pandemic. Management Authorities also are unable to develop and monetize available nature-based tourism products and services.

There is an urgency associated with having to show gains in own revenue generation by protected areas and this has been intensified in the prevailing fiscal environment exacerbated by low nature-based tourism activities due to COVID 19 lockdowns.

There is a need to demonstrate revenue generation to enhance motivation for increase in funding for protected areas. The experience of SANParks, who is funding more than 50% of their expenditure through own revenue and select other conservation authorities demonstrates the potential to grow own revenues at rates that comfortably exceed inflation.

The main aim of this assignment is to identify and support the implementation of a mix of regulatory and market-based interventions that conservation authorities can implement, such as enhancement of revenue collection and retention, and development of a tourism product offering that can be developed for commercialisation. It will also include motivation for valuing ecosystem services that protected areas provide to motivate for more public expenditure allocation. Conservation authorities will be able to generate more revenue through improved regulatory governance and implementing of revenue raising activities.

The ultimate goals of this assignment are to:

- Improve the financial sustainability of the 5 Protected Area Management Authorities by optimizing and diversifying revenue streams and by improving cost efficiencies.
- Develop a plan that the Protected Area Management Authorities can use to retain the revenue generated; and
- Optimise revenue generation and management efforts for the Protected Area Management Authorities.
- Identify new mechanisms for sourcing revenue for the Protected Area Management Authorities to fulfil their respective conservation and ecotourism management goals.
- Propose enabling mechanisms (governance, institutional and legal) that can enhance own revenue generation

2. OBJECTIVES OF THE WORK:

The overall objective of the study is to prepare the Development of a Sustainable Financing Strategy & Resource Mobilization Plan for 5 identified Management Authorities. To achieve this, the following will be done:

- a) Establish a firm baseline of historic and current income and expenditure levels, undertake an analysis, and make future projections for the respective MAs (**Internal Expenditure Review**); (using the GEF financial score card tool as a standard template that can be adapted as appropriate)
- b) Train at least 10 stakeholders in implementing the finance scorecard and identify optimal finance mechanisms for protected areas
- c) Assess financial requirement and facilitate financial gap analysis to achieve biodiversity and nature-based economy targets (**Finance Gap Analysis**).



- d) Analyze operation models, identify gaps and areas of improvement to ensure efficient use of resources.
- e) Produce a sustainable finance strategy for each of the four identified Management Authorities. The strategies should include (but not be limited to) ways to optimize and diversify revenue streams (with a suite of precise and realistic income generating activities), resource mobilisation and improve cost efficiencies.
- f) Develop a finance plan for each Management Authority including detailed action plans to implement it
Develop an advocacy plan with a focus on engaging key role players such as National Treasury.

3. METHODOLOGY AND SCOPE OF WORK:

In undertaking the work, it is critical that stakeholders must be engaged including National Treasury, DFFE, UNDP, relevant Protected Area Management Authority role players and other institutions and organizations which may be identified at the project inception stage. It is required that at least 1 Marine Protection Agency be included in the work.

It is required that the methodology will include gathering baseline data on key elements to be populated in the financial scorecards of the respective management authorities. This includes information related to Available finances, Expenditures and based on that determining a Financing needs and gap in order to meet biodiversity management imperatives and support nature-based tourism. Finance Scorecards for 2 Management Authorities have already been conducted through another project, the consultant will be required to populate the scorecards for the remaining 3 Management Authorities

Where financial scorecards are available, the consultant will be required to validate the data before proceeding on to the next steps. Where such financial scorecards are not yet completed, the consultant will be required to complete in consultation with the respective Management Authorities. The consultant will also be required to recommend and outline any amendments to protected areas financing system, and financial analysis & reporting frameworks used.

For the purpose of understanding ongoing activities on income generation, the consultant will be required to complete a community of practice on commercialization strategies of Management Authorities in order to build a theory of change. This exercise will take into account desktop study undertaken and further review and analysis of commercialization strategies where they exist.

In order to develop sustainable finance strategies for the respective MAs, the consultant will be required to among others analyze Management Effectiveness Tracking Tool reports and work in consultation to undertake assessments of key operational income streams, identifying enabling mechanisms for the strategy implementation. This will include but not limited to mechanisms to that can lead to improving governance and financial and operational efficiencies and proposal for improving business models for Management Authorities, in addition to partnerships arrangements with the donors, philanthropies and communities and the private sector. The team should also produce an advocacy plan for the sustainable finance strategies.

The consultant will also be required to train stakeholders in the Management Authorities on the implementation of the finance scorecard and identification of optimal finance mechanisms for protected areas. This will enable continuity and adjustment of plans post the consultancy.



The appointed service provider will work under the supervision of the BIOFIN Core Team and report progress and deliverables to appropriate institutional structures such as the Project Task Team which will consist of the BIOFIN core team, DFFE, the respective Management Authorities and Working Group I of the Department of Forestry, Fisheries and Environment where other Management Authorities participate. The meetings will be arranged by the BIOFIN core team.

The team will be provided relevant national and provincial documentation compiled to date, where available and source additional information where required to complete the assignment.

The appointed service provider will undertake the following:

Area	Activity
Participate in an inception meeting and produce an Inception report	Participate in an inception meeting with the Project Team and prepare an Inception Report on how the work will be undertaken.
Development of Content – Draft 1 financial scorecards and funding gap report	Develop a Funding gap Report based on Final financial scorecards. The consultant will be required to determine funding gap in consultation with respective MAs. The draft document will be reviewed by the Project Team Task Team
Draft 2 Report on commercialization strategies and identification of revenue generating strategies	Develop Community of practice on commercialization strategies and identify revenue generation strategies in consultation with each respective MAs. Draft 2 and present to Project Team and Working Group I
Draft 3 Sustainable finance activities and action plan for respective MAs with an advocacy plan	Develop sustainable finance activities in consultation with the respective MAs including an advocacy plan
Training	Train stakeholders implementing the finance scorecard and identify optimal finance mechanisms for protected areas
Final report	Final report
Implementation progress	Administer and coordinate all meetings and prepare monthly progress plans and reports and present in project meetings.
Hand over meeting	Conduct a handover meeting with the BIOFIN core team

It is envisaged that the final product will be sustainable finance strategies with activities, action and advocacy plans for the respective MAs that identified mechanisms to close finance gap. The strategies will take into account community of practice on commercialization strategies of Management Authorities. The final report will contain recommendations on implementation including proposal on time frames.



4. DELIVERABLES:

The total duration of the review/consultancy will be up to and not exceeding 160 working/business days starting from the date of contracting. The tentative timeframe is as follows:

Deliverable	Description	To be accomplished by	Payment
Deliverable 1: Inception report and Inception workshop Invoice 1	Presentation and inception report	2 weeks after signing of the contract	10%
Deliverable 2: Financial Baseline and Analysis document/report Invoice 2	Baseline analysis of financial scorecards for the 3 MAs Management Authorities and validation of completed scorecards for 2 Management Authorities The analysis should also include expenditure, revenue and financial gap.	Within 3 months after signing of the contract	25%
Deliverable 3: Community of practice on commercialization strategies and development of sustainable finance strategies for the respective MAs Invoice 3	Draft Report on community of practice and 5 sustainable finance strategies for the MAs including commercialization strategies and identify revenue generation strategies in consultation with each respective MAs + Advocacy plan + action plan	Within 6 months of signing the contract	35%
Deliverable 4: Final report Invoice 4	Final reports for the 5 MAs including financial baseline reports, sustainable financial strategies and action plans Final report on community of practice Final Advocacy plan Final training report for at least 10 stakeholders on implementing the finance scorecard and identify optimal finance mechanisms for protected areas	Within 8 months of signing the contract	30%



The BIOFIN core team will be responsible for the coordination and approval for all the deliverables. The evaluation of the team's performance (e.g., the technical competence shown and the timeliness of the reports) will be determined by the project manager with guidance from the BIOFIN project management specialist.

5. EVALUATION CRITERIA/EXPERTISE SOUGHT (REQUIRED EDUCATIONAL BACKGROUND, YEARS OF RELEVANT WORK EXPERIENCE REQUIRED):

The response to the Terms of Reference should indicate the extent to which the team fulfils the required skills and competencies. The selection of the team will be aimed at maximizing the overall qualities in the following areas:

- Environmental Legislation,
- Environment/Natural Resource Management,
- Biodiversity Studies,
- Finance
- Nature based tourism
- Business development

The successful consultant will be required to have expertise in the fields of sustainable finance strategies in biodiversity and conservation. The following requirements are necessary:

Academic qualifications:

The successful firm/company should present a team comprising:

- At least one member of the team possessing an advanced university degree (Master's or Doctorate) in field of environmental finance, Business Administration in combination with an additional 10+ years of qualifying experience.
- At least one member of the team possessing an advanced university degree in either economics, environment/natural resource management, biodiversity studies, finance, or a closely related field of study/discipline, in combination with an additional 8+ years of qualifying experience.

Experience:

The following criteria are essential:

- Team leader must have at least 10 years professional expertise working at local and international level and be able to bring in similar experiences from other developing country contexts on development and application of sustainable finance strategies for the biodiversity and conservation sector, application of revenue generating environmental fiscal or monetary tools and, the implementation of environment/biodiversity/finance projects.



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- At least one member of the team must have at least 8-10 years national experience preferably in business development, fundraising and application of revenue generating environmental fiscal or monetary tools.
- The team must have a minimum of cumulative 10 years of professional experience and demonstrated experience in engaging with a wide range of stakeholders including Management Authorities and Protected Area landowners in South Africa.
- Exposure to and an understanding of environmental issues or biodiversity.
- Knowledge of Protected Area systems and related policy and legislation
- Record of accomplishment and knowledge in the fields of environmental economics conservation management and related biodiversity planning/management practices and project management is essential.
- Sound understanding of key computer software packages (MS Office Suite; Prezi)
- Proven ability to work in a team and independently while delivering efficiently on high quality and accurate deliverables within agreed timeframes.
- A very strong knowledge and understanding of South Africa's governmental and provincial dynamics is essential.

Additional functional competencies of the team will also be advantageous.

- Ability and willingness to take initiative and remain flexible
- Experience working with UN and/or Government entities.
- Exceptionally effective communication, report writing and presentation skills.
- Socio-cultural competence
- Good conflict management skills
- Efficient, partner-and client-focused working methods.
- Interdisciplinary thinking is highly encouraged.
- English and French are the working languages of the United Nations Secretariat. For the post advertised, fluency in oral and written English is required. Knowledge of another official United Nations language and local languages is an advantage.

6. EVALUATION CRITERIA:

The evaluation of proposals will be conducted according to UNDP's procurement rules. A two-stage procedure is utilized in evaluating the proposals. The first step is the evaluation of the technical proposals, which must be completed prior to moving on to the next step which is the opening and comparing of the costing/budget/financial proposals. Only the costing/budget/financial proposals for submissions that passed the minimum technical score of 70% and above of the obtainable score of 100 points in the evaluation of the technical proposal will be opened.

The technical proposal is evaluated based on its responsiveness to the Terms of Reference (TOR).



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In the second stage, the costing/budget/financial proposal of all contractors, who have attained the minimum 70% score in the technical evaluation will be compared. The contract will be awarded to the lowest priced technically qualified proposal.

Foreseeable travel costs should be included in the costing/budget/financial proposal as part of the application submission documents.

Technical Evaluation Criteria	Max score (100)
Proposed Methodology: A clear methodology must be described, and the methodology must outline how the Scope of Work will be carried out according to each deliverable and showcase an understanding of the biodiversity economy in South Africa.	20
Proposed Work Plan: A suitable detailed work plan with milestones, timelines, resources and designated responsibilities of the consultants and any support members must be indicated in the proposal for achieving of the deliverables.	20
Documented relevant academic qualifications and experience of the team and company with relevant knowledge of country context shown.	13
Gender diversity of the team	2
Demonstrated technical capability / expertise, knowledge, and experience in the fields of finance strategy development; application of sustainable finance strategies for the biodiversity and conservation sector, application of revenue generating environmental fiscal or monetary tools and environmental fiscal or monetary instruments, property rates and/or the implementation of environment/biodiversity/finance projects. national levels	20
Record of accomplishment and knowledge in the fields of environmental economics conservation management and related biodiversity planning/management practices and project management	5
At least 10 years' experience in working with Management Authorities and Protected Areas in South Africa	5
Proven record of accomplishment on report writing for projects of a similar nature and size, including experience in stakeholder engagements, in the biodiversity field.	15



UNDP is committed to achieving workforce diversity in terms of gender, nationality and culture. Individuals from minority groups, indigenous groups and persons with disabilities are equally encouraged to apply. All applications will be treated with the strictest confidence.

7. DUTY STATION:

The consultancy assignment will be home-based with travel for meetings in the field (where possible, and to be determined by the BIOFIN core team considering probable future COVID-19 restrictions) and in Pretoria. Foreseeable travel costs should be included in the Financial Proposal as part of the application submission documents.

Unforeseeable travel should be agreed upon, with the BIOFIN National Project Manager and the UNDP Project Management Specialist, prior to travel and will be covered and paid by UNDP from the BIOFIN Programme as per the UNDP reimbursable fees structure/guidelines.

In a case where there is a need to travel (unforeseeable travel), the costs including transport, lodging and terminal expenses will be covered and paid by UNDP based on UNDP rates. The fare will always be “most direct, most economical” and any difference in price with the preferred route will be paid for by the team. UNDP will not cover any costs associated with moving to the Duty Station (Pretoria). There is no anticipated travel outside the South Africa for this assignment.

8. IMPLEMENTATION AND ADMINISTRATION

The recruitment and appointment of the consultant will be through UNDP; however, all coordination and implementation modalities will be coordinated jointly through the UNDP Project Management Specialist, BIOFIN National Project Manager and the BIOFIN task team leader stationed at the Department of Forestry, Fisheries and Environment (DFFE). The BIOFIN core team together with the task team leader (or designate) will interact directly with the consultant and have the overall responsibility for supervising the technical quality of the deliverables, convening all meetings with the consultant and seeing to the overall day-to-day management of the consultancy.

UNDP is responsible for processing invoices for payments and the administration associated with the management of this contract. To this end, UNDP will authorise payments upon receipt of written approval and certification of each deliverable by the BIOFIN task team leader and BIOFIN National Project Manager. UNDP will also be responsible for technical backstopping as and when required.

It is expected that there will be a minimum of one monthly meeting with the BIOFIN Core team and BIOFIN task team, the frequency may change/fluctuate as needed during implementation. The consultant is expected to present monthly progress reports detailing:

- Progress against the project plan
- Risks/current challenges identified.
- Items needing attention and decision making.



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- Any proposed deviations from the original project implementation plan shall be explained to DFFE and UNDP in writing.

9. RESPONSE FORMAT:

To facilitate the analysis of responses, all interested parties are required to prepare their response in accordance with the instructions outlined in this section. All proposals should be electronically generated.

Applicants are required to submit the following:

- A technical proposal outlining a methodology on the approach and implementation of the assignment.
- Personal CVs of all team members highlighting qualifications and experience in similar projects.
- Evidence and examples of similar projects that have been successfully completed.
- Minimum of 3 contactable work references – organization for whom you have conducted/undertaken similar assignments (email addresses).
- All-inclusive financial proposal (fixed cost bid) indicating consultancy fee (South African Rand) and a breakdown of expenses (unit price together with any other expenses) related to the assignment. The proposal must incorporate all the costs including travel etc. for the team to achieve the required deliverables.

Proposals should be submitted no later than 16h00 on 5 December 2021 CAT through the UNDP e-tendering system (<https://etendering.partneragencies.org>)