

**TERMS OF REFERENCE:**

<b>Position:</b>	International Expert on the Mechanism of Biodiversity Offsets
<b>Project title and number:</b>	The Biodiversity Finance Initiative – BIOFIN, 00113227
<b>Contract type:</b>	Individual Contract
<b>Duration:</b>	July 2020 – March 2021 (80 working days)
<b>Duty station:</b>	Home based, with one trip to the city of Nur-Sultan, Republic of Kazakhstan

**PROJECT DESCRIPTION:**

## a) Short description, project goals and baseline data:

The 2nd phase of the project “Biodiversity Finance Initiative - BIOFIN” is implemented by the United Nations Development Programme with financial support from the Government of Germany and the Government of Switzerland. BIOFIN supports countries with a methodology that provides innovative steps to measure current biodiversity expenditures, assess financial needs, identify the most suitable finance solutions and provides guidance on how to implement these solutions to achieve their national biodiversity target.

The 2nd phase of BIOFIN in Kazakhstan will be built on the lessons learned from the 1st phase and will aim to test six finance solutions: (1) subsidizing game breeding, (2) creating tax incentives for the development of ecotourism, (3) capacity building of protected areas to improve financing, (4) biodiversity offsets, (5) carbon offsetting through an internal emission trading system (ETS) and (6) attracting foreign investment to implement projects to absorb greenhouse gases by forest ecosystems.

Implementation of new finance solutions will be based on changing existing and preparing new legal standards, testing, studying the experience of other countries, approaches, capacity building of industry experts, providing extensive information on the problems and possibilities of biodiversity financing.

The project also aims to promote gender equality and the empowerment of women as a result of introducing new finance solutions, as far as it is relevant and possible in the framework of the project.

## b) Context of required services:

In the structure of the economy of Kazakhstan, industry occupies almost a third part with a share in the GDP of more than 34% and is represented by the extraction of oil, metals and minerals, and recently the role of mechanical engineering and manufacturing industry with the release of goods with high added value has significantly increased. But despite the significant role in the economy, there are many obvious factors testifying the negative impact of industry on biodiversity and ecosystems, and the negative impact on natural ecosystems and populations of species of wild animals and wild plants continues as part of the development of infrastructure projects.

Industrial enterprises have obligations to take environmental protection measures and without fail approve annual environmental protection plans and carry out their financing. However, these activities are not tied to real impacts and are limited to landscaping of administrative territories, biological treatment and reuse of wastewater, reclamation of disturbed lands, etc. Corporate social responsibility

of the bulk of business is limited to short-term social projects that do not cover biodiversity issues, while all projects of the oil and gas, energy, transport sectors have a direct impact on biodiversity and ecosystems.

In order to address biodiversity issues, the Secretariat of the Convention on Biological Diversity (CBD) recommends that countries consider introducing new finance solutions (mechanisms / tools to mobilize financing), which involve expanding the range of investments in biodiversity conservation, thereby increasing the environmental responsibility of the private sector and developing public-private partnerships. In this context, biodiversity offsets based on the International Standards for Projects to Ensure Environmental and Social Sustainability (Performance Standard 6: “Biodiversity conservation and sustainable management of living natural resources”) are relevant for Kazakhstan. This mechanism is neither unique nor perfect; nevertheless, successful world practices prove its effectiveness in resolving controversial environmental issues.

Biodiversity offsets are conservation actions intended to compensate for the residual, unavoidable impact on biodiversity caused by projects, to ensure at least no net loss of biodiversity, and, where possible, net gain<sup>1</sup>. One of the main principles of the offsetting mechanism is the observance of the hierarchical principle: 1) prevention, 2) minimization, 3) mitigation (restoration), and 4) offsetting. That is, biodiversity offsets are the final step after all other possible measures have been taken to prevent and minimize the impact of a particular project and restore the lost biodiversity.

#### c) Relevance and purpose of work:

The mechanism of biodiversity offsets allows countries to find an economically and environmentally responsible compromise between the implementation of infrastructure projects and the conservation of nature (biodiversity and ecosystems). Infrastructure projects (for example, industrial, agricultural, transport and others) have a serious adverse effect on biodiversity. Studies have shown that the current legislative provisions (environmental code norms, EIA rules) in Kazakhstan do not provide sufficient protection of biodiversity when implementing infrastructure projects.

Currently, Kazakhstan's environmental policy and legislation are undergoing major changes in support of global environmental challenges, and this creates opportunities for integrating new approaches into biodiversity conservation practices and policies. Against the backdrop of these changes, the consolidation of biodiversity offsets in the environmental legislation as a mechanism for the financial and economic regulation of environmental management will help avoiding multi-million budget expenditures for the restoration of the environment in the future.

At the same time, numerous discussions at various levels of the government and the private sector on the ways to introduce offsetting measures into practice voluntarily showed that there is a lack of understanding of the nature of the mechanism of biodiversity offsets. This, in turn, gives rise to the myth that the introduction of the offsetting mechanism involves an additional financial burden on the business as opposed to the state policy of supporting the business. This gap is reinforced by the lack of accessible methodological documents allowing decision-makers to use the biodiversity offsets mechanism when planning infrastructure projects. In this regard, the relevance of the work is related to the need to create an accessible methodological basis and increase the awareness of stakeholders about the use of the mechanisms of biodiversity offsets.

The purpose of the work is to develop guidelines for the implementation of effective biodiversity offsets

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<sup>1</sup> IUCN

in Kazakhstan, prepare recommendations and methodologies for the Government.

d) Stakeholders:

*The Forestry and Wildlife Committee of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan* is a state body and department under the jurisdiction of the Ministry of Agriculture of the Republic of Kazakhstan, which carries out implementation, control and supervisory functions in the field of forestry, conservation, reproduction and use of wildlife and protected areas;

*The Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (MEGNR)* is the central executive body of the Republic of Kazakhstan, which focuses on the creation of conditions for the conservation, restoration and improvement of the quality of the environment, water and biological resources, state geological study of subsurface, reproduction of the mineral resources base, sustainable development of water, forestry, fisheries and hunting sector, protected areas, ensuring the transition of the Republic of Kazakhstan to low-carbon development and “green economy” to meet the needs of the present and future generations;

e) Features of the planned work and security risks:

The implementation of the planned work involves analytical work with one trip to the Republic of Kazakhstan to the city of Nur-Sultan. Security risks during work are minimal.

**SCOPE OF WORK:**

a) Main goals:

1. Carries out an expert assessment and prepares an analytical review of Kazakhstani practices and policies carried out for the conservation and sustainable use of biodiversity in the framework of industrial and road and transport infrastructure projects, and prepares practical recommendations. To achieve this result, the international expert:
  - Studies strategic documents on the development of the country, industry policy documents in the field of conservation and sustainable use of biodiversity;
  - Studies the system of economic regulation of nature use in Kazakhstan in the context of biodiversity conservation;
  - Conducts a survey of stakeholders to assess the country's institutional and legal capacity to put into practice the mechanism of biodiversity offsets, develop and implement effective offsetting measures together with a national expert on the analysis of infrastructure projects;
  - Defines barriers and opportunities (“entry points”) for use in environmental practice and the policy of offsetting measures to preserve biodiversity as part of the development of infrastructure projects;
  - Prepares a comparative assessment of the institutional, legal, personnel (qualification) capacity of Kazakhstan for the introduction of offsetting measures for biodiversity conservation as part of the development of infrastructure projects based on the experience of countries with economies in transition.
2. Develops template models of effective offsetting measures for at least 3 industrial and transport and road infrastructure projects. To achieve this result, the international expert:
  - Together with the national expert on the analysis of infrastructure projects, studies all current and planned industrial and transport and road infrastructure projects that are available for study, gives an independent assessment of the compliance of environmental activities with the international Performance Standard 6: “Biodiversity

- conservation and sustainable management of living natural resources”;
  - On the basis of the expert analysis and study of infrastructure projects, determines the current and planned industrial and road infrastructure projects, where the use of an offsetting mechanism is required;
  - Compiles a description of the Government’s expenditures on the restoration of biodiversity in the absence of compensatory measures;
  - Prepares recommendations for government bodies on the application of a biodiversity offsetting mechanism on current and planned projects of industrial and road and transport infrastructure.
3. Develops a guide on the use of the biodiversity offsetting mechanism in Kazakhstan during the planning and implementation of infrastructure projects in industry. Guidance should include, but not be limited to the following:
- Integration of biodiversity into the mitigation hierarchy (prevention, minimization, mitigation and offsetting biodiversity loss) within the environmental impact assessment (EIA) system;
  - Basic principles and purpose of biodiversity offsets;
  - Means of determining the need, magnitude, and scope of biodiversity offsetting measures.
  - Appropriate requirements for stakeholder participation in the development of biodiversity offset decisions and implementation;
  - Collection and processing of information to determine adequate biodiversity offsets;
  - Effective means of monitoring biodiversity offsets;
  - Practical recommendations for transforming current environmental activities into offsetting measures;
  - A review of best practice and lessons learnt practice on the application of the biodiversity offsetting mechanism.
  - Other aspects important for the development and implementation of adequate offsetting measures.
4. Provides an explanation of the essence and purpose of offsetting measures for a wide audience, including from government agencies, companies in the industrial and road transport sectors. To achieve this result, the international expert:
- Prepares presentation materials for government bodies and other stakeholders. The UNDP project team will provide translation of presentation materials, reports prepared by the expert into Russian.
  - Makes one trip to the Republic of Kazakhstan to the city of Nur-Sultan. UNDP project team will provide translation services.
  - Participates as a speaker in online discussions organized by the BIOFIN team on the implementation of the biodiversity offsetting mechanism as an official tool for biodiversity conservation in Kazakhstan.
- b) Necessary activities:
1. After signing the contract, carries out a detailed discussion of the terms of reference together with the BIOFIN project team.
  2. Together with the BIOFIN project team, determines the preliminary dates of arrival in the Republic of Kazakhstan in the city of Nur-Sultan.
  3. Advises the BIOFIN project team in the preparation of relevant workshop programs, online

discussions on the introduction of the biodiversity offsetting mechanism as an official tool for biodiversity conservation in Kazakhstan.

- c) List of references / data / information / policy that can be provided to the international expert as a reference material / contribution to the activity:

As part of the terms of reference, UNDP biodiversity projects will provide the international expert with all the materials prepared and collected during the past years of the implementation of the BIOFIN project on the mechanism of biodiversity offsets.

**EXPECTED RESULTS AND PAYMENT TERMS:**

<b>Outcomes</b>	<b>Estimated duration of the task implementation</b>	<b>Estimated completion date</b>	<b>Payment Terms</b>	<b>Necessary coordination and approval</b>
<p><b>1. Analytical report</b> which includes:</p> <p>(1) Expert assessment of Kazakhstani practices and policies carried out for the conservation and sustainable use of biodiversity in the framework of industrial and road and transport infrastructure projects, (2) the practical recommendations for applying offsets within the mitigation hierarchy, (3) review of best practice and lessons learnt practice on the application of the biodiversity offsetting mechanism</p>	16 days	1 - 9 weeks from the date of signing the contract	20%	<p>UNDP Biodiversity Projects Manager</p> <p>Expert on financial mechanisms</p>
<p><b>2. Technical report</b>, including 3 models (total) of effective offsetting measures for various projects, at least 3 industrial, road and transportation infrastructure projects.</p>	26 days	10 - 18 weeks from the date of signing the contract	30%	<p>UNDP Biodiversity Projects Manager</p> <p>Expert on financial mechanisms</p>
<p><b>3. A guidance document</b> on the use of the biodiversity offsetting mechanism within the mitigation hierarchy in Kazakhstan, for application during the planning</p>	30 days	19 - 26 weeks from the date of signing the contract	40%	<p>UNDP Biodiversity Projects Manager</p> <p>Expert on</p>

and implementation of infrastructure projects in industry.  Result: methodological guidelines				financial mechanisms
<b>4. Stakeholder engagement</b> , consisting of the development of three presentations, and a trip to Nur-Sultan for direct stakeholder engagements, OR participation in the equivalent online stakeholder engagements. <ul style="list-style-type: none"> <li>• Presentation of the analytical report on the result.</li> <li>• Presentation on 3 models of effective offsetting measures.</li> <li>• Presentation of the methodological guidelines.</li> <li>• Trip to the city of Nur-Sultan*;</li> </ul> Final report on the work done.	8 days	32 - 35 weeks from the date of signing the contract	10%	UNDP Biodiversity Projects Manager  Expert on financial mechanisms

\* If travel is not possible due to COVID-19, business trip payments will not be made. Also, if it is impossible to come to Kazakhstan due to quarantine measures, the BIOFIN project team will arrange online engagements with national stakeholders, including as webinars. The expert will be required provide the results of his/her work and present at as a speaker on these online events.

#### **ORGANIZATIONAL ACTIVITIES:**

- In the course of their work, the engaged international expert is accountable to the UNDP Biodiversity Project Manager and to the expert on financial mechanisms. All actions related to the performance of this work must be coordinated with the specified persons;
- The engaged international expert does not have the right to distribute, transmit data, materials, reports collected / prepared as part of this terms of reference without the permission of UNDP;
- The engaged international expert ensures timely and rational planning, execution of activities and achievement of results in accordance with this terms of reference. Reports should be submitted in accordance with the timelines specified in the “Expected Results” section of the terms of reference.

- Reports and materials should be submitted in electronic form in English;
- During the work within the framework of the terms of reference, the involved international expert will collaborate with the national expert on the analysis of infrastructure projects;
- The involved international expert is responsible for the accuracy of the data in the reports submitted to UNDP by providing links to relevant primary sources.

#### **WORK DURATION:**

The total duration is 80 (eighty) working days from the date of signing the contract, approximately from July 2020 till March 2021. The expected completion date is March 31, 2021.

#### **PLACE OF DUTY:**

The engaged international expert performs work at the place of their location / residence.

One trip is planned to the Republic of Kazakhstan to the city of Nur-Sultan.

No.	Routs	Number of trips	Number of days
1	Location of the international expert - the city of Nur-Sultan - Location of the international expert	1 (one)	5 (five)
	<b>Total:</b>	<b>1 (one)</b>	<b>5 (five)</b>

#### **Travel:**

- BSAFE security course must be successfully completed prior to commencement of travel;
- Individual Consultants are responsible for ensuring they have vaccinations/inoculations when travelling to certain countries, as designated by the UN Medical Director.
- Consultants are required to comply with the UN security directives set forth under <https://dss.un.org/dssweb/>

#### **COMPETENCIES:**

- Studying best practices and suggesting new, more effective ways of conducting business, documenting innovative strategies and new approaches;
- Strong skills in writing presentations and reports;
- Excellent verbal and communication skills;
- Pronounced analytical skills

#### **MINIMUM QUALIFICATION REQUIREMENTS FOR THE INTERNATIONAL EXPERT:**

- • A Master's degree in the field of ecology, environmental economics or similar field;
- At least 5 years of international experience in providing consulting / expert services on the introduction of the mechanism of biodiversity offsets, with demonstrated knowledge of international standards, practices in the field of biodiversity offsets, confirmed by experience in

developing methodological documents, regulatory legal acts on the issues of biodiversity offsets in the industrial, transport and other sectors; At least 10 years of experience working in or with state or international organizations, research institutes, public organizations, state / private companies in the field of environmental and/or economic policy development, economic research, forecasting, environmental and economic modeling; Experience in participating in the development or implementation of biodiversity offsets projects in the industrial, transport and other sectors;

- Experience in the preparation of analytical reports. Strong skills in writing presentations and reports;
- Publications, articles on the topic of the terms of reference.
- English language is required. The ability to communicate in Russian is an asset.

#### **SUBMISSION OF PRICE (FINANCIAL) PROPOSAL AND PAYMENT:**

The type of contract provided for this type of work / service is a contract in US dollars with a fixed price (for the total amount), which includes all the costs of performing the work / services (in this case, the daily professional fee, transport costs and possible costs associated with carrying out work related to the terms of reference).

Payment will be made in tranches after satisfactory fulfillment of the expected results indicated in the “Scope of work” of the terms of reference and upon approval of the results by the UNDP Biodiversity Conservation Project Manager.

#### **RECOMMENDATIONS FOR THE SUBMISSION OF APPLICATION (PROPOSAL):**

The following documents only in PDF should be attached to the application (proposal) and sent by e-mail to the following address: [procurement.kz@undp.org](mailto:procurement.kz@undp.org) indicating **Ref.2020-066** in the e-mail subject no later than **15.00 (Nur-Sultan time zone) 17 June, 2020:**

- 1) A duly completed and signed letter from the applicant to UNDP, confirming his / her interest and willingness to assign as individual contractor (UNDP format);
- 2) Detailed personal CV, indicating all past experience and skills relevant to the assignment, as well as the contact details (e-mail and telephone number);
- 3) The financial proposal should include all costs associated with the contract, indicating the detailed breakdown of costs according to the attached form;
- 4) Copies of diploma / s.

Annexes to the ToR:

- Template of the Offeror's Letter confirming interest and availability for the assignment and a financial proposal form;
- UNDP contract with the general conditions of the contract.

#### **EVALUATION OF CANDIDATES:**

Individual contractor will be evaluated based on a Combined Scoring Method taking into consideration the combination of the applicant's qualifications and financial proposal.

The award of the contract should be made to the individual contractor whose offer has been evaluated and determined as:

- Responsive/ compliant/ acceptable; and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation,
- Technical criteria weight (70%);
- Financial Criteria weight (30%).
- Only the highest ranked candidates who received a score of at least 350 points (70%) upon the result of the technical evaluation will be admitted to the financial assessment.

<b>Criteria</b>	<b>Weight %</b>	<b>Min.passing points</b>	<b>Max. points</b>
<b><u>Academic background and skills</u></b>			
A Master's degree in the field of ecology, environmental economics or similar field	20%	70	100
Full proficiency of English language. The ability to communicate in Russian is an asset.	10%	35	50
<b><u>Experience:</u></b>			
At least 5 years of international experience in providing consulting / expert services on the introduction of the mechanism of biodiversity offsets, with demonstrated knowledge of international standards, practices in the field of biodiversity offsets, confirmed by experience in developing methodological documents, regulatory legal acts on the issues of biodiversity offsets in the industrial, transport and other sectors;	20%	70	100
At least 10 years of experience working in or with state or international organizations, research institutes, public organizations, state / private companies in the field of environmental and/or economic policy development, economic research, forecasting, environmental and economic modeling;	20%	70	100
Experience in participating in the development or implementation of biodiversity offsets projects in the industrial, transport and other sectors;	15%	52.5	75
Experience in the preparation of analytical reports. Strong skills in developing presentations and reports;	10%	35	50
Publications, articles on the topic of the terms of reference would be an advantage.	5%	17.5	25

<b>TOTAL</b>	<b>100%</b>	<b>350</b>	<b>500</b>
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**AGREED:**

Arman Kashkinbekov

Arman Kashkinbekov

Head of the Sustainable Development and Urbanization Unit

Date: 02-Jun-2020

Talgat Kerteshev

Talgat Kerteshev

UNDP Biodiversity Conservation Projects Manager

Date: 02-Jun-2020