



REQUEST FOR PROPOSAL (RFP) (For Low-Valued Services)

NAME & ADDRESS OF FIRM	DATE: November 23, 2021
	REFERENCE: Biodiversity Finance Initiative (BIOFIN) The impact of subsidies and incentives on South African Biodiversity

Dear Sir / Madam:

We kindly request you to submit your Proposal for the: **Biodiversity Finance Initiative (BIOFIN)**

The impact of subsidies and incentives on South African Biodiversity

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Technical and Financial Proposals may be submitted **IN SEPARATE ATTACHMENTS WITH A PASSWORD ENCRYPTED FINANCIAL PROPOSAL** to bid.pretoria@undp.org no later than **16h00 Friday, December 03, 2021**.

Your Proposal must be expressed in English, and valid for a minimum period of 3 months

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

*UNDP Procurement Unit
UNDP South Africa
11/23/2021*

Description of Requirements

Context of the Requirement	<p>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 Convention on Biological Diversity 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.</p> <p>In South Africa, the BIOFIN project is implemented at a national level by the UNDP in partnership with the Department of Forestry, Fisheries and the 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 and 8 of these Finance Solutions have been prioritized for implementation under BIOFIN Phase II.</p> <p>As part of Phase II implementation and in addition to the 8 prioritized Finance Solutions, the BIOFIN programme in South Africa would like to explore the impact of subsidies and incentives on biodiversity in South Africa. Some, often well-intended, subsidies/incentives end up having unintended negative, and often costly effects on the environment and biodiversity, which in turn impact societies and economies at the local and national level.</p> <p>Common examples of these impacts are found in the agricultural sector. The Organisation for Economic Co-operation and Development (OECD) estimated around US\$ 100 billion contributed to support agricultural production in the OECD countries is considered potentially harmful to the environment, resulting in-for example-habitat destruction caused by converting primary forest area, land degradation, and nutrient pollution. Similar examples are also found in the fishery sector where subsidies, worth between US\$ 7 and 35 billion per year are considered harmful to the marine environment, particularly because of pollution and over-exploitation.</p> <p>These examples highlight some of the inefficiencies in the current fiscal framework in sectors impacting biodiversity negatively. Repurposing such ineffective and unsustainable support would lead to significant fiscal savings by realigning current expenditures, enable more efficient delivery of objectives on sustainable use of natural resources, support international commitments under the SDGs, the CBD post-2020 biodiversity framework and support a much-needed transformation towards a more resilient, sustainable production system for all.</p> <p>The OECD defines environmentally perverse subsidies as “all kinds of financial supports and regulations that are put into place to enhance the competitiveness of certain products,</p>
----------------------------	--

	<p>processes or regions, and that, together with the prevailing taxation regime, (unintentionally) discriminate against sound environmental practices”.</p> <p>For the purpose of this study, subsidies can cover all incentives and policy instruments which can have an effect to biodiversity. The scope of the definition should be adapted to each national context. Such subsidies are not limited to direct financial support, they can include direct and indirect transfers of funds (to cover possible liabilities e.g. for nuclear accidents). They can be delivered as income or price support (e.g. for agricultural goods and water), tax credits, exemptions, and rebates (e.g. for fuel), low-interest loans and guarantees, preferential treatment, and using regulatory support mechanisms (e.g. demand quotas). These can also take the form of implicit income transfers when natural resources or services are not priced at full provisioning cost (e.g. water, energy). There are as well non-tariffs (import quotas) and tariffs (import tariffs) border measures that provide an important advantage to the domestic industry. Some subsidies are sectorial on-budget (clearly visible in government budgets or can be estimated from budget accounts) while others are off-budget (not accounted for in national budgets). Some of the on-budget subsidies have been traditionally used by governments in developing countries to support local livelihoods, reduce poverty and promote economic and productive activities. Many of these subsidies have unintended impacts on biodiversity, which often lack environment (and social) safeguard frameworks.</p>
Implementing Partner of UNDP	Department of Environment, Forestry and Fisheries
Brief Description of the Required Services ¹	<p>In line with Aichi Target 3 of the Convention on Biological Diversity which states, to eliminate, phase out or reform all subsidies harmful to biodiversity (a similar target is under discussion for the 2021-30 Global Biodiversity Framework), the overall objective of the study will be to:</p> <ul style="list-style-type: none"> - Conduct an analysis to identify, assess and quantify the value and the cost of each type of subsidies and incentives likely to have a harmful impact on biodiversity; - Understand the potential of redesigned options and prioritise efforts that take into consideration a full range of social, environmental, economic, and political economy concerns, trade-offs and possible compensation schemes throughout the re-design and transition process, including within the COVID-19 context; - Develop a document proposing reform proposals for the prioritised subsidies. <p>Develop a framework for incentives on the conservation and sustainable use of all the components of Biodiversity including at the species, ecosystem and genetic levels.</p>
List and Description of Expected Outputs to be Delivered	<ol style="list-style-type: none"> 1. Research stage 2. Validation stage 3. IDENTIFYING AND ASSESSING REDESIGN OPTIONS <ol style="list-style-type: none"> 3.1 Review the potential for re-design options

¹ A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

	<p>3.2 Redesign scenarios</p> <p>(For detailed information be found in terms of references)</p>
Person to Supervise the Work/Performance of the Service Provider	BIOFIN task team leader.
Frequency of Reporting	<i>AS and when required in the workplan</i>
Progress Reporting Requirements	<p>The service provider will be appointed through UNDP procurement processes.</p> <p>Following the contracting process, the service provider is expected to engage closely with the BIOFIN Project Management Specialist and the assigned contact person within DFFE and to participate in-person during the inception meeting. The consultant will also be required to liaise with a Reference Group throughout the implementation of the work.</p> <p>Whilst the contract is held with UNDP, the coordination and implementation modalities will be jointly shared with DFFE. UNDP and DFFE will have the overall responsibility for supervising the technical quality of the deliverables, scheduling and convening all meetings with the service provider, making logistical arrangements for unforeseeable meetings and workshops, and administration of the overall day-to-day interaction directly with the service provider. UNDP is responsible for processing the payments of the invoices against this contract and all the administration associated with the contract management. To this end, UNDP will only authorise and process payments upon written approval by both the BIOFIN Programme Manager in South Africa and BIOFIN Project Management Specialist. It is expected that there will be a minimum of 1 monthly meeting with the consultant, UNDP, DFFE and the already established Reference Group on Harmful Subsidies to Biodiversity to present the monthly progress reporting - the frequency of which will be arranged as needed during the implementation period. Any proposed deviations from the original project implementation plan shall be communicated to UNDP and DFFE in writing.</p> <p>The consultant is expected to present monthly progress reports detailing:</p> <ul style="list-style-type: none"> - Progress against the project plan - Risks/current challenges identified - Items flagged for attention and decision making. - Any proposed deviations from the original project implementation plan shall be communicated to the BIOFIN National Project Manager, BIOFIN task team leader and UNDP in writing. <p>The project report (s) must be submitted in electronic format (word and PDF) in English.</p>
Location of work	<input type="checkbox"/> <input checked="" type="checkbox"/> At Contractor's Location

Expected duration of work	6 months
Target start date	Upon signing of the contract by both parties
Latest completion date	29 May 2022
Travels Expected	n/a
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling <input type="checkbox"/> Completion of UN's Basic and Advanced Security Training <input type="checkbox"/> Comprehensive Travel Insurance <input checked="" type="checkbox"/> Others (N/A)
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input type="checkbox"/> Office space and facilities <input type="checkbox"/> Land Transportation <input checked="" type="checkbox"/> Others (None)
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Currency of Proposal	<input type="checkbox"/> United States Dollars <input type="checkbox"/> Euro <input checked="" type="checkbox"/> Local Currency (South African Rands)
Value Added Tax on Price Proposal ²	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes
Validity Period of Proposals (Counting for the last day of submission of quotes)	<input type="checkbox"/> 60 days <input checked="" type="checkbox"/> 90 days <input type="checkbox"/> 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.
Partial Quotes	<input checked="" type="checkbox"/> Not permitted <input type="checkbox"/> Permitted

² VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

Payment Terms ³	<ol style="list-style-type: none"> 1. Inception report including a workplan that specifies an approach strategy and methodology for the fulfilment of the consulting objectives. (10) 2. A national inventory of harmful subsidies and incentives with impacts on biodiversity and ecosystems, including their objectives, total annual government expenditure, results, anticipated unintended effects and if possible, related economic and environmental costs. The consultant should present the output should be presented in a workshop with key stakeholders (30) 3. Detailed review of prioritized harmful subsidies and incentives, with detailed information on their size and nature, with the identification of the potential harmful effect on biodiversity and arguments for their reform. The consultant should present the output should be presented in a workshop with key stakeholders (30) 4. Documents with reform proposals aligned with national priorities within the sectors with 2-3 major scenarios for the selected subsidies and incentives that includes impact assessment that identifies political economy analysis and action plan to implement this reform. The consultant should present the output should be presented in a workshop with key stakeholders (30) 5. Communication material <p>All payment will be effected within 30 days of receipt of an invoice and upon approval by the respective authorities of UNDP</p>
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	UNDP will authorise payments upon receipt of written approval and certification of each deliverable by the BIOFIN task team leader. UNDP will also be responsible for technical backstopping as and when required by the BIOFIN task team leader.
Type of Contract to be Signed	<input checked="" type="checkbox"/> Purchase Order <input checked="" type="checkbox"/> Institutional Contract <input type="checkbox"/> Contract for Professional Services

³ UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding \$30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.

	<input type="checkbox"/> Long-Term Agreement ⁴ <input type="checkbox"/> Other Type of Contract	
Criteria for Contract Award	<input checked="" type="checkbox"/> Lowest Price Quote among technically responsive offers <input type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non- acceptance of the GTC may be grounds for the rejection of the Proposal.	
Criteria for the Assessment of Proposal	Technical Proposal (70% of the overall proposal - 140 points)	
	Evaluation criteria	Max score (100)
	Proposed Methodology: A clear methodology for each of the three deliverables (consumer demand study, development and business case) must be described, and the methodology must outline how the Scope of Work will be carried out according to deliver each deliverable	30
	Proposed Work Plan and management of the project: Detailed work plan with intermediate and final outputs and identified timeframes / milestones and resources and designated responsibilities of the team of consultants must be indicated in the proposal for achieving of the deliverables.	10
	Documented qualifications and experience (for each of the three required consultants): demonstration of necessary resources and technical expertise to undertake and successfully complete the project. Documented relevant academic qualifications must be highlighted, as well as experience, knowledge, proven track record and evidence of undertaking similar projects. (Max 18 points)	20
	The proposal must reflect sensitivity to gender equity. This will ensure gender mainstreaming and skills development. (Max 2 extra points)	
	Technical Capability/ expertise and record of accomplishment of previous work done that relates to the deliverables of this assignment and knowledge (for each of the three required consultants) in the respective fields outlined above, i.e. subsidies and incentives, business strategy and economics (environment and conservation sector experience preferable) and finance mechanisms experience. Previous experience in engaging with international and national experts and institutions as well as with community stakeholders.	30
	The consultant's experience, record of accomplishment and knowledge in developing policy recommendations. The bidder should submit full details of at least three reliable contactable signed references for projects of a similar scope which were successfully completed previously.	10

⁴ Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation. This RFP may be used for LTAs if the annual purchases will not exceed \$100,000.00.

	<p>(minimum qualifying score – 70 points)</p> <p>Financial Proposal (30%)</p> <p>To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p>
UNDP will award the contract to:	<p><input checked="" type="checkbox"/> One and only one Service Provider</p> <p><input type="checkbox"/> One or more Service Providers, depending on the following factors:</p>
Annexes to this RFP ⁵	<p><input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2)</p> <p><input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3)⁶</p> <p><input checked="" type="checkbox"/> Detailed TOR</p> <p><input type="checkbox"/> Others⁷ [pls. specify]</p>
Contact Person for Inquiries (Written inquiries only) ⁸	<p>Procurement Unit</p> <p>procurement.enquiries.za@undp.org</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>
Other Information [pls. specify]	

⁵ Where the information is available in the web, a URL for the information may simply be provided.

⁶ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

⁷ A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

⁸ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.