INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: 26th July 2022

Country: South Africa

Type of Contract: Individual Consultant

Description of the assignment: Financial Modelling & Sustainable Finance Specialist to support the development of a Biodiversity Offset Modality around Protected Areas in South Africa

Period of assignment/services (if applicable): 18 months

Proposal should be submitted at the following by email to bid.pretoria@undp.org no later than 12 noon Pretoria time (GMT+2) by the 10th August 2022 South African time.

Any request for clarification must be sent in writing, or by standard electronic communication to the address or e-mail indicated above. Procurement Unit, South Africa will respond in writing or by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all consultants.
1. **BACKGROUND**

This BIOFIN financial solution is focused on establishing an improved biodiversity offsets modality for protected area expansion and appropriate management. It sets out four coordinated streams of work to unlock the potential of biodiversity offsetting in South Africa. These are to:

1. Mainstream and build capacity around the National Biodiversity Offset Guideline.
2. Create a working Community of Practice amongst offset regulators, practitioners, developers, and receiving entities that can collectively overcome technical & regulatory challenges in designing, financing & implementing offsets.
3. Establish a web-based national offset register that increases transparency and efficiency in tracking offsets in SA.
4. Develop & pilot institutional modalities for offsetting in South Africa that contribute to Protected Area (PA) expansion.

These four streams of work seek to enable a clear, streamlined modality for implementing offsets in the South African context that can be replicated to increase the efficiency and effectiveness of developing & implementing biodiversity offsets in line with biodiversity conservation efforts. The development of biodiversity offset modalities will take place through the pilot implementation of a biodiversity offset banking system(s), in line with the PA Expansion Strategy & the Draft National Biodiversity Offset Guideline, and through close engagement and coordination with Competent Authorities and Community of Practice.

(Detailed background can be found in the Terms of references).

2. **SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK**

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<tr>
<th>This ToR specifically relates to the appointment of a financial modelling consultant to provide detailed technical advice and inputs to up to two organisations piloting the implementation of biodiversity offset banking modalities. This will involve:</th>
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<td>1. Development of a methodology for biodiversity offset credit costing &amp; pricing for the pilot biodiversity offset bank(s), inclusive of land purchase, declaration of the land as a national park/ part of an existing national park (or Nature Reserve) and management of the declared land over a 30-year period.</td>
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<td>2. Outline of the biodiversity offset bank(s) annual costs, and the proposed biodiversity offset credit price contribution to such administration, including aspects such as required financial audits and independent ecological performance audits of an offset banking site every two - three years.</td>
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<td>3. Determination of a fully inclusive cost of offset credits for the pilot offset bank site(s), in collaboration with the biodiversity offset specialist.</td>
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<td>4. Provide recommendations on limited biodiversity offset credit purchase payment options and terms (once off upfront / five-year tranches, etc.)</td>
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<td>5. Determine the investment required (endowment/sinking) to sustain management of the pilot offset bank site(s) in the long term as well as the biodiversity offset bank’s administration.</td>
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<td>6. Provide guidance around factoring in time lags on credit pricing between credit establishment and credit sale, giving due consideration to escalation and discounting.</td>
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<td>7. Conduct scenario analysis around varying starting dates for credit sales, and different payment schedules, different investment returns etc. in setting credit price/s.</td>
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<td>8. Provide recommendations of parameters for the biodiversity offset bank’s financial investments (under the organization’s Investment Policies)</td>
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<td>9. Consolidate all of the above into a financial feasibility study, to determine pricing of credits that ensures sufficient funds to support the long-term management of the offset banking pilot.</td>
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10. Participate in the biodiversity offsets Community of Practice established as part of the financial solution, for the duration of the project. Provide relevant inputs into a final project document, based on the lessons learnt through the project, that details a biodiversity offset modality that can be used going forward, and which complements the Draft National Biodiversity Offset Guideline. (For detailed information can be found in the terms of references)

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

- At least a master’s degree in finance, financial modelling or related field.
- 10+ years’ experience finance.
- Financial modelling & feasibility analysis.
- Development of pricing strategies & methodologies.
- Expertise and experience in establishing financial instruments, such as trusts or funds.
- An understanding of and experience in the environmental /conservation sectors would be an added advantage.
- An understanding of biodiversity offsets & offset banking would be an added advantage.
- Knowledge, and application experience in relevant laws, including National Environmental Management Act, 1998 (NEMA), National Environmental Management: Protected Areas Act, 2003 (NEMPAA), Spatial Planning and Land Use Management Act, 2013 (SPLUMA), Mineral and Petroleum Resources Development Act, 2002 (MPRDA), Public Finance Management Act, 1999 (PFMA), etc. would be an added advantage
- Previous experience working with United Nations; DFFE; Competent authorities; conservation agencies would be an added advantage.

1. Language:

   English

4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS.

a) Letter of Confirmation of Interest and Availability using the template provided by UNDP;

b) CV and a Personal History Form (P11 form);

c) Brief description of approach to work/technical proposal of why the individual considers him/herself as the most suitable for the assignment, and a proposed methodology on how they will approach and complete the assignment; (max 1 page)

d) Financial Proposal that indicates the all-inclusive fixed total contract price and all other travel related costs (such as flight ticket, per diem, etc), supported by a breakdown of costs, as per template attached to the Letter of Confirmation of Interest template. If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.


2 http://www.undp.org/content/dam/undp/library/corporate/Careers/P11_Personal_history_form.doc
6. EVALUATION

Individual consultants will be evaluated based on the following methodologies:

1. **Lowest price and technically compliant offer**
   
   When using this method, the award of a contract should be made to the individual consultant whose offer has been evaluated and determined as both:
   
   a) responsive/compliant/acceptable, and
   
   b) offering the lowest price/cost
   
   “responsive/compliant/acceptable” can be defined as fully meeting the TOR provided.

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<th>Technical Proposal Evaluation Criteria</th>
<th>Max score</th>
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<td><strong>Proposed Methodology</strong></td>
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<td>A clear methodology must be described and outline how the Objectives, Scope of Work &amp; Output Deliverables will be fulfilled. The strategic approach should reflect adaptive capability based on possible scenarios of progress in pilot implementation. The methodology should showcase an understanding of biodiversity offsetting from identification through implementation to monitoring and enforcement in the context of the envisaged work.</td>
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<td><strong>Proposed Work Plan</strong></td>
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<td>A detailed work plan should include an outline of key activities; the expected level of effort against the scope of work and key deliverables; critical success factors; and key milestones in a tentative timeline. Designated responsibilities of the consultant should be indicated in the proposal for achieving of the deliverables. A proposed invoicing schedule should be included based on achievement of key milestones/deliverables.</td>
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<td><strong>Documented qualifications and experience (CV)</strong></td>
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<td>Relevant academic qualifications should be showcased, as well as experience, track record and evidence of undertaking similar projects.</td>
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<td>Technical expertise &amp; capability required to undertake and successfully complete the project should be demonstrated.</td>
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Applicants will be evaluated based on a cumulative analysis taking into consideration the combination of the applicants’ technical qualifications (70%) and financial proposal (30%).

Only Individual Consultants obtaining a minimum of 70 of the obtainable points of 100 points (70%) in technical evaluation would be considered for the Financial Evaluation.

*Only candidates obtaining a minimum of 70% (70 points) would be considered for the Financial Evaluation.*
ATTACHMENTS:

- TERMS OF REFERENCES (TOR)
- INDIVIDUAL CONSULTANT GENERAL TERMS AND CONDITIONS
- OFFEROR’S LETTER TO UNDP CONFIRMING INTEREST AND AVAILABILITY
- P11 – PERSONAL HISTORY FORM