Terms of reference

GENERAL INFORMATION

Title: Consultant for Biodiversity Offset
Project Name: Biodiversity Finance Initiative (BIOFIN)
Reports to: National Project Manager
Duty Station: Home based
Expected Places of Travel (if applicable): N/A
Duration of Assignment: From October 2022 to December 2022 (20 working days)

REQUIRED DOCUMENT FROM HIRING UNIT

<table>
<thead>
<tr>
<th></th>
<th>TERMS OF REFERENCE</th>
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<tbody>
<tr>
<td></td>
<td>CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT, please select:</td>
</tr>
<tr>
<td></td>
<td>(1) Junior Consultant</td>
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<tr>
<td></td>
<td>(2) Support Consultant</td>
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<tr>
<td></td>
<td>(3) Support Specialist</td>
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<td></td>
<td>(4) Senior Specialist</td>
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<td>(5) Expert/ Advisor</td>
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<td>CATEGORY OF INTERNATIONAL CONSULTANT, please select:</td>
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<tr>
<td></td>
<td>(6) Junior Specialist</td>
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<tr>
<td></td>
<td>(7) Specialist</td>
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<tr>
<td></td>
<td>(8) Senior Specialist</td>
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<tr>
<td></td>
<td>APPROVED e-requisition</td>
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</tbody>
</table>

REQUIRED DOCUMENTATION FROM CONSULTANT

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>P11 or CV with three referees (names, email address and phone number)</td>
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<tr>
<td></td>
<td>Copy of education certificate</td>
</tr>
<tr>
<td></td>
<td>Completed financial proposal</td>
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<tr>
<td></td>
<td>Completed technical proposal</td>
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</tbody>
</table>

Need for presence of IC consultant in office:
☐ partial (explain)
☒ intermittent (explain) (Virtual meeting will be required)
☐ full time/office based (needs justification from the Requesting Unit)

Provision of Support Services:
☐ Office space: ☐ Yes ☒ No
☐ Equipment (laptop etc): ☐ Yes ☒ No
☐ Secretarial Services ☐ Yes ☒ No

If yes has been checked, indicate here who will be responsible for providing the support services

Name: Bayuni Shantiko
Title: National Project Manager
I. BACKGROUND

Indonesia's archipelago comprises approximately 17,000 islands, of which around 990 are permanently inhabited. There are 7 major biogeographic regions in Indonesia, centered on the major islands and their surrounding seas. Conservation International considers Indonesia to be one of the 17 “megadiverse” countries, with 2 of the world's 25 “hotspots”, 18 World Wildlife Fund's “Global 200” ecoregions and 24 of Bird Life International’s “Endemic Bird Areas”. It also possesses 10% of the world’s flowering species (estimated 25,000 flowering plants, 55% endemic) and ranks as one of the world’s centers for agrobiodiversity of plant cultivars and domesticated livestock. For fauna diversity, about 12% of the world’s mammals (515 species) occur in Indonesia, ranking it second, after Brazil, at the global level. Despite these species richness, Indonesia has the list of species threatened by extinction includes 140 species of birds, 63 species of mamals, and 21 species of reptiles. This hampered by expansion of development activities that negatively impact the ecosystem and biodiversity.

Biodiversity offsets are one of instruments undertaken as measurable conservation gains that compensate for negative impacts of development projects that remain after full mitigation. The full mitigation hierarchy involves avoidance, minimisation, restoration and offsetting. Biodiversity offsetting generally aims to achieve no net loss (NNL) of biodiversity and, where possible, a net gain. Even after the mitigation hierarchy steps of avoidance, minimisation and restoration have been fully applied, some residual impacts on biodiversity will often remain.

The global experience of biodiversity offset varies from country to country as well as financial result arising from it also varies. To enable this, national laws or policies are required to regulate eligible activities shall implements offset, criteria and indicators, tariff or unit cost for offsets, verification mechanism and many others including compensating communities impacted by the activities.

Like in other countries, in Indonesia the terminology and practical application is vary. In addition the institutional framework is found lacking and inadequate standard and criteria to calculate compensation and lack of method to achieve no net loss/net gain.

UNDP BIOFIN project aims to develop a methodology for quantifying the biodiversity finance gap at the national level, improving cost-effectiveness through mainstreaming biodiversity into national development and sectoral planning, and developing comprehensive national finance plans. Based on insights gained from BIOFIN assessments in Indonesia, it acknowledges the importance of tapping additional financing to support the biodiversity agenda. The assessment reveals that generating financing alone could not address the challenges. Thus, it transcends the focus on developing additional resources and identifies a range of “finance solutions” that leverage finance, fiscal and economic tools, and strategies to improve the country's biodiversity objectives.

To demonstrate the importance of workable finance solutions to close biodiversity finance gap, BIOFIN intends to explore feasibility of biodiversity offset implementation as an innovative financial solutions in Indonesia. This includes institutional review and offsets related policies, learning from successful/failure offsets implementation by other countries, compensation values, methodology and seek propose biodiversity offset options suitable for Indonesia.

Based on above, an individual consultant will expand the feasibility study of biodiversity offset in Indonesia to comprehend the enabling conditions, methodology, gaps for implementation and its potential leading to improved offset implementation in Indonesia. The consultant will work closely in consultation with Bappenas and other relevant key ministries.
II. SCOPE OF WORK, ACTIVITIES, AND DELIVERABLES

The consultant will work closely with the BIOFIN Project Management Team, UNDP Senior Advisor for Climate and Environment Governance and in consultation with Bappenas and other relevant key ministries.

The consultant will undertake the assignment as follows:

- Review and analyze legal and institutional framework for and/or related biodiversity offset including laws, government regulations, ministril regulations and other related frameworks such as international convention, global guidelines, and best practices.
- Review and analyze biodiversity offsets practices globally available to distill best practice, key success/failure factors and lesson learnt for futher implementations.
- Review and analyze current practice regarding biodiversity offset including but not limited to quasi-offset policies such as ‘Pinjam Pakai Kawasan’, biodiversity relocation, biodiversity compensation or similar to distill lesson learned and ways to improve current mechanism.
- Unpack the biodiversity offset methodology to extract biodiversity offset model and options in accordance to current legal and institutional framework.
- Develop action plan to improve biodiversity offsets’ institutional framework leading to improved implementation in the future.
- Lead the consultation process with key government stakeholders, private sectors, lenders and other relevant stakeholders.
- Take part actively in the capacity building implementation for key stakeholders.

Expected Outputs and deliverables

<table>
<thead>
<tr>
<th>Deliverables/ Outputs</th>
<th>Estimated number of working days</th>
<th>Completion deadline</th>
<th>Review and Approvals Required (Indicate designation of person who will review output and confirm acceptance)</th>
</tr>
</thead>
</table>
| 1st payment will be made upon submission and approval by UNDP of:  
  - Report on the Review result legal and institutional framework related biodiversity offset  
  - Report on best practice, key success/failure factors and lesson learnt for further implementations (global and national experience) | 7 days | October 2022 | National Project Manager BIOFIN |
| 2nd payment will be made upon submission and approval by UNDP of:  
  - Report on the review result of current practice regarding biodiversity offset in Indonesia including but not limited to quasi-offset policies such as ‘Pinjam Pakai Kawasan’, biodiversity relocation, biodiversity compensation or similar to distill lesson learned and ways to improve current mechanism. | 5 days | November 2022 | National Project Manager BIOFIN |
| 3rd payment will be made upon submission and approval by UNDP of:  
  - Report on biodiversity offset methodology  
  - Develop an action plan to improve biodiversity offsets’ implementation in Indonesia | 8 days | December 2022 | National Project Manager BIOFIN |
III. WORKING ARRANGEMENTS

Institutional Arrangement

Under direct guidance of the BIOFIN project manager and UNDP Senior Advisor for Climate and Environment Governance, the selected candidate will have close coordination with Bappenas. Following rounds of consultation and comments from the team, the consultant will produce a final report as above, taking into account feedback from them.

Duration of the Work

20 days within 3 months

Duty Station

The duty station/location for the consultant will be Home-based

Travel Plan

There is no travel plan for the duration of the assignment

IV. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Academic Qualifications:

Master degree or equivalent in economy, environment engineering, forestry, development studies, international development, public policy, social science.

Years of experience:

- At least 7 (seven) years relevant international experiences in environmental studies, climate, sustainable finance, environmental finance, natural resource management, public policy, social science, natural science, development
- Experience in policy analysis and/or strategic document development with at least 2 (two) projects
- Experiences in designing environmental economic instruments at least 1 (one) project
- Experience in formulating development strategies and policies;

III. Competencies and special skills requirement:

- Has knowledge on climate finance, biodiversity and ecosystem services risk management
- A solid experience in the areas of economic development, policy analysis, development and planning, strategic planning of the projects focused on economic development through providing evidence-based policy advice;
- Familiarity with government system and institutional arrangement in Indonesia
- Strong analytical, reporting and writing skills.
- Openness to change and ability to receive/integrate feedback.
- Ability to plan, organize, implement, and report on work.
- Ability to work under pressure and tight deadlines.
- Demonstrates integrity and ethical standards.
- Positive, constructive attitude to work.
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability.
- Fluency in English with excellent written communication skills, and strong experience writing reports
V. EVALUATION METHOD AND CRITERIA

Cumulative analysis

When using this weighted scoring method, the award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

a) responsive/compliant/acceptable, and

b) 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 candidates obtaining a minimum of 70 point would be considered for the Financial Evaluation

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight</th>
<th>Maximum Points</th>
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<tbody>
<tr>
<td>Technical</td>
<td>70</td>
<td>100</td>
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<tr>
<td>• Criteria A: qualification requirements as per TOR:</td>
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<tr>
<td>1. Master degree or equivalent in economy, environment engineering, forestry, development studies, international development, public policy, social science.</td>
<td>70</td>
<td></td>
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<tr>
<td>2. At least 7 (seven) years relevant international experiences in environmental studies, climate, sustainable finance, environmental finance, natural resource management, public policy, social science, natural science, development</td>
<td>20</td>
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<tr>
<td>3. Experience in policy analysis and/or strategic document development with at least 2 (two) projects</td>
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<tr>
<td>4. Experiences in designing environmental economic instruments at least 1 (one) project</td>
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<tr>
<td>5. Experience informulating development strategies and policies</td>
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<tr>
<td>• Criteria B: Brief Description of Approach to Assignment</td>
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<tr>
<td>1. Understand the task and applies a methodology appropriate for the task as well as strategy in a coherent manner</td>
<td>30</td>
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<td>2. Important aspects of the task addressed clearly and in sufficient detail</td>
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<td></td>
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<tr>
<td>3. Logical, realistic planning for efficient project implementation</td>
<td>10</td>
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