TERMS OF REFERENCE
Initial assessment / short study of the potential of bankability in the Indus Delta Ecoregion Landscape (IDEL) and mapping of relevant stakeholders/private sector entities and financial sector institutions.

1. INTRODUCTION
Project Title: DFCD Discover Phase – [Indus Delta Ecoregion Landscape – Pakistan]
Contract type: Consultancy Services (Desk and Field based)
Duration of assignment: Sep 2021-Nov 2021

Established in 1970, World Wide Fund for Nature-Pakistan (WWF-Pakistan) is the largest conservation non-governmental organization in Pakistan. WWF-Pakistan works inter alia with local and indigenous communities, national and provincial governments, civil society, international organizations, industries, and corporate entities, and is committed to the conservation of the country’s rich biodiversity, sustainable use of natural resources, and climate change mitigation. WWF-Pakistan further focuses its efforts in seven (7) different practice areas, which includes wildlife, freshwater, oceans, climate change & energy, forests, and food & markets.

2. BACKGROUND
Launched in December, 2019, the Dutch Fund for Climate and Development (DFCD) is managed by a pioneering consortium of Climate Fund Managers (CFM), World Wide Fund for Nature Netherlands (WWF-NL) and SNV Netherlands Development Organisation, led by the Dutch Entrepreneurial Development Bank (FMO) and supported by the Ministry of Foreign Affairs of the Netherlands.

The DFCD consortium aims to serve as a leading example for institutional partnerships, to attract and deploy public and private capital in well-designed and impactful climate-friendly projects. The consortium connects the long-standing project development expertise of SNV Netherlands Development Organisation and WWF-NL to the capital raising and investment capabilities of Dutch Entrepreneurial Development Bank (FMO) and Climate Fund Managers.

The idea behind investment-based conservation is to move away from the grants-based model to a type of self-sustaining, for-profit model for conservation projects. It is also to establish and forge partnerships with the private sector who would be willing to invest and pilot in such conservation projects. This is what WWF calls “bankable projects”.

Moreover, this type of approach looks at conservation at the landscape level. Despite numerous studies having been conducted in various landscapes to identify and assess environmental pressures, vulnerabilities, poverty-environment linkages, and natural capital, most of these have been limited in scale and scope to a few sites and do not look at the landscape as a whole. Therefore, the Landscape Approach provides a platform to integrate conservation, sustainable use and where necessary restoration across a whole landscape mosaic to sustain biodiversity and ecosystem services, whilst ensuring room for subsistence and commercial activities.

2. INDUS DELTA ECOREGION LANDSCAPE
The Indus Delta Ecoregion (924470 hectares) has been ranked 40th amongst the G200 most biologically rich ecoregions in the world. The Indus Ecoregion covers approximately 65% of the province of Sindh, while a small north-western part of the ecoregion extends slightly into Balochistan. Located in a semi-arid environment, the ecoregion harbors riverine forests along the Indus River, wetlands, mangrove forests in the coastal areas, and desert ecosystems occupy the periphery of the ecoregion.
Sites: (i) Keenjhar Lake and surrounding areas in Thatta District; (ii) Chotiari Reservoir and surrounding parts in Sanghar District; (iii) Nara Canal and surrounding communities in Khairpur District; (iv) Manchar Lake and surrounding communities in Jamshoro District; (v) Keti Bunder and surrounding communities in Thatta District; (vi) Kharo Chann and surrounding communities in Sajjawal District; (vii) District Umer Kot; and (viii) District Mirpus Khas.

3. PURPOSE AND OBJECTIVE OF CONSULTANCY

The primary purpose of this consultancy is to identify and map the potential bankable projects in the IDEL with a focus on “bankability” along with the identification of relevant private sector entities that could conceive these bankable ideas for sustainable business development. Bankability in this context entails new or existing projects/businesses which deliver a return on investment while simultaneously delivering conservation and social outcomes. To have potential as a Bankable Project, it should meet two (2) specific criteria:

I. The Project should have positive, measurable conservation and development outcomes in line with the goals and objectives of WWF-Pakistan and DFCD.

The projects should aim to achieve at least one of following outcomes:

a. Climate resilient water systems and freshwater ecosystems. Drinking water & sanitation supplies, restoration & sustainable management of wetlands, headwaters & floodplains;

b. Forestry for the future: Promoting agroforestry, afforestation and reforestation;

c. Boost food security with climate smart agriculture; Funding more sustainable, efficient and productive approaches from smallholder farmers to agri-business;

d. Protecting the environment protecting people; Restoration of ecosystems, such as wetlands and mangroves, which are natures’ best defences against extreme floods, droughts and storm surges;

e. Improving the well-being, economic prospects, and livelihoods of vulnerable groups particularly women and youths - and enhancing the health of critical ecosystems, from river basins to tropical rain-forests, marshland, and mangroves.

II. The project should create monetary value for one (or more) involved parties, generated by new or increased commercial revenues or a reduction in costs to produce goods and operate a business (e.g. raw materials, energy, costs, overhead costs).

III. The consultant shall be required to undertake desk and field visits to:

1. Identify potential bankable projects in the Indus Delta Ecoregion Landscape, and potential private sector partners with whom the Bankable Projects’ can be piloted with. This will also entail conducting an extensive and in-depth assessment and mapping of private sector entities whose work / business / company objectives aligns with WWF-Pakistan’s conservation outcomes¹, and meets, in part or in full, the criteria of being a “Bankable Project” as laid down by the DFCD².

2. This may also include business hub, challenge organisation, business inception support entities and other types of supporting structure to business development.

3. The consultant shall also be required to map financial sector institutions (local, national, regional) that may be relevant to finance such bankable projects, their green financial instruments and their eligibility criteria.

4. Furthermore, the consultant will be required to conduct a brief study of the relevant law – acts, rules, regulations, notifications, financial instruments etc. – with a focus on financial incentives provided by the government for businesses focusing on conservation outcomes,

¹ https://www.wwfpak.org/
² https://thedfcd.com/
environmental protection, or any activity that is focused on green and sustainable business practices.

4. **Key Outputs**

1. Prepare six (6) business cases as per the template provided by WWF-Pakistan that encompasses all of the above information and which when presented together, provides a convincing and solid case to both public and private sectors as a basis for engagement of the private sector in the Indus Delta Ecoregion Landscape;
   1.1. The identified business cases will encompass the following but not limited to bankable factors;
      viable business, clear value propositions, experienced project owner, both national and international market demand, proof of concept, technical assessment, proven technology, ability to secure commercial contracts, key risks, challenges, & constraints identified, effective legal/ regulatory framework, support from key partners, high level business plan, scalability potential, and estimated budget/ investment.
   1.2. The bankable projects should have market linkages; the consultant is required to consider the following market dynamics/relevancy when scoping/scanning potential bankable project;
      Association with the key markets including composition, key players, characteristics, distribution and sales channels (e.g. local or state markets) and potential points of opportunity or barriers to entry and growth; consideration of the current market positioning including product gaps, supply and demand considerations (i.e. values and volumes, quality standards), expected size, trends and values for each. Any relevant success stories and case studies to highlight approaches from other products/region/countries will be an add on;
2. Non exhaustive list of Private Sector entities in Pakistan whose businesses and company primarily linked directly or indirectly in our landscape and their objectives align with WWF-Pakistan’s conservation outcomes, and meet, in part or in full, the criteria of a “Bankable Project” as defined by the DFCD;
3. Detailed list of relevant financial institutions in Pakistan especially those with credit/loan/ green guarantees schemes or those investing in the green businesses
4. Analysis of relevant country level (particularly Sindh) regulatory requirements (laws, rules, regulations, notifications) and financial instruments relating to incentives for businesses focusing on conservation outcomes, environmental protection, or any activity that is focused on green and sustainable business practices;
5. Any other considerations as considered appropriate by the consultant and DFCD team.

5. **General Conditions**

- All tasks under the contract shall be carried out as required by and to the satisfaction of DFCD’s Project Management Team;
- The contract may be terminated by Project Management Team through written notice in the event of breach of any condition of the ToRs;
- All reports, reference material data, collected under this assignment and papers written including field samples and photographs prepared under the contract shall be the property of the Project and shall not be used, published or distributed by the Consultant without the prior written permission of the Project Management Team;
- The field expenses including boarding, lodging, traveling, porter service and photocopying of the reference literature cited for the project office record as desired etc. will be borne by the consultants.
6. Requirement for Experience and Qualification

Minimum Requirement:
The successful consultant/contractor/firm/ agency will meet the following minimum requirements:

- Education: At least Master’s in Business Development, Developmental Economics, and/or Finance;
- The firm/consultant will be a bio-enterprise expert with at least a master’s degree in the relevant field with over 10-year progressive working experience with proven skills in conducting elaborate market studies, and business planning; particularly in the Indus Delta Ecoregion Landscape areas would be an added advantage;
- Good understanding of climate change, environmental considerations, entrepreneurship, bankable projects;
- Cultural awareness and sensitivity to gender issues;
- Excellent writing skills and fluency in English (Sindhi language would be an additional advantage).

Competencies:

- Demonstrates openness to change and ability to manage complexities;
- Demonstrates ability of analytical work and excellent report writing;
- Proactive and able to work with minimal supervision and high degree of initiative, reliability, flexibility, motivation, and resourcefulness;
- Professionalism: flexibility to make ad-hoc changes as and when the need arises; ability to perform under stress; willingness to keep flexible working hours.

7. Documents to Be Included When Submitting the Proposal

Technical proposal:

i. Detailed workplan
ii. Company’s profile/brochure
iii. Detailed methodology
iv. Team’s resume(s) along with their role in this assignment
v. Company’s prior experience in the similar capacity
vi. Recommendation letter(s)
vii. Letter of Declaration regarding validity and authenticity of information provided in proposal

Financial proposal:

I. Detailed financial proposal which should be inclusive of all applicable taxes and out of pocket expenses in Pakistani Rupees (PKR). The financial proposal should follow a breakdown structure i.e., specifying cost(s) to each head and subhead and remuneration as per man days
II. Detailed workplan and methodology
III. Company’s registration certificate
IV. NTN detail(s)
V. Any legal or technical certification required for the task
Criteria of Evaluation:

Applicant’s proposal shall be evaluated based on Quality and Cost Based Selection (QCBS) method. Under QCBS both technical and financial proposals shall be evaluated as per following criteria against a maximum score of 100 points.

I. Technical Proposal 70%
II. Financial Proposal 30%

The following criteria shall be used as a basis for evaluation of technical proposals:

I. Qualifications (maximum 30 points)
II. Experience relevant to the assignment (maximum 30 points)
III. Adequacy of the proposed methodology and work plan (maximum 20 points)
IV. Skills & Competencies for the assignment (maximum 10 points)
V. Prior experience with WWF-Pakistan (maximum 10 points)

10. Keywords:
Bankable projects, nature based solutions, green enterprises, sustainable development, green financing, sustainable enterprises, climate friendly businesses, landscape financing, bio-enterprises, private sector financing, environmental financing, private sector profitability, green markets