

DRAFT TERMS OF REFERENCE

ECUADOR

EC-T1497

Support to implement biodiversity conservation activities in the context of a debt for nature conversion

SELECTED ECONOMIC STUDIES ON CLIMATE CHANGE ADAPTATION, NATURAL CAPITAL VALUE AND INCIDENCE OF ECOSYSTEM SERVICES ON DIFFERENT STAKEHOLDERS FOR GALAPAGOS AREA (FIRM)

1. Background and Justification

- 1.1.** In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity Program. The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new marine protected area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.
- 1.2.** *Natural capital and climate change in Ecuador.* Ecuador's natural capital is vast and distributed across its four geographic areas including the Galapagos Islands, the coast, the mountains, and the Amazon Forest. It includes 91 types of land-based ecosystems and 21 marine and coastal ecosystems. Ecuador is among the top-17 most biodiverse countries in the world with the largest number of species per square kilometer. The Galapagos Marine Reserve spans 138,000 square kilometers comprised of 13 major islands and one protected marine area extending 40 miles off the coasts of the boundary islands of the archipelago. More than 2,900 species have been reported in the marine reserve ecosystem, and 25% of the marine organisms are endemic. Inhabiting the reserve are 24 species of marine mammals such as whales, dolphins, and sea lions, two of which are endemic. Not only does this natural capital have incalculable intrinsic value, but it is also a factor for important economic sectors in Ecuador such as tourism and fishing. Despite its value, the conservation of Ecuador's marine biodiversity is threatened by unsustainable practices in the harvesting, production, and consumption of marine and coastal hydrobiological species.

The ocean is a carbon sink that absorbs up to one quarter of all CO₂ emissions.⁶ Protecting coastal ecosystems can support carbon capture when: (i) animals that play an important role in the

carbon cycle are protected; (ii) fish populations grow based on effective management, increasing their role in carbon capture; and (iii) limits on commercial fishing protect the carbon sequestered in marine sediments. Climate change has a direct impact on marine biodiversity and, together with unsustainable use of resources, constitutes one of the main threats to it. In addition, climate change is related to rising ocean temperatures and acidity levels, affecting the delicate balance for marine life. Extreme climate phenomena, such as erosion and floods, also exhaust natural habitats. For example, in the Galapagos Islands, which constitute an autonomous ecological system and an ecoregion with a high level of endemism, an estimated 50% of vertebrate fauna are threatened in a scenario where conservation efforts are unsuccessful.¹⁰ Climate change increases this risk, as a 1.4-degree Celsius rise in average temperature has been recorded between 1960 and 2010. If this trend continues, Ecuador's temperature would rise by two degrees Celsius by the end of the century and could rise even more in regions like the Amazon and the Galapagos.

- 1.3. The new conservation trust fund, created with EC-U005 operation, will operate in a relatively complex funding environment – there are several donor agencies, trust funds, and NGOs currently active in the area of the Galapagos, with varying, and at times, overlapping, mandates and objectives. It is important for the new Trust Fund and for the Ministry of Environment, Water, and Ecological Transition to have clarity on the goals, objectives, funding, and activities of the various actors currently working in the Galapagos, to ensure complementarity of the new trust fund.

2. Objective

- 2.1. The main objective of this consultancy is to assess the costs and benefits of the coastal-marine ecosystem in the Galapagos (Ecuador). More specifically, the study seeks to assess the economic values of key ecosystem services provided by Galapagos area.
- 2.2. This assessment will provide a forward-looking approach for evaluating the conservation and use of such environments, utilizing strong scientific standards, credible valuation methods, and stakeholder engagement at critical junctures.
- 2.3. IDB will encourage and prioritize proposals using the open source InVEST Platform.
- 2.4. These practices and the resulting products will be made available to the IDB, its partners, and Ecuadorian decision-makers. IDB will also use this opportunity to build capacity of other local and national decision-makers in these methods to ensure replicability and foster uptake into policy and practice beyond.

3. Scope of Services

The consultancy firm will undertake analysis to assess the costs and benefits of the conservation and use of the coastal-marine ecosystem in Ecuador (Galapagos). The study seeks to assess the economic values of some key ecosystem services provided by the Galapagos area.

4. Key Activities

The main activities that are expected to be developed under this consultancy are:

- i. Prepare a rationale for the method to be used for assessing the economic value of the Galapagos marine park, reserve, and new Hermandad reserve, including changes to the value of ecosystem services, with specific relevance to coastal-marine environments.
- ii. Present the methodological approach to be taken to assess the costs and benefits and prioritize among them (explicitly including implications for the provision of ecosystem services); gather inputs to establish adaptation options to be considered in the analysis and validate the costs to be included in the cost-benefit analysis for the Ecuadorian context; and conduct discussion of how these tools and results provide useful information for Ecuadorian government and Galapagos local authorities and with local experts and decision-makers for Ecuador and its relevance for the LAC region;
- iii. Assess the value of selected marine coastal ecosystem services within the context of climate change, and the costs and benefits of adaptation options for the Galapagos area.
- iv. Train ~ 5-10 thought leaders and technicians from Ecuador and Galapagos to run InVEST for spatial planning and cost-benefit of ecosystem services and for the analysis of adaptation options.
- v. Determine goals, context, methods, results, lessons learned, and implications for future work on the valuation of adaptation options.

More specifically:

- Identify at least 3 feasible policy scenarios with experts and decision makers for Galapagos and estimate costs.
- Assess the expected flow of selected ecosystem services (e.g., Habitat Risk Assessment, Fisheries, Coastal Protection, Tourism/Recreation) for the scenarios developed.
- Estimate ecosystem service values under each scenario using economic valuation methods.
- Develop a cost-benefit analysis after identifying best suited approach for Galapagos case-study based on major approaches available in the literature (most likely candidate: return on investment approach or ROI);
- Compare among alternative options to identify the most cost-effective approaches given a suite of services addressed by case-study.

5. Expected Outcome and Deliverables

5.1. The outcomes expected from this contract comprise the following:

- Output 1: Work plan laying out the key activities that are necessary to deliver the proposed outputs and the timeframe for their completion.
- Output 2: Document laying out the framework to be used in the case study for assessing the costs and benefits, drawing upon the IPCC guidance document on the valuation of adaptation options, methodological documents developed by InVEST laying out its approach for the economic valuation of ecosystem services, including its strengths and limitations, and other literature as pertinent. Note: This document will be shared with the IDB prior to the workshop for feedback, but it will be eventually incorporated into the final report (output 4).
- Output 3: Stakeholder workshop to: validate the valuation approach to be taken, generate inputs for selecting adaptation options, inform valuation process with local stakeholder input, and train

and build capacity on methods employed; and the corresponding training materials used and participant's feedback.

- Output 4: Report on the economic assessment of ecosystem flows and the use of cost-benefit analysis to guide the selection of adaptation options (peer reviewed). The document should include:
 - Identification of at least 3 feasible policy scenarios for Galapagos and estimated costs and benefits for the 3 adaptation options.
 - Detail on the climate scenarios developed, including InVEST runs results.
 - Identification of the most cost-effective options given a suite of services addressed by case-study.
 - Explanation of the framework to be used to assess the costs and benefits of candidate adaptation options (output 2).
 - Ecosystem values estimation under each scenario.
 - Results of the cost-benefit analysis for the Galapagos case-study.

5.2. A workshop to present the results to the Ministry of Environment, Water, and Ecological Transition, and to the conservation trust fund created through EC-U0005.

6. Project Schedule and Milestones

6.1. The scope of work and all deliverables shall be completed within a 18-month period.

7. Reporting Requirements

7.1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in English and in Spanish.

8. Acceptance Criteria

8.1. On completion of each one of the activities described in Section 5, the Consultancy Firm will deliver a draft written report for internal review.

8.2. Following receipt of comments and satisfactory revision of the reports, the Consultancy Firm shall organize and facilitate a workshop to present the results and the recommendations to the members of the Conservation Trust Fund and MATE.

8.3. Allowance shall be made for up to two rounds of consolidated feedback of written deliverables, prior to issue of final versions.

8.4. The Bank, through the TL, will be responsible for the approval of all the products/ deliverables resulting from the consultancies hired with the TC.

9. Requirements

- 9.1.** The consultancy firm should have at least 5 years of experience in conservation or natural resources management, with demonstrated experience working with at least 3 projects using the InVEST Platform and applications. Proposal must inform team structure and qualifications to complete the task in the required time. Consultancy firm should have participants fluent in Spanish and English to facilitate the workshop and the relationship with local and national authorities.

10. Supervision and Reporting

- 10.1.** The Consultancy firm will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

- 11.1.** Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 11.2.** The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
Deliverable	%
1. Upon delivery and acceptance by IDB project team of the Output #1	30%
2. Upon delivery and acceptance by IDB project team of output #2	20%
3. Upon delivery and acceptance by IDB project team of output #3	20%
4. Final report	30%
TOTAL	100%

STAKEHOLDER MAPPING OF EXISTING DONORS AND TRUST FUNDS OPERATING IN THE GALAPAGOS, WITH THEIR PRIMARY GEOGRAPHIC AND THEMATIC LINES OF ACTION (INDIVIDUAL CONSULTANT)

1. Background and Justification

- 1.1.** In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity Program . The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in

restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new marine protected area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.

- 1.2. The new conservation trust fund will operate in a relatively complex funding environment – there are several donor agencies, trust funds, and NGOs currently active in the area of the Galapagos, with varying, and at times, overlapping, mandates and objectives. It is important for the new Trust Fund and for the Ministry of Environment, Water, and Ecological Transition to have clarity on the goals, objectives, funding, and activities of the various actors currently working in the Galapagos, in order to ensure complementarity of the new trust fund.

2. **Objective**

- 2.1. The objective of this engagement is to identify and map the existing donors, funds and actors operating in the Galapagos, and to create a matrix of their objectives, funding sources, projects, target sectors, ecosystems, and geographies.

- 2.2. Specifically, the analysis will seek to understand:

- the stated purpose of each trust fund or donor program;
- the amount of capital the fund/donor i) will deploy per annum going forward, ii) has deployed in the past 10 years, per annum;
- the specific eligible areas of funding for the donor, fund, or program, and the amount destined for each area, if available;
- expected impacts of existing projects;
- metrics and key performance indicators for eligible projects under each fund or program;
- collaboration between the fund/program and other funds;
- the governance structure of the fund/program.

3. **Scope of Services**

The consultant will undertake analysis of written materials available from trust funds and donors/programs, conduct interviews with relevant stakeholders, and prepare a final written report.

4. **Key Activities**

- 4.1. The consultant will prepare a report that summarizes the analysis of the factors described above for all funds/donors active in the Galapagos spending over \$25,000/year. The work will consist of:
 - Desk-based analysis of secondary data;
 - Stakeholder engagement, including consultations with management and employees of

existing trust funds, programs, and donors, recipients of donor/trust fund projects, including civil society organizations, and local and national authorities;

- Development of a report; and
- Preparation of a summarized matrix that shows the main areas of work of each fund/donor, areas of complementarity, and gaps.

5. Expected Outcome and Deliverables

5.1. The outcomes expected from this contract comprise the following:

- 5.1.1. A written report which includes but is not limited to the following sections: executive summary; methodology; stakeholder mapping; sections on each fund, and a final summary outlining overlaps, areas of complementarity, and gaps. The new conservation trust fund being created in the context of EC-U0005 should be included in the final section as an input to the gap analysis. Annexures will include a list of all primary and secondary evidence, and records of all stakeholder engagement.
- 5.1.2. A workshop to present the results to the Ministry of Environment, Water, and Ecological Transition, and to the conservation trust fund created through EC-U0005.

6. Project Schedule and Milestones

6.1. The scope of work and all deliverables shall be completed within a 6-month period.

7. Reporting Requirements

7.1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in English and in Spanish.

8. Acceptance Criteria

- 8.1. On completion of the activities described in Section 4, the Consultant will deliver a draft written report for internal review. The report will include the contents as detailed in 5.1.1 above.
- 8.2. Following receipt of comments and satisfactory revision of the report, the Consultant shall organize and facilitate a workshop to present the results and the recommendations to the members of the Conservation Trust Fund and MATE.
- 8.3. Allowance shall be made for up to two rounds of consolidated feedback of written deliverables, prior to issue of final versions.

- 8.4. The Bank, through the TL, will be responsible for the approval of all the products/ deliverables resulting from the consultancies hired with the TC.

9. Requirements

- 9.1. The consultant should have at least 5 years of experience in conservation or natural resources management, with demonstrated experience working with conservation trust funds. At a minimum, a bachelor's degree in environmental management, international relations, or a related discipline is required, with a Master's degree preferred. The consultant should be fluent in Spanish and English.

10. Supervision and Reporting

- 10.1. The consultant will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

- 11.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 11.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
5. <i>Draft report</i>	50%
6. <i>Workshop</i>	30%
7. <i>Final report</i>	10%
TOTAL	100%

CREATION OF PERMANENT MECHANISM TO COORDINATE A ROUNDTABLE OF GALAPAGOS DONORS (INDIVIDUAL CONSULTANT)

1. Background and Justification

- 1.1.** In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity Program. The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new marine protected area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.
- 1.2.** The new conservation trust fund will operate in a relatively complex funding environment – there are several donor agencies, trust funds, and NGOs currently active in the area of the Galapagos, with varying, and at times, overlapping, mandates and objectives. In the recent past, a donor roundtable existed to create a space for all donors to the Galapagos to coordinate, share best practices, and engage with national and local government and local stakeholders. This roundtable fell into disuse due to a lack of a centralized coordination mechanism. In order to seek synergies, and to ensure efficiency of the use of resources, the government of Ecuador, through the Ministry of Environment, Water, and Ecological Transition (MATE) seeks to re-start this roundtable, with a strong central coordination mechanism to ensure longevity.

2. Objective

- 2.1.** The objective of this engagement is to create a coordination mechanism (roundtable) for existing and future donors to the Galapagos. The consultant will work with MATE and existing donors in the Galapagos to develop terms of reference for the roundtable, prepare meetings, and serve as a secretariat for the group.
- 2.2.** Specifically, the consultant will:
- Utilize existing mapping of donors and trust funds to identify donors and trust funds to contact and begin regular bilateral meetings ;
 - Work with these donors and funds, and with MATE, to develop terms of reference and a meeting plan for the first year of the donor coordination roundtable;
 - Convene, virtually, donors with national and local government and any other stakeholders deemed relevant, for the roundtable meetings scheduled;

- Serve as a secretary to the group, including taking minutes, developing agendas, sending invitations, and handling other logistical issues.
- Develop a governance mechanism for the roundtable that ensures future sustainability for the group, for example, possibly a rotating secretariat after the first year.

3. Scope of Services

The consultant will undertake analysis of written materials available from trust funds and donors/programs, interviews with relevant stakeholders, and prepare a final written report. The consultant will plan meetings, in coordination with MATE and identified donors in the Galapagos.

4. Key Activities

4.1. The consultant will:

- 4.1.1. Draft the terms of reference and governance documents for the roundtable, in collaboration with MATE and the identified actors in the Galapagos.
- 4.1.2. Identify a sustainable mechanism for the organization of the group and secretary function to follow the end of this contract (for example possibly seeking funding sources to have one central coordinator, having donors serve as rotating chairs/secretariats, etc)
- 4.1.3. Develop all written materials for the convening of the roundtable, including invitations, agendas, etc.
- 4.1.4. Prepare minutes of the roundtable.

5. Expected Outcome and Deliverables

5.1. The outcomes expected from this contract comprise the following:

- 5.1.1. The creation of aroundtable of donors in the Galapagos for the coordination of work, efficiency, and sharing of best practices. The roundtable will meet at least 2 times in the first year and will have a set process for 1) setting future meetings on a regular basis, 2) admitting new members, and 3) informing members of the discussed topics at each meeting.

6. Project Schedule and Milestones

6.1. The scope of work and all deliverables shall be completed within a 12-month period.

7. Reporting Requirements

7.1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in English and in Spanish.

8. Acceptance Criteria

- 8.1. On completion of the activities described in Section 4 the Consultant will deliver a draft written report for internal review. The report will include the minutes of the meetings held, the governance documents drafted, and the membership rolls of the group.
- 8.2. The Bank, through the TL, will be responsible for the approval of all the products/ deliverables resulting from the consultancies hired with the TC.

9. Requirements

- 9.1. The consultant should have at least 5 years of experience in conservation or natural resources management, with demonstrated experience working with conservation trust funds. At a minimum, a bachelor's degree in environmental management, international relations, or a related discipline is required, with a Master's degree preferred. The consultant should be fluent in Spanish and English.

10. Supervision and Reporting

- 10.1. The consultant will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

- 11.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 11.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
8. On drafting the terms of reference for the group	25%
9. <i>Completion of the first meeting of the roundtable</i>	50%
10. <i>Completion of the second meeting of the roundtable</i>	25%
TOTAL	100%

VALUATION OF ARTISANAL FISHING QUOTAS AND STUDY ON ALTERNATIVE LIVELIHOODS IMPACTS (CONSULTANCY FIRM)

1. Background and Justification

1. In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity Program. The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new marine protected area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.
2. Ecuador's Exclusive Economic Zone (EEZ) of 276,840 km² extends into the Eastern Pacific Ocean between Peru to the South and Colombia to the North. The upwelling from the nutrient-rich Humboldt Current in combination with Cromwell subsurface and Equatorial currents creates one of the richest fishing grounds worldwide, making fisheries an important activity for the livelihoods of coastal communities. Ecuador is within the top 25 countries in terms of wild fish capture with 715,357 metric tons (Mt) reported in 2016. The three most significant fisheries in the country by volume in 2017 were the small pelagic (337,053 Mt) tuna (286,946 Mt) and mahi-mahi (6,153 Mt) fisheries.
3. In addition, Ecuador is home to the largest small-scale artisanal fishing fleet in the Southeast Pacific Ocean with approximately **15,500** fishing vessels, employing over **58,000** people. The supply chain of marine commodities (fishers, processors, transportation, refrigeration, etc.) in Ecuador represented **1.5%** of the country's total *Gross Domestic Product* (GDP) in 2015^[1].
4. The creation of a new Galapagos Marine Reserve was made official through an executive decree signed by the President of the Republic of Ecuador, Guillermo Lasso Mendoza. With 60,000 km² of the new protection zone, which was established through dialogue and consensus with the industrial and artisanal fishing sector, Ecuador ratifies its global commitment to the sustainability of fishery resources.
5. It was announced by the Ecuadorian government after the signing of an institutional cooperation agreement between the Ministry of Production, Foreign Trade, Investments, and Fisheries (MPCEIP) and the Government Council of the Galapagos Special Regime (CGREG) to execute a series of actions to favour of the artisanal fishing sector of the

Insular province. “The signing of the agreement is the first milestone of an important territorial agenda carried out by the MPCEIP in the Galapagos Islands, marked by workshops with artisanal and industrial fishermen, with the aim of promoting traceability and sustainable fishing within the sector.”. There are 1,200 artisanal fishermen who work in the archipelago, representing a motor for the economy and guaranteeing the food sovereignty of the country.

6. To develop best initiatives promoting sustainable development, valuing natural capital, it is necessary to carry out a series of studies, seeking to guarantee the healthy maintenance of ecosystems while local fishermen can continue to have access to fishing quotas that allow them to meet their needs while maintaining a balance with the environment. For these reasons, it is proposed to deliver a study to value the establishment of fishing quotas and possible impacts for livelihoods. These different studies will be an input for the conservation trust fund created with EC-U005 operation.
7. The new conservation trust fund will operate in a relatively complex funding environment – there are several donor agencies, trust funds, and NGOs currently active in the area of the Galapagos, with varying, and at times, overlapping, mandates and objectives. It is important for the new Trust Fund and for the Ministry of Environment, Water, and Ecological Transition to have clarity on the goals, objectives, funding, and activities of the various actors currently working in the Galapagos, to ensure complementarity of the new trust fund.

2. Objective

1. The objective of this engagement is to identify and map fishes by-catch to determine optimal regulatory regime per species, and improvements for fishery practices to minimize by-catch.

Specifically, the analysis will seek to understand:

- the status of different species and ecosystems promoting healthy populations.
- participation of different species in local fishermen and industrial economies, per annum and technologies.
- the map of the different stakeholders and actors, their role and market drivers for the Ecuadorian and international market.
- threat and risk level of the species identifying areas and practices to be discouraged.
- feasible scenarios and alternatives related to quotas, technologies, projects, and policies to be promoted.
- expected impacts of existing and proposed projects in the Galapagos and La Hermandad area.
- metrics and key performance indicators for eligible projects, quotas, and technologies.
- authorities and institutions related to the possible quotas, regulations and projects and the collaboration between the fund/program and other funds.

3. Scope of Services

The consultancy firm will undertake analysis of written materials available from studies and existing projects and will obtain primary information and deploy investigation and modelling (if necessary), while conducting interviews with relevant stakeholders and authorities, and prepare a final written report. The firm should present in the proposal the methodology to carry out the study; the IDB encourages partnership with local associations, institutions and/or firms to promote transfer and appropriation of knowledge.

4. Key Activities

1. The consultancy firm will prepare a report that summarizes the analysis of the factors described above for all actors and stakeholders in the Galapagos and La Hermandad area.

The work will consist of:

- An explanation of the proposed analysis methodologies, including metrics and key performance indicators.
- Obtaining of primary data.
- Desk-based analysis of the data (including secondary data and existing studies).
- Mapping of authorities, actors, and stakeholders.
- Mapping of ecosystems, species, and populations, identifying threats and risks levels.
- Identification of endangered ecosystems, species and main drivers and activities related.
- An analysis of the fishery markets by actors, communities, and species per annum.
- A proposal including feasible scenarios and alternatives related to quotas, technologies, projects, and policies to be promoted
- An analysis of expected impacts of existing and proposed projects in the Galapagos and La Hermandad area.
- Final report

5. Expected Outcome and Deliverables

1. The outcomes expected from this contract comprise the following:

- 1.A delivery plan and an analysis of existing information and stakeholders.
- 2.A draft report related to all the activities included in 4.1 section.
- 3.A final report.
- 4.A workshop to present the results to the Ministry of Environment, Water, and Ecological Transition, and to the conservation trust fund created through EC-U0005.

6. Project Schedule and Milestones

1. The scope of work and all deliverables shall be completed within a 8-month period.

7. Reporting Requirements

1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in English and in Spanish.

8. Acceptance Criteria

1. On completion of the activities described in Section 4, the Consultant will deliver a draft written report for internal review.
2. Following receipt of comments and satisfactory revision of the report, the Consultant shall organize and facilitate a workshop to present the results and the recommendations to the members of the Conservation Trust Fund and MATE.
3. Allowance shall be made for up to two rounds of consolidated feedback of written deliverables, prior to issue of final versions.

9. Requirements

1. The consultancy firm should have at least 5 years of experience in conservation or natural resources management, with demonstrated experience working with industrial and local fishery industry. Proposal must inform team structure and qualifications to complete the task in the required time. Consultancy firm should have participants fluent in Spanish and English to facilitate the workshop and the relationship with local and national authorities.

10. Supervision and Reporting

1. The consultancy firm will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. <i>A delivery plan and an analysis of existing information and stakeholders</i>	20%
2. <i>Draft report</i>	25%

3. <i>Workshop</i>	15%
4. <i>Final report</i>	40%
TOTAL	100%

^[1] Tomado de <https://globalmarinecommodities.org/en/gmcecuador/>, un proyecto financiado por UNDP, GEF y el Gobierno del Ecuador.

REVISION AND UPDATE OF MANAGEMENT PLANS FOR PROTECTED AREAS IN THE ECUADORIAN AMAZON (FIRM)

1. Background and Justification

- 1.1. In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity Program. The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new marine protected area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.
- 1.2. The project anticipates a possible second debt for nature conversion focused on funding a conservation trust fund to support the management of ecosystems in the Ecuadorian Amazon. Given that updated management plans for protected areas are prerequisites for the successful identification of conservation commitments and decisions on the use of proceeds of conservation trust funds, this consultancy seeks to support achievement of the necessary pre-conditions to a future second transaction.

2. Objective

- 2.1. The objective of this engagement is to 1) identify, with the government of Ecuador, suitable landscapes currently under protection for expansion in new protected areas in the Amazon, and 2) update management plans for these areas, in a participatory process, including costing these plans.
- 2.2. Specifically, the analysis will seek to:

- Analyse existing protected areas in the Amazon, as well as new proposed protected areas

- to determine, with the government, the most suitable locations for expanded protection;
- Review existing management plans for areas currently under management and determine needs for updating these plans;
- Determine the needs for amending management plans to incorporate new geographies in expanded protected areas;
- Draft updated management plans for two locations in the Ecuadorian Amazon, using participatory methods; and
- Determine the costs of implementation of these management plans.

3. Scope of Services

3.1. The management plans, which must be prepared in line with the IDB Environmental and Social Performance Standards (2020 version) and good international industry practice, requires the following tasks to be undertaken:

- Dialogue with the Ministry of Environment, Water, and Ecological Transition to determine the geographic areas of focus.
- Desk-based analysis of secondary data pertaining to among other topics, national and regional policy with respect to national and regional climate change and biodiversity plans and strategies, social inclusion, indigenous rights, and gender mainstreaming;
- Stakeholder engagement, including consultations with indigenous communities, women, girls, men and boys in the project area, civil society organizations, local and national authorities;
- Development of 2 updated management plans; and
- A detailed costing of the implementation of these management plans, with special attention paid to additional incremental costs above those which are currently being incurred.

3.2. The Consultant will be required to integrate a specialized team of natural resource management, biodiversity, climate change, and indigenous rights experts to undertake the scope of work.

4. Key Activities

4.1. The analysis will consider the following factors:

- Government policy in Ecuador and in the Amazon in relation to protected area management;
- The biological richness and diversity of the areas selected to be protected;
- The contribution of the selected protected areas to achieving Ecuador's national climate and biodiversity goals;
- Access of men and women to opportunities and benefits afforded by any protected areas;
- Engagement of women and men in discussions related to the protection of the Amazon

- natural environment;
 - Needs for monitoring and enforcement of the management plan;
 - Economic activities associated with the protected areas.
- 4.2. Stakeholder mapping will be undertaken to identify the stakeholder groups with whom the consultant will engage in order to compile primary data for the analysis. Stakeholder engagement shall be conducted in accordance with IDB ESPS 9 and 10 (2020 version).
- 4.3. The groups expected to be identified and engaged with include, but are not limited to, the following:
- The IDB Amazon Initiative
 - Groups involved in setting and driving government policy in relation to conservation;
 - Governance institutions such as those responsible for protected area management;
 - Local development organisations and civil society organizations;
 - Representatives of economic activities in the protected area region where people are employed including but not limited to forestry and related value chains; and
 - Representatives of women's and youth groups including those who are members of indigenous peoples' communities.

5. **Expected Outcome and Deliverables**

- 5.1. The outcomes expected from this contract comprise the following:

- 5.1.1. A written report which includes but is not limited to the following sections: executive summary; methodology; project description; analysis; stakeholder mapping; narrative; and updates to existing management plans. Annexes will include a list of all primary and secondary evidence, and records of all stakeholder's engagement.
- 5.1.2. A workshop to present a results framework to the Ministry of Environment, Water, and Ecological Transition, and other interested parties.

6. **Project Schedule and Milestones**

- 6.1. The scope of work and all deliverables shall be completed within a 12-month period.

7. **Reporting Requirements**

- 7.1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in Spanish.

8. Acceptance Criteria

- 8.1. On completion of the activities described in Section 4 the Consultant will deliver a draft written report for internal review. The report will include the contents as detailed in 5.1.1 above.
- 8.2. Following receipt of comments and satisfactory revision of the report, the Consultant shall organize and facilitate a workshop.
- 8.3. Allowance shall be made for up to two rounds of consolidated feedback of written deliverables, prior to issue of the final version.
- 8.4. The Bank, through the TL, will be responsible for the approval of all the products/ deliverables resulting from the consultancies hired with the TC.

9. Other Requirements

- 9.1. None.

10. Supervision and Reporting

- 10.1. The Consultant will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

- 11.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 11.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. Upon acceptance of the workplan	25%
2. <i>Draft report</i>	25%
3. <i>Workshop</i>	30%
4. <i>Final report</i>	20%
TOTAL	100%

GENDER AND DIVERSITY ANALYSIS AND MAINSTREAMING CONSULTANT (FIRM)

1. Background and Justification

1.1. In 2022 the Inter-American Development Bank approved a policy-based guarantee to support the government of Ecuador in a debt for nature conversion in the project EC-U0005, the Sustainable Development and Biodiversity. The objective of this project is to strengthen environmental sustainability in Ecuador. The specific development objectives are: (i) to strengthen the institutional framework for supporting sustainable finances and effective management of natural capital; and (ii) to improve the organization and operation of public financing for environmental and financial sustainability. The project supports the government in restructuring debt, generating savings that will be channelled to a conservation trust fund designed to support marine conservation objectives in a new Marine Protected Area in the zone known as Hermandad. The project also includes specific conservation commitments on the part of the government related to protected area management and fishery management.

1.2. As part of the work undertaken to develop and implement a management plan for the new reserve, and to implement regulatory changes in the management of fisheries, stakeholders engagement will be key. There have already been several stakeholder roundtables held to receive inputs into the proposed management plan for the reserve, but this engagement must continue during implementation so that stakeholders' concerns and impacts are registered and acted upon. In particular, it is important to consider the impacts on women, as household managers.

2. Objective

2.1. The objective of this consultancy is to carry out a local gender analysis and formulate an action plan to mainstream gender throughout the lifetime of the IDB Project EC-U0005, the "Sustainable Development and Biodiversity Program in Ecuador".

2.2. Specifically, the gender analysis will seek to understand:

- how women, men and diverse groups are affected by climate change in the Area of Direct Influence (ADI) and Area of Indirect Influence (AII) of the project;
- the social, economic and political factors underlying climate change-exacerbated gender inequalities in the ADI and AII;
- the gender differentiated challenges and opportunities facing men, women and members from diverse groups in their access to ecosystem-based goods and services (as defined in IFC PS6) including but not limited to marine-based or associated livelihoods;
- the potential impacts of the establishment of the new Hermandad Marine Protected Area (MPA) on women, girls and members of diverse groups in the population of the ADI and AII;

and

- opportunities provided and the potential contributions of women and members of diverse groups to the success of the new MPA, and by association, to enhance overall resilience to their lives and livelihoods in the context of climate change.

3. Scope of Services

3.1. The gender analysis and action plan, which must be prepared in line with the IDB Environmental and Social Performance Standard (ESPS) 9 (2020 version) and good international industry practice¹, requires the following tasks to be undertaken:

- Desk-based analysis of secondary data pertaining to among other topics, national and regional policy with respect to gender and diversity mainstreaming, national and regional climate change plans and strategies;
- Stakeholder engagement, including consultations with women, girls, men and boys, and members of diverse groups in the project area, gender advocates and women's civil society organizations, civil society organizations representing other vulnerable groups, local and national authorities;
- Development of a gender action plan detailing the actions required to mainstream gender into the project's activities and impact strategy; and
- Preparation of a framework for the assessment of the outcomes and impacts of project activities on women's and men's resilience to climate change through gender-responsive monitoring and evaluation ("M&E").

3.2. The Consulting firm will be required to integrate a specialized team of gender, natural resource management and climate change experts to undertake the scope of work.

4. Key Activities

4.1. The Consulting firm is required to conduct an assessment that covers steps 1 to 3 as outlined in Figure 1 below.

¹ Including but not limited to the guidance produced by the Green Climate Fund on Mainstreaming Gender in GCF Projects (2017).

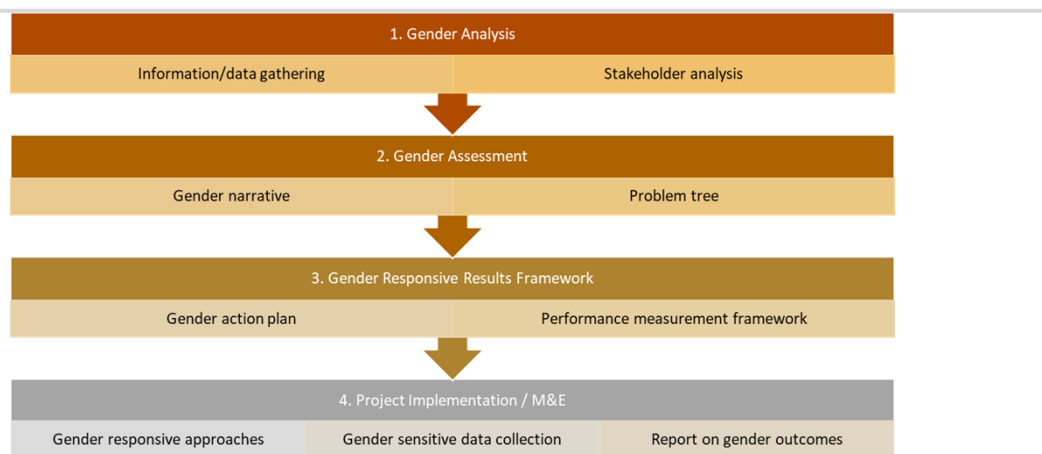


Figure 1: Key elements of gender mainstreaming (adapted from GCF (2017): Mainstreaming Gender in GCF Projects)

4.2. The gender and diversity analysis will consider the following factors:

- Government policy in Ecuador and in the Galapagos Islands in relation to gender and diversity equality and women's empowerment (i.e. to determine the 'country readiness' to support gender mainstreaming efforts). The policy review will include an analysis of the gendered and diversity nature of climate change and marine protection policy;
- Access of men, women and diverse groups to opportunities and benefits afforded by the Galapagos marine environment;
- Engagement of women, men and members from diverse groups in discussions related to the protection of the Galapagos natural environment;
- The different needs of women, men and members of diverse groups, and their differing contributions to economic activities associated with the Galapagos marine environment;
- Role of women, men and members from diverse groups in economic activities associated with the Galapagos marine environment; and
- Gender and diversity equality and mainstreaming challenges and opportunities in the ADI and All.

4.3. Stakeholder mapping will be undertaken to identify the stakeholder groups with whom the consulting firm will engage in order to compile primary data for the analysis. Stakeholders engagement shall be conducted in accordance with IDB ESPS 9 and 10 (2020 version).

4.4. The groups expected to be identified and engaged will include, but are not limited to, the following:

- Groups involved in setting and driving government policy in relation to gender and diverse equality and women's empowerment;
- Governance institutions such as women's unions;
- Local development organisations and civil society organisations;
- Representatives of economic activities in the ADI and All in which women and members of

diverse groups are employed including but not limited to artisanal fishing and the related value chain; and

- Representatives of women's and youth groups including those who are members of indigenous peoples' communities.

4.5. The results of the gender and diversity analysis shall be synthesized into a gender narrative, which constitutes the basic component of the gender and diversity assessment. The Consulting firm is required to use a problem tree analysis which shall be included in the assessment to clearly define the central problem identified by the analysis, and its causes and effects.

4.6. A gender and diversity-responsive results framework will be prepared based on the findings of the assessment. The framework will comprise (i) a Gender and Diversity Action Plan (GDAP) and (ii) a performance measurement framework that allows for ongoing monitoring and evaluation of the effectiveness of the GDAP and of the project in mainstreaming gender and diversity.

4.6.1. The GDAP shall detail the practical actions that will address the gender and diversity disparities and challenges and opportunities for women, girls and diverse groups identified by the analysis.

4.6.2. For the performance measurement framework, the Consulting firm will develop targets for gender and diversity mainstreaming, indicators for performance monitoring and will define the anticipated gender and diversity-responsive development impacts for the EC-U0005. The definition of performance indicators will enable, among other things, monitoring of compliance with IDB's Operational Policy on Gender Equality in Development (2010).

4.6.3. If nationally or regionally relevant gender and diversity-specific indicators are available, these shall be incorporated into the action plan, along with reference to and alignment with relevant targets related to UN Sustainable Development Goal 5.

4.6.4. The results framework will identify the required methods and tools to promote gender and diversity equality and reduce disparities throughout the lifetime of EC-U0005.

5. Expected Outcome and Deliverables

5.1. The outcomes expected from this contract comprise the following:

5.1.1. A written report which includes but is not limited to the following sections: executive summary; methodology; project description; gender analysis; stakeholders mapping; gender narrative; and gender responsive results framework. Annexes will include a list of all primary and secondary evidence, and records of all stakeholders' engagement.

- 5.1.2. A workshop to present the gender and diversity responsive results framework to the members of the Conservation Trust Fund and other interested parties.

6. Project Schedule and Milestones

- 6.1. The scope of work and all deliverables shall be completed within a 6month period.

7. Reporting Requirements

- 7.1. All deliverables (including the report and the materials prepared for the workshop) shall be prepared in English and in Spanish.

8. Acceptance Criteria

- 8.1. On completion of the activities described in Section 4 the Consulting firm will deliver a draft written report for internal review. The report will include the contents as detailed in 5.1.1 above.
- 8.2. Following receipt of comments and satisfactory revision of the report, the Consulting firm shall organize and facilitate a workshop to present the results and the recommendations to the members of the Conservation Trust Fund. The purpose of the workshop will be to sensitize all members to the proposed actions for gender and diversity mainstreaming in order to achieve alignment and agreement prior to formal adoption.
- 8.3. Allowance shall be made for up to two rounds of consolidated feedback of written deliverables, prior to issue of final versions.
- 8.4. The Bank, through the TL, will be responsible for the approval of all the products/ deliverables resulting from the consultancies hired with the TC.

9. Other Requirements

- 9.1. None.

10. Supervision and Reporting

- 10.1. The Consulting firm will report to the CSD/CCS specialist in Ecuador.

11. Schedule of Payments

- 11.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is

required. The Bank wishes to receive the most competitive cost proposal for the services described herein.

- 11.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. <i>Submission of the Workplan</i>	25%
2. <i>Draft report</i>	25%
3. <i>Workshop</i>	30%
4. <i>Final report</i>	20%
TOTAL	100%