

## TC Document

### I. Basic Information for TC

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| ▪ Country/Region:                        | Regional   |
| ▪ TC Name:                               | Support to Biodiversity and Ecosystem Services Platform  |
| ▪ TC Number:                             | RG-T2164   |
| ▪ TC Modality:                           | Research and Dissemination   |
| ▪ Team Leader/Members:                   | Team leader – Michele Lemay (INE/RND); Carolina Jaramillo (INE/RND); Rebecca Benner (RND/CJA); Maria Claudia Perazza (INE/RND); Eirivelthon Lima (INE/RND); Elizabeth Cushion (INE/CCS); Patrick Doyle (SCF); Gregory Watson (MIF); Javier Jimenez (LEG/SGO); and Elizabeth Chavez (INE/RND) |
| ▪ Date of TC Abstract authorization:     | April 10, 2012   |
| ▪ Donors providing funding:              | SCI-Sustainable Energy and Climate Change Initiative.  |
| ▪ Beneficiaries:                         | All IDB regional member countries  |
| ▪ Executing Agency and contact name      | IDB  |
| ▪ IDB Funding Requested:                 | US\$200,000  |
| ▪ Local counterpart funding, if any:     | N/A  |
| ▪ Disbursement period                    | 10 months  |
| ▪ Required start date:                   | April 30, 2012   |
| ▪ Types of consultants:                  | Individual   |
| ▪ Prepared by Unit:                      | INE/RND  |
| ▪ Unit of Disbursement Responsibility:   | INE/RND  |
| ▪ TC Included in Country Strategy (y/n): | N/A  |
| ▪ TC included in CPD (y/n):              |  |
| ▪ GCI-9 Sector Priority:                 | Climate change, sustainable (including renewable) energy and environmental sustainability  |

### II. Objectives and Justification of the TC

The objectives of this operation are to: (a) validate the environmental, social and economic underpinnings of the Biodiversity Platform currently being developed by the Bank; and (b) promote private sector involvement in the Platform. To achieve these objectives, this operation will finance the dissemination, peer review and stakeholder consultation of the Biodiversity Platform and it will finance background research on new biodiversity-related private sector opportunities. Following up on a recommendation of the Independent Advisory Group on Sustainability in 2011<sup>1</sup>, the Bank has

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<sup>1</sup> Independent Advisory Group on Sustainability. 2011. Final Report to the Inter-American Development Bank.

started the development of this Biodiversity Platform aimed at helping countries of the region achieve more effective policies and investments in biodiversity conservation and the maintenance of ecosystem services, while opening new economic and business opportunities for enhancing the value of the Region's natural capital as a contribution to sustainable development. The Platform recognizes that: (i) Latin America and the Caribbean is among the most bio-diverse region in the world; (ii) biodiversity conservation faces several challenges including threats associated with land use change and climate change; and (iii) conserving biodiversity and the associated ecosystems services means maintaining ecosystem functions which are not only essential for growth in key economic sectors such as agriculture and tourism but also are critical for stabilizing the world's climate and helping people adapt to unpredictable impacts from climate change. Ecosystem services such as water regulation recharge and filtration, flood mitigation, storm surge protection and carbon sequestration are becoming increasingly valuable given global climate change predictions. This Platform will provide an opportunity to scale up public and private investments in the maintenance of these services, the unparalleled natural capital of the Region and the environmental governance needed to provide the enabling climate and incentives for mainstreaming biodiversity conservation in the development agenda of the Region.

The Platform is meant to be grounded on sound economic thinking, integrating some of the recent innovations for the valuation of biodiversity and ecosystem services and empirical evidence on the effectiveness of biodiversity conservation policies. As such, it must have a measureable impact and outcomes which means clear objectives and SMART indicators. One of the features of the Biodiversity Platform is that it is meant to address coastal, marine and freshwater ecosystems on a par with terrestrial ecosystems. Cross-cutting considerations include climate change, traditional knowledge and private sector involvement.

In early February 2012, an inter-departmental Working Group headed by the Infrastructure and Environment Department (INE) was formed to oversee the development of the Platform with a view to presenting it for validation at the Climate Change and Sustainability Day to be hosted by the Bank at the Rio+20 UN Conference on Sustainable Development in June 2012. The Working Group has been meeting regularly to review progress and discuss implications of the Platform for both public and private sector windows of the Bank. In addition, two studies have been commissioned to provide inputs to the formulation of the Platform: (a) a review of lessons learned by the IDB in biodiversity conservation with an analysis of our competitive advantages; and (b) an assessment of the economic impacts of trends in biodiversity conservation in LAC, emerging opportunities and their effectiveness. Both studies are meant to build on rather than duplicate recent assessments of the Bank and the Region. This Platform, which is scheduled for presentation to the IDB Board of Directors in December 2012, requires thorough dissemination, peer review and stakeholder consultation during its development, particularly if it is to gain ownership from the public and private sectors of the Region.

The Biodiversity Platform and this TC in particular contribute to the following GCI-9 lending targets: climate change, sustainable (including renewable) energy and environmental sustainability. They are also aimed at closing the current gap in achieving one of the indicators for this lending target (30 new projects for improving the management effectiveness of protected areas). Finally, the TC

corresponds with one of the eight priority sectors identified for IDB in addressing climate change (ecosystem management and biodiversity).<sup>2</sup>

The operation also meets the criteria for funding special grants from OC resources, including in terms of the beneficiaries of the operation, country eligibility and program execution (GA-220-12). In addition, after all potential sources of funding from the Bank were examined, it was decided that the SECCI IDB Fund was the most appropriate given the regional scope of the operation, its broad focus on dissemination and validation of a new Bank initiative with strong synergies with the climate change initiative.

The value-added of this TC will be threefold: (a) confirmation of the technical validity of the Platform (from a standpoint of environmental and social sciences and economics), its objectives and main areas of intervention taking into account lessons learned of the Bank in biodiversity conservation and a regional assessment of emerging opportunities; (b) creation of a regional consensus from a broad range of stakeholders on the priorities for Bank action; and (c) identification of new opportunities for investing in biodiversity-related private sector ventures.

### III. Description of activities/components and budget

The TC will finance the following activities:

**Activity 1: Expert validation of the Biodiversity Platform and Initiative<sup>3</sup>.** This first activity is aimed at the technical validation of the proposed Biodiversity Initiative. It includes: (a) support for travel expenses for the participation of a panel of four experts (environmental economics, biodiversity and ecosystem services, environmental governance, and private sector) at the Climate Change and Sustainability Day to be hosted by the IDB at the Rio+20 Conference (number of participants estimated at approximately 60); and (b) honoraria for five peer reviewers with expertise in environmental economics, biodiversity and ecosystem services (terrestrial/coastal and marine), private sector opportunities and the linkages between biodiversity and climate change to review the Biodiversity Initiative document to be prepared following Rio+20 and presented to the Board.

**Activity 2: Stakeholder consultations.** This activity entails the organization and implementation of four regional stakeholder consultations (CCB, CID and Haiti, CAN, CSC countries) and an additional workshop in Washington DC to obtain feedback from public sector, private sector, and civil society on the proposed areas of intervention for the Biodiversity Initiative. Each consultation workshop will involve between 30-40 participants. The activity will finance logistical costs for holding the workshops and travel and per diem for selected participants. To ensure sufficient inclusion of all stakeholders in the review process, multi-media dissemination activities will be carried out parallel to the regional consultations including the production of a summary web-based publication.

**Activity 3: Market analysis of private sector opportunities.** This activity consists of a market analysis of private sector companies who could be Bank clients in biodiversity-related investment

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<sup>2</sup> Integrated Strategy for Climate Change Adaptation and Mitigation and Sustainable and Renewable Energy. March 2011.

<sup>3</sup> For the purposes of this operation, the 'Biodiversity Platform' refers to the conceptual framework that will present the goal, objectives and outcome indicators for validation at Rio+20. The 'Biodiversity Initiative' refers to an operational document that will also include specific areas for investment, criteria and guidelines for the administration of resources.

opportunities (e.g., watershed protection for water services; agroforestry for pharmaceuticals or cosmetics; agroforestry or reforestation of degraded land for productive but biodiversity enhancing use; sustainable agriculture or sustainable fisheries). The study would document case studies and identify potential opportunities for IDB to provide loans or guarantees to support these private sector investments, taking into account the project size and risk thresholds and requirements of IDB's Structured and Corporate Finance and Opportunities for the Majority Departments. The activity would finance honoraria and travel expenses for the consultancy.

The expected outputs are the following:

1. Reports commenting on the proposed Biodiversity Initiative from peer reviewers.
2. Participation of stakeholders in South and Central America and the Caribbean in the review of the Biodiversity Platform.
3. Regional assessment of market potential in LAC for biodiversity-related businesses.

The expected result of the TC is a peer-reviewed, regionally appropriate, and technically sound Biodiversity Initiative (for Board presentation) creating new investment opportunities for public and private sector windows of the Bank.

**Indicative Results Matrix**

|  | Indicator   | Baseline | Target |
|--|---|----------|--------|
| Results of the TC:<br>Peer-reviewed, regionally appropriate, and technically sound Biodiversity Initiative | Biodiversity Initiative document validated and endorsed | 0        | 1      |
| Activity 1: Expert validation<br>Outputs:<br>Panel experts participating in Rio+20                         | Number of panel experts participating                   | 0        | 4      |
| Comments from peer reviewers   | Number of peer reviews completed                        | 0        | 5      |
| Activity 2: Regional consultations<br>Output: Consultation workshops                                       | Number of consultation events completed                 | 0        | 5      |
| Activity 3: Market analysis<br>Output: Market study  | Number of studies                                       | 0        | 1      |

**Indicative Budget**

| Activity/Component                 | Description  | IDB/Fund Funding (US\$) | Counterpart Funding | Total Funding |
|------------------------------------|--|-------------------------|---------------------|---------------|
| Expert validation                  | Honorarium and travel costs for 5 panel experts at Rio+20        | 32,000                  |                     | 32,000        |
|                                    | Honorarium for five expert peer reviews                          | 15,000                  |                     | 15,000        |
| Regional stakeholder consultations | Costs for holding five 1-day workshops in Caribbean, Central and | 93,000                  |                     | 93,000        |

|                 |  |        |  |                |
|-----------------|--|--------|--|----------------|
|                 | South America and DC<br><br>Dissemination activities<br>pre and post conference<br>(multi-media) |        |  |                |
| Market analysis | Study of biodiversity-<br>related private sector<br>opportunities in LAC                         | 60,000 |  | 60,000         |
| <b>Total</b>    |  |        |  | <b>200,000</b> |

#### **IV. Executing agency and execution structure**

The Executing Agency for this operation will be the Bank with the lead responsibility resting with INE/RND which will be responsible for the administration, technical supervision, coordination and monitoring of the TC. Other Divisions participating in the project team will collaborate with INE/RND in the technical supervision and monitoring of the TC, ensuring that all results and outputs are obtained. Since several of the activities such as the regional consultations will take place in the territories of the beneficiary countries, the Bank will obtain a letter of non-objection from the corresponding country previous to initiating any activity in such country.

**Procurement:** The Bank will contract all the consultancies in accordance with the Bank's Corporate/Institutional and Human Resources policies and procedures. The terms of reference for the consultancies and the procurement plan are included as Annexes.

#### **V. Major issues**

A minor risk exists that the regional consultations will not enable the participation of a sufficiently representative sample of LAC organizations. To mitigate this risk, other multi-media methods of dissemination will be used during the consultative process to ensure full inclusion of all stakeholders.

#### **VI. Exceptions to Bank policy**

None

#### **VII. Environmental and Social Strategy**

It is not anticipated that the activities to be financed in this TC will have any negative direct or indirect social or environmental effects. The Biodiversity Initiative is expected to result in significant positive environmental benefits for the Region. Therefore the team has given a "C" classification to the operation, according to the Bank's Safeguards Screening Toolkit: (i) no environmental or social risks; and (ii) direct contribution to solve an environmental issue.

#### **Required Annexes:**

- Terms of Reference for activities to be procured
- Procurement Plan

**SUPPORT TO BIODIVERSITY AND ECOSYSTEM  
SERVICES PLATFORM**

**RG-T2164**

**CERTIFICATION**

I hereby certify that this operation was approved for financing under the Sustainable Energy and Climate Change Initiative (SECCI-SCI) through a communication dated on April 10, 2012 signed by Gerhard Lair (ORP/GCM). Also, I certify that resources from the Sustainable Energy and Climate Change Initiative (SCI) are available for up to US\$200,000 in order to finance the activities described and budgeted in this document. This certification reserves resources for the referenced project for a period of four (4) calendar months counted from the date of eligibility. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US Dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

ORIGINAL SIGNED

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Sonia M. Rivera  
Chief a.i.  
Grants and Cofinancing Management Unit  
ORP/GCM

May-02-2012

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Date

**APPROVAL**

Approved by : ORIGINAL SIGNED

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Hector R. Malarin  
Division Chief  
Environment, Rural Development and  
Disaster Risk Management Division  
INE/RND

May-02-2012

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Date

**Inter-American Development Bank  
Washington, D.C.**

**Preparation of the Biodiversity and Ecosystem Services Platform**

**Indicative Terms of Reference  
Expert Peer Reviewer of Biodiversity Initiative Document**

**I. BACKGROUND**

- 1.1 According to UNEP (United Nations Environment Program), the Latin-America and Caribbean region (LAC) is among the richest regions in biodiversity worldwide. South America, alone, accounts for half of the terrestrial biodiversity in the world, and the region includes some of the world's most biodiverse countries including Brazil, Colombia, Ecuador, Mexico, Peru and Venezuela and the most biologically diverse area (the eastern slope of the Andes). Twenty percent of the protected areas worldwide are located in LAC and 54% of the Caribbean flora cannot be found anywhere else on the globe. Additionally, the region contains close to 800 million hectares of forested areas, 570 million hectares of wild savannas, 700 million hectares of productive lands and 27% of the planet's available drinking water. Biodiversity is one of the region's most valuable assets and of strategic importance for overcoming poverty and attaining a long-term sustainable development model for LAC.
- 1.2 Despite its global importance and the importance to the economy and to livelihoods in LAC, the region's biodiversity is increasingly threatened. Key threats to biodiversity include, but are not limited to: land use change, fragmentation of ecosystems, insufficient valuation of biodiversity goods and services, weak and ineffective institutions and governance, climate change, and invasive species. LAC is a major agricultural exporter and agriculture is a key component of many of the region's countries, if not the major economic driver. Land conversion to agriculture has led to the degradation and deforestation of ecosystems across the region. Growth of cities and other infrastructure growth (such as roads and coastal urban and tourism development) as well as sectors, such as mining further and commercial fishing, degrade the region's natural environments. Large-scale conversion, over exploitation of resources, climate change, and weak governance, among other threats, is leading to an exponential rate of loss of biodiversity.
- 1.3 The richness of biodiversity in LAC presents an opportunity for economic development and for maintaining livelihoods. With ongoing climate negotiations, new possibilities for financing conservation are ever developing. For example, payments offered by REDD+ (Reduced Emissions from Deforestation and Forest

Degradation) provide a mechanism to protect and conserve forests. There is also a growing policy relevance of ecosystem services, a proliferation of ecosystem service measurement and presentation tools, new biodiversity legislation, emerging national green or natural capital accounting models, emerging approaches to natural resource management including collaborative management, matrix management, corridor management, eco-agriculture, extractive reserves, market shifts toward round table standards and certification, and more active civil society engagement (often indigenous peoples) to large scale infrastructure developments. The growth in these areas leads to other new potential sources of financing such as payment for ecosystem services that includes carbon regulation, markets for biodiversity-friendly and non-timber forest products, amongst others.

- 1.4 The Bank intends to strengthen its commitment to address critical issues related to the environment and biodiversity. As part of this effort, an Independent Advisory Group (IAG) on Sustainability was formed to review the Bank's Environmental and Safeguards Compliance Policy (OP703, approved in 2006) and to identify ways by which the IDB could better achieve its goal of sustainable development. In January 2011, a report based on the group's findings underlined the need to protect critical biodiversity and enhance environmental governance in the region.
- 1.6 Following this recommendation, and with a clear mandate from the Bank started the development of a Biodiversity Platform aimed at helping countries of the region to achieve more effective policies and investments in biodiversity conservation and the maintenance of ecosystem services, while opening new economic and business opportunities for enhancing the value of the Region's natural capital as a contribution to sustainable development. It is meant to be grounded on sound economic thinking, integrating some of the recent innovations for the valuation of biodiversity and ecosystem services and empirical evidence on the effectiveness of biodiversity conservation policies. One of the features of the Biodiversity Platform is that it is meant to address coastal, marine and freshwater ecosystems on a par with terrestrial ecosystems. Cross-cutting considerations include climate change, traditional knowledge and private sector involvement.
- 1.7 This Platform, which will be presented as a proposal at the Rio+20 UN Conference on Sustainable Development in June 2012, and is scheduled for presentation to the IDB Board of Directors in December 2012, requires thorough dissemination, peer review and stakeholder consultation during its development, particularly if it is to gain ownership from the public and private sectors of the Region.
- 1.8 The IDB is seeking an expert in environmental economics of international standing to participate as a peer reviewer in the development of the Platform, ensuring that the latest developments in the valuation of biodiversity and the maintenance of ecosystem services and the mainstreaming of these considerations in the economic development agenda area taken into consideration.



## **II. OBJECTIVES OF THE CONSULTANCY**

- 2.1 The main objective of this consultancy is to provide expert peer review and feedback during the process of development of the Biodiversity Initiative to be presented to the Board for approval in December 2012.

## **III. CHARACTERISTICS OF THE CONSULTANCY**

- 3.1 Type of Consultancy: This is short-term consultancy of an individual with duration of 12 non-consecutive days within a period of 2 months.
- 3.2 Qualifications: Internationally recognized expert within the field of environmental/ecological economics or related field, preferably PhD, with at least 15 years of demonstrated expertise in applied research and/or practice in biodiversity and ecosystem services conservation and sustainable management, including (i) policy and governance, (ii) project development, evaluation, and execution, or (iii) markets and financing. Extensive knowledge of the global and regional context for biodiversity including threats to its preservation and opportunities for its conservation is necessary. Previous experience with multilateral institutions and projects is desirable. Experience in Latin-America and the Caribbean is preferable.

## **IV. TASKS**

- 4.1 Upon the request of the responsible IDB specialist, or whoever this person delegates on his/her behalf, the peer reviewer will:
- a) Review the relevant background documentation related to the Biodiversity/Platform, its rationale and origins, including the background studies on lessons learned and the regional assessment of emerging opportunities. Review the draft Platform/Initiative document under development by the IDB.
  - b) Based on the information and documentation (from IDB or other sources) provided by the IDB, provide an in-depth, timely and independent review of the proposed Biodiversity Platform/Initiative, taking into account the following aspects:
    - a. Theory of change
    - b. Recent innovations in the analysis of the economics of biodiversity and ecosystem services
    - c. IDB's mandate, particularly in terms of the outcomes dictated in the Ninth General Capital Increase document and appropriate indicators within the Development Effectiveness Results Framework for the Bank for 2010-2015.

- d. Main objective, areas of intervention, corresponding indicators and targets and operational components proposed for the Biodiversity Platform and Initiative and validated through external consultations with relevant stakeholders.
- c) Identify key issues that stand out as potential weaknesses/risks, both in the analysis prior to, and in the findings/conclusions that led to the areas of intervention proposed for under the Initiative.
- d) Participate as required in the consultation events planned during the development of the Platform/Initiative including the Rio+20 Climate Change and Sustainability Day to be hosted by the IDB at the Rio+20 Conference and the subsequent regional consultations.
- e) Participate in peer review meetings organized by the IDB to exchange and build consensus on the modifications required for the Biodiversity Initiative.

## **V. DELIVERABLES AND PAYMENTS**

- 5.1 The Consultant will produce the following products:
  - a) A report separate from the Biodiversity Platform/Initiative document that states the general and more structural comments to be considered by the IDB
  - b) Comments directly into the Biodiversity Platform/Initiative with track changes indicating more detailed questions, suggestions or comments.
  - c) All documents must be delivered to the IDB in electronic form, with clear indication of the authorship and versions of each. The IDB reserves the right to publish final reports, under its own name on its website or in print, with or without changes to the content of the document presented by the consultant
- 5.2 Timeline:
  - a) June 2012: Participation in panel review
  - b) August 2012: First set of comments
  - c) September 2012: Final document review with comments/recommendations
- 5.3 The consultancy services will be contracted for a lump-sum and will be paid in the following manner:
  - I) 30% upon signature of the Consultancy Contract
  - II) 70% upon satisfactory delivery of products indicated in section 5.1 a) and b).

## **VI. SUPERVISION AND COORDINATION**

- 6.1 Responsibility for coordination of the Consultancy will rest with Michele Lemay ([michelel@iadb.org](mailto:michelel@iadb.org)) (INE/RND) with the support of Carolina Jaramillo ([carolinaj@iadb.org](mailto:carolinaj@iadb.org)) (INE/RND).

**Inter-American Development Bank  
Washington, D.C.**

**Preparation of the Biodiversity and Ecosystem Services Platform**

**Indicative Terms of Reference**

**Market Analysis of Private Sector Investment Opportunities in LAC**

**I. BACKGROUND**

- 1.1 According to UNEP (United Nations Environment Program), the Latin-America and Caribbean region (LAC) is among the richest regions in biodiversity worldwide. South America, alone, accounts for half of the terrestrial biodiversity in the world, and the region includes some of the world's most biodiverse countries including Brazil, Colombia, Ecuador, Mexico, Peru and Venezuela and the most biologically diverse area (the eastern slope of the Andes): Twenty percent of the protected areas worldwide are located in LAC and 54% of the Caribbean flora cannot be found anywhere else on the globe. Additionally, the region contains close to 800 million hectares of forested areas, 570 million hectares of wild savannas, 700 million hectares of productive lands and 27% of the planet's available drinking water. Biodiversity is one of the region's most valuable assets and of strategic importance for overcoming poverty and attaining a long-term sustainable development model for LAC.
- 1.2 Despite its global importance and the importance to the economy and to livelihoods in LAC, the region's biodiversity is increasingly threatened. Key threats to biodiversity include, but are not limited to: land use change, fragmentation of ecosystems, insufficient valuation of biodiversity goods and services, weak and ineffective institutions and governance, climate change, and invasive species. LAC is a major agricultural exporter and agriculture is a key component of many of the region's countries, if not the major economic driver. Land conversion to agriculture has led to the degradation and deforestation of ecosystems across the region. Growth of cities and other infrastructure growth (such as roads and coastal urban and tourism development) as well as sectors, such as mining further and commercial fishing, degrade the region's natural environments. Large-scale conversion, over exploitation of resources, climate change, and weak governance, among other threats, is leading to an exponential rate of loss of biodiversity.
- 1.3 The richness of biodiversity in LAC presents an opportunity for economic development and for maintaining livelihoods. With ongoing climate negotiations, new possibilities for financing conservation are ever developing. For example, payments offered by REDD+ (Reduced Emissions from Deforestation and Forest Degradation) provide a mechanism to protect and conserve forests. There is also a growing policy relevance of ecosystem services, a proliferation of ecosystem service measurement and presentation tools, new biodiversity legislation,

emerging national green or natural capital accounting models, emerging approaches to natural resource management including collaborative management, matrix management, corridor management, eco-agriculture, extractive reserves, market shifts toward round table standards and certification, and more active civil society engagement (often indigenous peoples) to large scale infrastructure developments. The growth in these areas leads to other new potential sources of financing such as payment for ecosystem services that includes carbon regulation, markets for biodiversity-friendly and non-timber forest products, amongst others.

- 1.4 The Bank intends to strengthen its commitment to address critical issues related to the environment and biodiversity. As part of this effort, an Independent Advisory Group (IAG) on Sustainability was formed to review the Bank's Environmental and Safeguards Compliance Policy (OP703, approved in 2006) and to identify ways by which the IDB could better achieve its goal of sustainable development. In January 2011, a report based on the group's findings underlined the need to protect critical biodiversity and enhance environmental governance in the region.
- 1.5 Following this recommendation, and with a clear mandate from the Bank started the development of a Biodiversity Platform aimed at helping countries of the region to achieve more effective policies and investments in biodiversity conservation and the maintenance of ecosystem services, while opening new economic and business opportunities for enhancing the value of the Region's natural capital as a contribution to sustainable development. It is meant to be grounded on sound economic thinking, integrating some of the recent innovations for the valuation of biodiversity and ecosystem services and empirical evidence on the effectiveness of biodiversity conservation policies. One of the features of the Biodiversity Platform is that it is meant to address coastal, marine and freshwater ecosystems on a par with terrestrial ecosystems. Cross-cutting considerations include climate change, traditional knowledge and private sector involvement.
- 1.6 This Platform, which will be presented as a proposal at the Rio+20 UN Conference on Sustainable Development in June 2012, and is scheduled for presentation to the IDB Board of Directors in December 2012, requires thorough dissemination, peer review and stakeholder consultation during its development, particularly if it is to gain ownership from the public and private sectors of the Region.
- 1.7 The IDB is seeking an expert in business investment in LAC to conduct a market analysis private sector companies who could be Bank clients (primarily for SCF and OMJ) in biodiversity-related investment opportunities and provide expert advice in mainstreaming of these considerations in the private sector investment portfolio of the Bank.

## **II. OBJECTIVES OF THE CONSULTANCY**

- 2.1 The objective of the consultancy is to identify biodiversity-related private sector investment opportunities and help mainstream these considerations in the private sector investment portfolio of the Bank.

## **III. CHARACTERISTICS OF THE CONSULTANCY**

- 3.1 Type of Consultancy: This is short-term consultancy of an individual with duration of 60 non-consecutive days within a period of 8 months.
- 3.2 Qualifications: Internationally recognized expert within the field of market analysis and financing with demonstrated knowledge of large-scale investment (above US\$5 million) experience and opportunities in businesses that mainstream biodiversity conservation and the maintenance of ecosystem services. Extensive knowledge of the global and regional investment market is necessary. Previous experience with multilateral institutions and projects is desirable. Experience in Latin-America and the Caribbean is preferable.

## **IV. TASKS**

- 4.1 Upon the request of the responsible IDB specialist, or whoever this person delegates on his/her behalf, the consultant will:
  - a) Examine the business opportunities for larger scale private sector investments (above \$5M) that can preserve or protect biodiversity, such as: watershed protection for water services; agroforestry for pharmaceuticals or cosmetics; agroforestry or reforestation of degraded land for productive but biodiversity enhancing use; sustainable agriculture or fisheries.
  - b) Document case studies of profitable investments by the private sector that preserved biodiversity – not limited to Latin America and the Caribbean but identify emerging trends and opportunities globally that could be replicated in the region.
  - c) Identify potential opportunities for IDB to provide loans or guarantees to support these private sector investments, taking into account the project size and risk thresholds and requirements of IDB's Structured and Corporate Finance and Opportunities for the Majority Departments.
  - d) Identify potential future private sector investment opportunities in the region. For these opportunities, include a list of contacts of organizations and companies that may be interested in taking part in these investments. This should include their estimated annual revenues, description of their line of business, their role in the value chain.

- e) For each recommendation, the consultant should identify the biodiversity benefits and potential for the opportunity to be profitable.

## **V. DELIVERABLES AND PAYMENTS**

- 5.1 The Consultant will produce the following products:
  - a) An interim report consolidating the findings of tasks a) and b) above.
  - b) A draft final report consolidating the findings of tasks a) through e) above.
  - c) A final report incorporating the Bank's comments.
  - d) All documents must be delivered to the IDB in electronic form, with clear indication of the authorship and versions of each. The IDB reserves the right to publish final reports, under its own name on its website or in print, with or without changes to the content of the document presented by the consultant
- 5.2 Timeline:
  - a) August 2012: Interim report
  - b) September 2012: Draft report
  - c) October 2012: Final report
- 5.3 The consultancy services will be contracted for a lump-sum and will be paid in the following manner:
  - a) 30% upon signature of the Consultancy Contract
  - b) 70% upon satisfactory delivery of products indicated in section 5.1 a), b).

## **VI. SUPERVISION AND COORDINATION**

- 6.1 Basic responsibility will rest with Michele Lemay ([michelel@iadb.org](mailto:michelel@iadb.org)) (INE/RND) with the technical supervision provided by Patrick Doyle (SCF) ([patrickd@iadb.org](mailto:patrickd@iadb.org)).

## Support to Biodiversity and Ecosystem Services Platform

Project Number: RG-T2164

Period comprised in this Procurement Plan: From May 2012 to January 2013

| Ref. No.<br><sup>1</sup> | Description of main procurement activities during the next 12 months.   | Estimated cost in (US\$ thousand) | Procurement method <sup>2</sup> | Review (ex-ante or ex-post) | Source of financing and percentage |                 | Prequalification <sup>3</sup> (Yes / No) | Estimated Dates                            |                        | Status <sup>4</sup> (pending, in process, awarded, cancelled) | Comments |
|--------------------------|---|-----------------------------------|---------------------------------|-----------------------------|------------------------------------|-----------------|--|--|------------------------|---|----------|
|                          |   |                                   |                                 |                             | IDB %                              | Local / Other % |  | Publication of specific procurement notice | Completion of contract |   |          |
| <b>1</b>                 | <b>CONSULTING SERVICES</b>  |                                   |                                 |                             |                                    |                 |  |  |                        |   |          |
|                          | <b>Consulting Services 1: Panelist and peer review 1 (environmental economics)</b>  | \$9,400                           | QCII                            | Ex-ante                     | \$9,400                            | -               | No                                       |  | Q2 2012                | Pending   |          |
|                          | Description: The consultancy will consist of participation in an expert panel at Rio+20 and the regional consultations and peer review of the draft Biodiversity Initiative document.               |                                   |                                 |                             |                                    |                 |  |  |                        |   |          |
|                          | <b>Consulting services 2: Panelist and peer review 2 (biodiversity and ecosystem services - terrestrial)</b>  | \$9,400                           | QCII                            | Ex-ante                     | \$9,400                            |                 | No                                       |  | Q2 2013                | Pending   |          |
|                          | Description: The consultancy will consist of participation in an expert panel at Rio+20, peer review of the draft Biodiversity Initiative document and participation in the regional consultations. |                                   |                                 |                             |                                    |                 |  |  |                        |   |          |
|                          | <b>Consulting services 3: Panelist and peer review 3 (environmental governance)</b>   | \$9,400                           | QCII                            | Ex-ante                     | \$9,400                            |                 | No                                       |  | Q2 2013                | Pending   |          |
|                          | The consultancy will consist of participation in an expert panel at Rio+20, peer review of the draft Biodiversity Initiative document and participation in the regional consultations               |                                   |                                 |                             |                                    |                 |  |  |                        |   |          |
|                          | <b>Consulting services 4: Panelist and peer review 4 (private sector)</b>   | \$9,400                           | QCII                            | Ex-ante                     | \$9,400                            |                 | No                                       |  | Q2 2012                | Pending   |          |

|  |   |          |      |         |          |  |    |  |         |         |  |
|--|---|----------|------|---------|----------|--|----|--|---------|---------|--|
|  | Description: The consultancy will consist of participation in an expert panel at Rio+20, peer review of the draft Biodiversity Initiative document and participation in the regional consultations. |          |      |         |          |  |    |  |         |         |  |
|  | <b>Consulting services 5: Panelist and peer review 5 (biodiversity and ecosystem services – coastal and marine)</b>   | \$9,400  | QCII | Ex-ante | \$9,400  |  | No |  | Q3 2012 | Pending |  |
|  | Description: The consultancy will consist of participation in an expert panel at Rio+20, peer review of the draft Biodiversity Initiative document and participation in the regional consultations. |          |      |         |          |  |    |  |         |         |  |
|  | <b>Consulting services 6: Market study</b>  | \$60,000 | QCII | Ex-ante | \$60,000 |  | No |  | Q3 2012 | Pending |  |
| <b>2</b>   | <b>NON-CONSULTING SERVICES</b>  |          |      |         |          |  |    |  |         |         |  |
|  | <b>Consultation workshops</b>   | \$93,000 | PC   |         | \$93,000 |  | No |  | Q3 2012 | Pending |  |
| <sup>2</sup> <b>Goods and Works:</b> ICB: International competitive bidding; LIB: limited international bidding; NCB: national competitive bidding; PC: price comparison; DC: direct contracting; FA: force account; PSA: Procurement through specialized agencies; PAs: Procurement agents; IA: Inspection agents; PLFI: Procurement in loans to financial intermediaries; BOO/BOT/BOOT: Build, own, operate/build, operate, transfer/build, own, operate, transfer; PBP: Performance-based procurement; PLGB: Procurement under loans guaranteed by the Bank; PCP: Community participation procurement; <b>Consulting Firms:</b> QCBS: Quality- and cost-based selection; QBS: Quality-based selection; FBS: Selection under a fixed budget; LCS: Least-cost selection; CQS: Selection based on the consultants' qualifications; SSS: Single-source selection; <b>Individual Consultants:</b> QCNI: Selection based on comparison of qualifications of national individual consultants; QCII: Selection based on comparison of qualifications of international individual consultants. |   |          |      |         |          |  |    |  |         |         |  |
| <sup>3</sup> Applicable only to Goods and Works in case the new Policies apply. In the case of previous Policies, it is applicable to Goods, Works and Consulting Services.  |   |          |      |         |          |  |    |  |         |         |  |
| <sup>4</sup> Column "Status" will be used for retroactive procurement and when updating the procurement plan.  |   |          |      |         |          |  |    |  |         |         |  |