

Terms of Reference for Potential Study Agreement

*Attention, short deadline: Please submit your proposal by **November 21***

This document serves to provide an overview of the underlying project pursued by the Subnational Climate Fund (SCF), relevant context on data availability and goals of the mandate, as well as an estimated scope of work requested from the consultant. Final details of the mandate should be covered by the subsequent proposal submitted by the consultant.

1. The Subnational Climate Fund

The SCF is a blended finance impact fund formed to pursue attractive risk-adjusted returns for private investors while generating measurable and certified environmental and social impacts. The Fund is focused exclusively on pursuing investments in mid-size climate infrastructure and nature-based solutions in various developing countries across Latin America and the Caribbean, Africa, the Mediterranean, and Asia. The Fund is managed by Pegasus Capital Advisors, a commercial Private Equity impact fund manager and further benefits from a separate, grant-funded Technical Assistance facility managed by The International Union for the Conservation of Nature (IUCN) and implemented by R20, IUCN, and Gold Standard.

2. Context of the Potential Study Agreement

Galápagos is among the world's twenty most irreplaceable ecosystems and a world-class tourism destination. Tourism is the major economic engine of the Galápagos, representing 20% of Ecuador's tourism Gross Domestic Product (GDP) and almost 80% of the economy in the Galápagos. Traditional tourism is increasing with many uncontrolled hotels popping up that follow only few rules, boundaries, or limitations leading to an increase in the number of invasive species, and conflicts with conservation goals and authorities. The tourism sector in the Galápagos is responsible for almost half of the islands total energy consumption, emitting annually 17,708 t of CO₂. Invasive species constitute the greatest threat to biodiversity conservation and are considered one of the causes of extinctions of native species.

The Subnational Climate Fund is currently assessing an investment opportunity in a potential project located on one of the Galápagos islands which would develop a sustainable ecotourism model to support the island's critically ecology and biodiversity.

The SCF project will combine ecotourism and luxury and demonstrate how ecotourism in Galápagos can help convert invaded landscapes into functional healthy ecosystems, thereby instilling into lodge guests a sense of responsibility toward the conservation of natural resources. The ecolodge project is located on one of the Galápagos Islands and aims to restore the Galápagos terrestrial ecosystems to their original state, provide environmental research and educational opportunities, and create an economy for local people. The project developer implements multiple carbon mitigation actions in energy, water, and waste reduction and can serve as a role model for changing the current tourism industry. The Landscaping strategy is focused on creating a systematic and phased eradication of exotic invasive species that are

currently present on site (such as Guayaba and Blackberry), followed by the planting of Miconia ecosystem species.

3. Scope of Work

The consultant is expected to provide the following work:

- 1) Develop a Natural Ecosystem Restoration and a Plant Nursery Design Strategy
- 2) Develop a Biodiversity Action Plan and Monitoring and Evaluation Plan

For these two deliverables, the Consultant must follow the reference framework (particularly IFC Performance Standards 6 and 8 and Gold Standard) and measures outlined in the environmental impact assessment. The Consultant will visit nurseries and other possible suppliers to select appropriate materials before installation. The work will be conducted in conjunction with the National Park Service.

Furthermore, the Natural Ecosystem Restoration and Plant Nursery Design Strategy should incorporate the following components:

Planting Plans – Quantity, size and description of the following:

- Trees, palms, shrubs and groundcovers
- Planting schedule
- Planting specifications
- Soil mixes
- Planting details
- Planting specifications
- Low impact / chemical free nutrient and pest management

Irrigation:

- Heads / Sprayers
- Pipe Sizing / Connections
- Meters

Organic Garden

- Organic Garden brief
- An Organic Garden should be in production at project completion

Other measures outlined in the existing environmental impact assessment:

- Selectively eliminate small populations of invasive plant populations
- Conduct a complete inventory of the plants introduced on the site

4. Timeline

Work is expected to commence immediately after the consultant is appointed. **The work should be completed within three months.**

5. Form of Proposal and Budget

Please prepare a brief proposal for the performance of this work, including the scope of work, project team and qualifications, estimated costs and confirmation of the absence of conflict of interest. Travel cost for field visit will be covered by the SCF separately from the consultancy fee. The proposal for the work should contain the sections listed below:

- 1) **Scope of Work:**

The scope of work should include a description of the specific activities that will be performed to accomplish the required tasks identified in Section 3. This should include any proposed site visits/reconnaissance, documents to be reviewed, interviews, etc. If the Consultant feels that additional tasks or components within a required task are suggested or warranted, these should be stated and delineated as “Optional Tasks”.

2) Project team and qualifications:

This should include the name of the principal staff members and any sub-contractors, and a brief description of their role within the project team. Qualifications of staff should include relevant technical capabilities, full CVs, specific previous project experience similar to this Project, and specific in-country experience.

3) Estimated costs:

A total time and expenses cost estimate, in US Dollars, must be provided for the required scope of work. A breakdown of the estimated costs by task must also be presented in tabular format and should include Direct Labour Costs (number of hours or days per staff and their associated unit costs) and Indirect Labour Costs (i.e. travel, per diem, sub-contractors, etc.). If necessary, the final project costs may be revised and agreed following initial discussions with the Company and finalization of the scope of work; however, any assumptions related to the estimated costs presented in the fee proposal must be clearly stated.

4) Conflicts of interest:

As part of the proposal, the Consultant shall also confirm that they do not have a conflict of interest and that they are able in a position to provide an adequate, accurate and objective review.

6. Submission

Please return your proposal by **21 November** by sending it to project@regions20.org