

REQUEST FOR EXPRESSIONS OF INTEREST CONSULTING SERVICES

Selection # as assigned by e-Tool: RG-T3671-P003

Selection Method: Simplified Competitive Selection, (SCS)

Country: Regional

Sector: Climate Change Division, (CSD/CCS)

Funding – TC #: ATN/OC-18331-RG

Project #: RG-T3671

TC name: Strengthening Governance Towards an Increased Mainstreaming of Environmental and Social Sustainability

Link to TC document: [Link to the approved document](#)

Description of Services:

The consulting services will provide technical guidance to support the Multilateral Development Banks (MDBs) individual and collective work on Biodiversity and Ecosystem Services (BES) taxonomy and BES financial flows tracking.

The Inter-American Development Bank (IDB) is executing the above-mentioned operation. For this operation, the IDB intends to hire the consulting services described in this Request for Expressions of Interest.

Expressions of interest must be delivered using the IDB Portal for Bank Executed Operations

(<http://beo-procurement.iadb.org/home>) by: **September 10, 2021**, 5:00 P.M. (Washington D.C. Time).

The consulting services (“the Services”) will consist of elaborating a state-of-the-art summary of the existing work on taxonomy and BES finance tracking, providing MDBs with a draft mutual understanding and approach to identify and classify BES positive projects, proposing guidelines to elaborate a taxonomy and providing guidance on how to track investments in BES positive projects. The assignment is expected to last 5 months, terminating no later than the 2nd quarter of 2022.

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-4. All eligible consulting firms, as defined in the Policy may express an interest. If a Consulting Firm is presented as a Consortium, one firm should be designated as its representative, which will be responsible for the communications, the registration in the portal and for submitting the corresponding documents.

The IDB now invites eligible consulting firms to indicate their interest in providing the services described above in the draft summary of the intended Terms of Reference for the assignment. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to enhance their qualifications. Such association or Joint Venture shall appoint one of the firms as the representative.

Interested eligible consulting firms may obtain further information during office hours, 09:00 AM to 05:00 PM, (Washington D.C. Time) by sending an email to: Laura Natalia Rojas Sanchez, (lrojas@iadb.org) and Lourdes Blandin (lourdesbl@iadb.org).

Inter-American Development Bank

Division: Vice Presidency for Sectors and Knowledge (VPS/VPS)

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Summary of Terms of Reference

1. Background and Justification

- 1.1 Nature drives the economy. It is a vital global asset that provides us with goods and services such as food, air, and water. All economic activities fundamentally rely on these services to some extent, with estimates suggesting that a massive US\$44 trillion of the global economy – over half of global GDP—is highly or moderately dependent on nature.
- 1.2 Not surprisingly, financial institutions also depend on natural wealth. At least 28% of the 11.2 trillion USD of DFI (Development Financial Institutions) investments in 2019 are highly exposed to the risks of biodiversity loss and ecosystem degradation from their financing projects (Jessop, 2020).
- 1.3 Yet, we are still witnessing a loss of biodiversity together with degradation of the ecosystem services it sustains. None of the 20 objectives of the Aichi targets of the UN Convention on Biological Diversity set in 2010 have been reached.
- 1.4 These issues and other topics are being discussed amongst the MDBs with the recent creation of an Informal Working Group on biodiversity. The recent exchanges emphasized a key subject which is to understand how much MDBs are contributing to BES finance, as part of their policies on sustainable development. The working group realized that all the MDBs are progressing at different pace with regards to developing definitions for what constitutes BES or nature-positive investments and on developing methodologies for tracking such biodiversity investments. MDB representatives agreed that they would benefit from each other's experience and from a joint study on this topic. This joint study will build upon the MDB Climate Finance Tracking Methodology scoping report prepared for the MDBs in May 2017. The intent of this work is to serve as a technical reference for MDB staff to inform any future action and to be prepared to anticipate any official request from their respective Senior Management for progress in this regard.

2. Objectives

2.1 The **overall objective of this consultancy is to provide technical guidance to support MDBs individual and collective work on BES taxonomy and BES financial flows tracking, based on a shared common basis.**

The specific objectives of this assignment are to:

- Elaborate a state-of-the-art summary of the existing work on taxonomy and BES finance tracking.
- Provide MDBs with a draft mutual understanding and approach to identify and classify BES positive projects.
- Propose guidelines to elaborate a taxonomy, with a menu of comparative options.
- Provide guidance on how to track investments in BES positive projects.

3. Main tasks

- 3.1. A benchmark exercise is expected to elaborate subsequent tasks and to allow the MDBs to get an overview of the best practices in terms of taxonomy definition/classification (definition of sectors and specific investments), targets definition, screening criteria, thresholds, metrics, reporting practices and tracking methodology.
- 3.2. The consulting services shall shed light on which ecosystem services should be considered when identifying BES positive projects. The consultant will also provide a methodological guidance for the conceptualization and identification of BES co-benefits, and to what extent indirect co-benefits should be considered.
- 3.3. The consultant will provide criteria to determine which specific investments within identified sectors and categories could be defined as BES positive. The qualification of a project or activity under the proposed criteria aims to distinguish BES positive activities from non-BES positive.
- 3.4. The consultant will prepare guidelines to track and report on BES finance. The consultant's work is expected to serve as an aid to tracking and reporting BES investment flows and should also include examples and

reporting formats. The consultant shall also give recommendations on ways to implement such a system and the resources needed to undertake it.