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Terms of Reference

Consultancy for

Sustainable Financing Strategy for the Srepok and Phnom Prich Wildlife Sanctuaries

I. Background

WWF-Cambodia has cooperated with the Ministry of Environment of the Royal Government of Cambodia to conserve biodiversity and natural resources within two key protected areas (PAs) including Srepok Wildlife Sanctuary (SWS) and Phnom Prich Wildlife Sanctuary (PPWS), the largest intact of dry forests in Indochina located in the Eastern Plains Landscape (EPL), Mondulkiri Province.

PPWS with 222,500 hectares in size, is another critically important protected area in the EPL where WWF Cambodia is supporting government conservation efforts. PPWS was established in 1993 by Royal Decree although former King Sihanouk had already designated Phnom Prich a forest reserve in 1962, originally as a refuge for the now extinct Kouprey. PPWS is known as a core area for the largest Asian elephant herd, and a home for mega-herbivores such as Banteng and gaur as well as endangered species Eld's deer. Other species also found in PPWS including leopard and clouded leopard, as well as marbled cat, jungle cat, and dhole, and as one of the last global hotspots for the endangered green peafowl, and the elusive white-winged duck. Whereby, SWS contains many wildlife species characteristic of the Lower Mekong Dry Forest ecoregion within the EPL. The critically endangered Siamese crocodile is present in small numbers in the Srepok River and its tributaries within the Wildlife Sanctuary. Turtles and tortoises are commonly confiscated from poachers collecting them for the wildlife trade, most often the endangered elongated tortoise. These two PAs are home of many herbivores, carnivores and other critically endangered species. With its largely intact dry forest habitat, the area forms part of the tiger landscape with the highest potential for recovery in Asia.

Given the global significance of many endangered species, PPWS and SWS trigger significant potential to generate funds from wildlife and biodiversity rehabilitation, ecotourism and thus contribute significantly to the Royal Government of Cambodia's vision for developing northern and eastern Cambodia as a global ecotourism destination. Effectively and equitably implemented wildlife-based ecotourism in both PPWS and SWS can generate long-term and sustainable economic and social benefits for people in Mondulkiri province and Cambodia. It is possible that beyond 2030, tourism revenue will contribute significantly to the annual management plan costs of both PAs.

To ensure the viability of PPWS and SWS long-term conservation outcomes, WWF Cambodia requires a Sustainable Financing Strategy (“Strategy”) that articulates a clear, long-term and sustainable approach, for funding of both phases of the plan and permanently maintain results achieved.

II. Purpose of the Consultancy

Develop a user-friendly cost model and financial model and a sustainable financing strategy for ongoing efforts on habitat protection and biodiversity conservation of the PPWS and SWS and surrounding landscape.

Scope of Work

1. Cost and financial gap model for biodiversity conservation efforts

- a) Identify the inputs required for the implementation of the activities detailed per year of implementation, distinguishing investment costs from recurring costs, classifying cost categories and using standardized units for costing (e.g. types of staff, vehicles, equipment, etc.) If a cost model that performs these functions already exists, review and update it as necessary for relevance, accuracy and completeness.
- b) Identify (or review and update as needed) unit costs for each type of input identified under a) using existing historic data, expert estimates or other valid publicly available data sources.
- c) Identify and include existing financial sources or commitments for the implementation of each objective or activity including the detail remaining financial gap per component and objective or activity and per year.
- d) Develop a user-friendly Excel file that details for each component, objective and activity and the required inputs per year, cost category, number of units needed, and frequency of purchase, unit costs and total annual costs. The model should further detail existing financial sources per objective or activity per year and present remaining financial gaps per year. The model should include summary tables that present total annual costs with and without inflation for each component and objective, in US dollar and in local currency.

2. Sustainable financing strategy and financial model

- a) Identify existing and new potential funding sources and mechanisms, and analyze and prioritize them based on the following criteria:
 - Regularity/Periodicity of fund flow
 - Realistic range of potential revenue that could be allocated to activities in the biodiversity conservation
 - Flexibility of fund use (applicability to financial needs as identified in the cost model)
 - Feasibility (transaction costs for mechanism development, administration costs of mechanism, stakeholder involvement required, decision-making process, existing legal framework and potential required legal changes)
 - Level of political decision-making required
 - Short term (three years or less) and long term (beyond three years) availability of the funding

The final portfolio of prioritized mechanisms should consider the complementarity of the financial sources, i.e. the prioritized funding sources and financial mechanisms should be based on different rationales and/or diversified financial sources.

- b) Provide a due diligence projection of revenues that may reasonably be expected through each prioritized funding mechanism, detailing sources and assumptions used.
- c) Using the cost model developed under scope of work #1, develop an Excel file that shows how all initial financial needs for reach conservation outcomes and all costs for recurrent conservation activities as identified and can be covered through the proposed financial mechanisms based on the projection of revenues and potential use restrictions.
- d) Provide a detailed roadmap that identifies the necessary time frames, steps, governance and administration requirements and implementation costs to secure and operationalize each prioritized funding mechanism.

At a minimum, consider the following potential funding sources and mechanisms mentioned in the Plan:

- Development partners and NGOs (bilateral grant-making, debt for nature swaps, etc.)
- Royal Government of Cambodia sources (budget allocation)
- REDD+/carbon trading
- Park Entrance Fees
- Provincial tourism wildlife contribution (a bed tax on tourists visiting the province)
- Payment for ecosystem services
- Other concession fees and occupancy taxes
- Private equity investment in sustainable conservation and tourism
- Local community livelihood and sustainable commercial activity
- Philanthropic donations (organizations and individuals)
- Bio-prospecting Fees
- Public fundraising?

III. Methodology

The consultant(s) will conduct interviews, research public documents, laws and regulations, reports, budgets and any other source of information that can provide the most current data to determine the most accurate costing of the conservation activities and identification of sources of revenue.

IV. Expected Deliverables:

To achieve the assignment, the consultant is expected to produce the following deliverables:

- **Work plan** with methodology and responsibilities
 - Final version: end of week 2
- User-friendly **Excel file (cost and financial gap model)** that details financial needs and financial gaps as specified under Scope of Work, including details on sources and assumptions used to identify unit costs
 - Draft: end of month 1
 - Final version: end of month 2
- Sustainable financing strategy document that includes:

- **Brief summary of methodology and sources** employed in preparation of the report
- **Summary of the prioritization process** based on minimum the criteria provided under Scope of Work
- **Detailed analysis of each prioritized funding source and mechanism** in terms of amount, timing, frequency and applicability to financial needs of the TPR (phase I and II), detailing sources and assumptions used for projections.
- **Detailed analysis of governance and policy conditions** to successfully deliver each prioritized funding source and mechanism. (This should include the legal and administrative steps required by the Cambodian legal system in order to access and deploy the funding in an effective manner and a stakeholder mapping for each funding).
- **Roadmap for implementation of each prioritized mechanism**, including next steps beyond the scope of the Strategy document (e.g., legal review, seeking government support, stakeholder engagement, etc.).
 - o Draft (should include at least the results of prioritization process of financial sources and mechanisms according to criteria established under Scope of Work): end of month 3
 - o Final version: end of month 4
- User-friendly **Excel file (financial model)** that shows how annual financial needs as identified by the cost model can be covered by prioritized financial sources and mechanisms
 - o Draft: end of month 3
 - o Final version: end of month 4
- Folder with Word/PDF documents and/or web links for most relevant citations within paper.
- Power point presentation summarizing findings and recommendations to be presented to WWF staff, government counterparts and other partners.
 - o Presentation 1 on progress of cost model: end of month 1
 - o Presentation 2 on prioritization process of funding mechanisms: end of month 2
 - o Presentation 3 on progress of financial model and sustainable financing strategy: end of month 3
 - o Final presentation: 2nd week of month 4

V. Required skills and Competencies:

The Consulting team will consist of the following team members:

- Sustainable Financing Expert: at least 10 years of experience in finance for biodiversity conservation, design of governance arrangements and negotiation preferred
- Conservation and Financial Planning Expert: at least 5 years of experience in costing and financial planning, budget preparation or similar in the conservation sector preferred, excellent knowledge of Excel
- Legal expert: 5 years of experience in legal analysis, preferably in public sector finance preferred, extensive knowledge in Cambodian law and public sector policy required.

Submission requirements

- Qualifications and relevant experience with similar assignments
- Reflections on the Terms of Reference and recommendations on approaches and knowledge products
- Draft work plan showing the suggested timing of carrying out the deliverables
- List of any relevant publications or reports
- 2 samples of previous work that show the expertise and experience of the consultancy team; samples must be the original work of the contractor.
- Financial proposal including detailed budgets for professional fees and reimbursable expenses (if any) for all tasks related to this assignment. Please also indicate whether contractual arrangements would be with an individual consultant or representative of a firm. Kindly note that there is a preference to contract with firms. No payments will be made outside the contractually agreed budget.
- Contact details for 2 references

Proposals will be assessed on a competitive basis and the one with the best quality versus overall costs will be selected. Any questions or clarifications of a technical nature can be sent to:

jobwwfcam@wwf.org.kh

Interviews: WWF Cambodia (and other implementing agencies financing the study) reserves the right to interview shortlisted consultants during the evaluation of the offers received (to be communicated to the incumbents in due course).