



Long-term financial mechanism to enhance Mediterranean  
MPA management effectiveness project

Terms of reference for a service on  
The MedFund 5-year resource mobilization strategy

January 21<sup>st</sup>, 2020

Point of contact: [contact@themedfund.org](mailto:contact@themedfund.org)

## **Request for Proposals (RFP)**

January 28<sup>th</sup>, 2020,

Request for Proposals GEF-2020-1: **The MedFund 5-year resource mobilization strategy**

Dear Sir or Madam,

The **Association for the Sustainable Financing of Mediterranean Marine Protected Areas - The MedFund (previously referred to as M2PA)** is issuing a Request for Proposals (RFP) to develop **The MedFund 5-year resource mobilization strategy**.

The attached RFP and Terms of reference contain all the necessary information for interested Offerors.

The goal of our organization is to establish and operate a regional conservation trust fund (CTF) dedicated to Mediterranean Marine Protected Areas (MPA) to sustain their day to day management.

The MedFund benefits from financial support from the Global Environment Facility (GEF) and Le Fonds Français pour l'Environnement Mondial (FFEM) to design the most appropriate institutional, legal and financial structure to manage this CTF, to fund pilot MPAs in Mediterranean countries and to develop a 5 year fundraising strategy to mobilize new funding to complete the initial capitalization of the fund.

This service is funded by the GEF project executed by The MedFund and entitled "Long-term financial mechanism to enhance Mediterranean MPA management effectiveness" and the FFEM project entitled "Towards the Creation of a Conservation Trust Fund for Mediterranean Marine Protected Areas".

Consulting firms, Consultants, must send their bids via email to [contact@themedfund.org](mailto:contact@themedfund.org) by February **28<sup>th</sup> 2020 by midnight (CET time)**.

Interested Offerors can submit their questions to [contact@themedfund.org](mailto:contact@themedfund.org) before February 8<sup>th</sup> 2020.

All offerors are expected to exercise the highest standards of conduct in preparing, submitting and if selected, eventually carrying out the specified work.

## 1- BACKGROUND & RATIONALE

The initiative for the creation of a sustainable financing mechanism for Mediterranean MPAs formerly called M2PA and now renamed The MedFund, was jointly launched by France, Monaco and Tunisia in October 2013, in Ajaccio, during the IMPAC3 (International Marine Protected Areas Congress) high level session. It received political support from countries bordering the Mediterranean, within the framework of the Union for the Mediterranean and the Barcelona Convention.

This initiative contributes to the achievement of the objectives adopted in the framework of international and regional conventions, in particular:

- Aichi Target 11, adopted under the CBD;
- The roadmap for MPAs adopted under the Barcelona Convention;
- SDG 14 dedicated to the ocean and marine resources; and
- The Marine Ecosystem Objectives mentioned in the UNFCCC Paris Agreement.

### **Context: a fragile hotspot**

The Mediterranean Sea is one of the "hotspots"<sup>1</sup> of global biodiversity. Although it represents less than 1% of the surface of the world's oceans, the Mediterranean Sea is home to nearly 10% of the world's marine biodiversity and has a high level of endemism. It contains remarkable diversity and is a vital breeding area for many key pelagic species.

The maritime coastline of the countries bordering the Mediterranean Sea is experiencing an exacerbated demographic and economic concentration as well as a growing tourist attraction (the Mediterranean Sea attracts 30% of international tourism). According to the Med Trends<sup>2</sup> report, all traditional sectors of the maritime economy such as transport, tourism, and aquaculture are growing exponentially and are expected to continue growing over the next 20 years, with the exception of professional fishing.

These phenomena generate pollution and significant pressure on the natural resources and marine and coastal ecosystems of the Mediterranean Sea. They are exacerbated by the fact that the Mediterranean Sea is one of the world's most sensitive seas to climate change, which further increases its vulnerability. Multiple degradations jeopardize the development of economic activities related to the exploitation of these resources and deteriorate the quality of life of local populations.

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1 The Mediterranean basin is one of the 35 biodiversity "hotspots" identified by the NGO Conservation International. For more information: <http://www.conservation.org/how/pages/hotspots.aspx>

2 Pianté C., Ody D., 2015. Blue growth in the Mediterranean: the challenge of Good environmental status. MedTrends project synthesis. WWF-France. 64 pages.

Finally, the Mediterranean countries also face major short-term difficulties (economic crisis, political instability, worrying situations on migration, etc.) that lead institutions and civil society to adapt.

### 1.1 MPAs, a tool for sustainable development

MPAs are recognized as effective tools for protecting marine and coastal ecosystems and conserving their biodiversity while contributing to their enhancement and to the sustainable economic development of local communities. For the purpose of this document, the term MPA encompasses any marine and / or coastal area (including lagoons permanently attached to the sea) that has been placed under protection, usually by legal means, with the main goal of conserving natural habitats, species or specific natural features.

This term covers a wide range of sites, with various designations, at different levels and offering varying degrees of protection. According to the MAPAMED database<sup>3</sup>, there are 46 different names to designate MPAs in the Mediterranean sea with very variable degrees of protection.

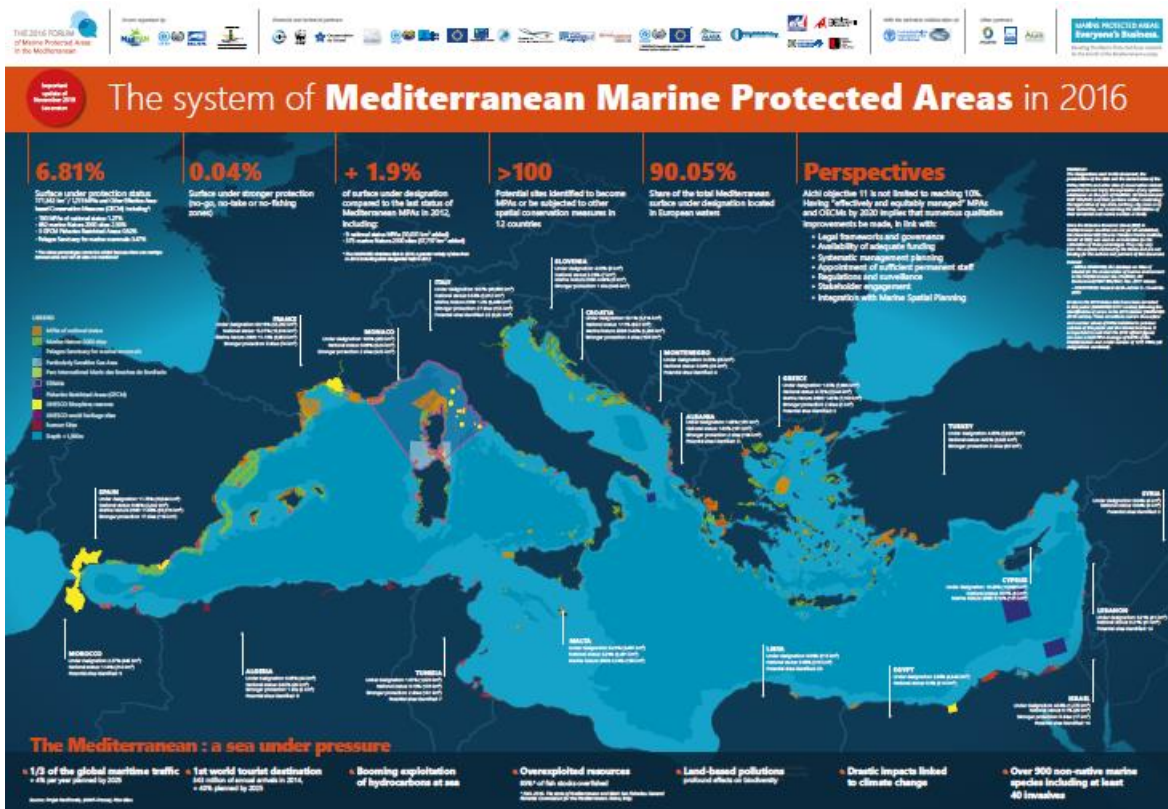
According to the MAPAMED database, the Mediterranean sea currently has 1,215 MPAs covering 6.81% of the Mediterranean area.

In non-European countries, there are currently less than 40 MPAs officially designated in the Mediterranean, covering 4 645 km<sup>2</sup> in 11 GEF/FFEM eligible countries. These sites are established at national level under a wide variety of designations.

The map below shows the system of the 1215 Mediterranean MPAs, which was compiled in 2016.

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<sup>3</sup> MAPAMED (Marine Protected Areas in the Mediterranean) is a GIS database gathering information on Mediterranean MPAs, and more broadly on sites of interest for the marine conservation. It is developed and managed jointly by MedPAN and RAC / SPA.



Large disparities also exist among the 1 215 MPAs identified in terms of quality. Many MPAs in the Mediterranean sea face operational difficulties, particularly in non-European countries. Many sites do not have dedicated management units, or regulations to curb existing pressures and / or sufficient means to enforce these regulations. In view of this, the following needs have been clearly identified for Mediterranean MPAs:

- management plans and their implementation must be generalized;
- governance needs to be improved involving authorities, economic actors, civil society and communities living in or around the MPA;
- MPAs suffer from a lack of regular staff;
- scientific monitoring in and around MPAs needs to be improved and systematized, to be able to evaluate the effectiveness of the management measures implemented;
- monitoring of MPAs needs to be strengthened and regulations adapted to the reality of MPAs;
- funds dedicated to management are insufficient and irregular, which compromises its effectiveness.

Overall, Mediterranean MPAs suffer from a significant lack of resources to finance their recurrent costs, including staff costs, equipment, daily administration and operation, scientific monitoring and surveillance, training and coordination with stakeholders.

## 1.2 Irregular funding impeding the quality of management

Traditionally, the financial resources of MPAs come mainly from national public funds dedicated to the creation and management of MPAs, from bilateral, regional (European Union, UNEP / MAP) and international (Global Environment Facility) cooperation fund, from companies or private foundations (MAVA Foundation, Prince Albert II of Monaco Foundation, etc.) and self-financing for certain MPAs.

These funds are generally unpredictable, short-term in nature and highly irregular. In most Mediterranean countries, especially those of the southern and eastern shores, national public funds for MPAs can vary greatly from year to year. Even when budgeted, funding does not systematically reach MPA managers due to excessive administrative bureaucracy.

In addition, the various cooperation funds respond to project logics leading to jolts that are unfavorable to the sustainable and effective management of MPAs. Thus, in projects aiming at creating MPAs, the creation phase benefits from substantial funds, that dry up at the end of the project, leaving the management unit dependent on potential new donors to ensure the proper functioning of the MPA over the long term. Some managers may spend a significant part of their time seeking funding from different donors in order to ensure a tiling from one project to another, at the expense of the day-to-day management of the MPA.

Finally, managers find it difficult to get project funding to finance the daily operating costs of their MPA, as most donors tend to favour the financing of activities and infrastructure.

Therefore, and in a context where budgets tend to be reduced, including for ministries of environment and major MPA funding agencies, the development of sustainable funding mechanisms for MPA management is of particular importance. Supporting and developing regional, national and local financing mechanisms has become essential to mobilize complementary and diversified funding sources in order to improve the effective management of MPAs in the long run.

In 2015, the Association for the Sustainable Financing of the Mediterranean MPAs (The MedFund) was created to bring together States and civil society to lead the establishment of this mechanism. The Association is a non-profit Monaco based organization that raise and invest funds to make grants to local NGOs and protected areas management authorities.

To date The MedFund encompasses 15 active members including 6 countries Albania, France, Monaco, Morocco, Tunisia and Spain and 9 regional organizations involved in the conservation of Mediterranean marine and coastal ecosystems currently including the Specially Protected Areas Regional Activity Centre (SPA/RAC), the Network of MPAs Managers in the Mediterranean (MedPAN), WWF-Mediterranean, IUCN Mediterranean Programme, the Prince Albert II of Monaco Foundation, Conservatoire du Littoral ( French public agency for the preservation of the coastline), Monaco Oceanographic Institute, Mediterranean Small Islands Organization and the Critical Ecosystem Partnership Fund (CEPF).

The MedFund is a hybrid fund encompassing an endowment fund, a sinking fund and a revolving fund that contribute to support marine protected areas:

- Endowment Fund: The capital of the fund is invested on a long-term basis on the international financial markets, and only the proceeds from the investment are used to fund grants and biodiversity conservation activities.
- Sinking Fund: All capital and investment incomes are disbursed over a fairly long period until they are fully spent for conservation actions.
- Revolving Fund: Income from donations which are earmarked for the Trust Fund, regularly replenishes the Fund to be used for specific biodiversity conservation purposes (annual contributions from the Oceanographic Institute of Monaco, the Basel Zoo and the Sorbonne University).

In 2018 the Association for the Sustainable Financing of the Mediterranean MPAs received funding from the GEF IW focal area to establish a regional CTF for Mediterranean MPAs. The project entitled “Long-term financial mechanism to enhance Mediterranean MPA management effectiveness” implemented by CI-GEF and executed by Association for the Sustainable Financing of the Mediterranean MPAs has started in April 2018 in order to establish the fund itself and develop a resource mobilization strategy for the capitalization of the Fund.

Based on Conservation Finance Alliance’s best practices standards, the Association for the Sustainable Financing of the Mediterranean MPAs went through institutional change to become The MedFund: a custom-made Mediterranean fund.

In conjunction and complementary to this GEF funded project, a FFEM project called “Towards the Creation of a Conservation Trust Fund for Mediterranean Marine Protected Areas” is implemented by the MedFund from 2018 through 2022 to support the establishment of the fund and to provide funding for selected MPAs pilot sites. This project is fully aligned with and complementary to the GEF project and will provide USD 1M for the initial capitalization of the CTF.

As part of its initial fundraising activities The MedFund raised 4 million euros from Agence française de développement, 1 million euros from Prince Albert II Foundation and funding from Leonardo DiCaprio Foundation and contributions from zoos and aquariums (part of the entrance fees) as seed money to start the capitalization of the fund.

The MedFund’s administration and management is run by different bodies:

- The General Assembly: takes the strategic and statutory decisions
- The Board of Directors: takes all the decisions related to the CTF’s operational management
- The Executive Committee: executes the decisions of the Board of Directors
- The Executive Directorate: is responsible of the day-to-day operational management of The MedFund’s activities
- Technical Committees: Investment committee and Grant award committee: advise the other bodies on financial, technical and strategic directions.

### 1.3 Added value - positioning of The MedFund

Since its creation, The MedFund has demonstrated over the years the following elements of added value:

- A tool dedicated to the mobilization of public and private actors for the sustainable financing of Mediterranean MPAs;
- The capacity of covering in the long term the recurrent management costs of MPAs: recurrent administration and operation; salaries (excluding administrative salaries); equipment and infrastructure maintenance, and small equipment purchases; surveillance; capacity building; governance of MPAs; day to day monitoring (ecological and socio-economic), and awareness and communication;
- A long-term support to institutional, organizational and technical capacity building of organizations involved in the management / co-management of MPAs;
- A long-term support to monitoring and evaluation mechanisms and to management-effectiveness monitoring of beneficiary MPAs;
- A networking capability, in complementarity and synergy with other regional organizations;
- A capacity of advocacy with national, regional and international organizations for the development and sustainable management of Mediterranean.

### 1.4 Main achievements of The MedFund

- An initiative jointly launched in 2013 by France, Monaco and Tunisia, which now has official support from Albania, Spain and Morocco.
- A financing mechanism officially created during the Constitutive General Assembly of December 16, 2015.
- A pilot phase initiated in 2016 with financial support from the Government of Monaco, the Prince Albert II of Monaco Foundation (FPAIL) and the Leonardo DiCaprio Foundation.
- Additional project funding from the Global Environment Facility (GEF) and the French Facility for Global Environment (FFEM) to support the structuring and operationalization of The MedFund as well as the pilot grants (FFEM).
- A legal framework and an initial governance, institutional and organizational structure set up.
- A Board of Directors composed of 7 members, which has met regularly since 2016.
- A staff of 2 people managing the institution.
- Three pilot grants to MPAs in Albania, Morocco and Tunisia.
- A commitment from the French Development Agency (AFD) and the French Facility for Global Environment (FFEM) to capitalize the fund with a capital of 5 million euros.



- A € 1 million sinking fund mobilized from the Prince Albert II of Monaco Foundation.
- A revolving fund fed by annual contributions from the Oceanographic Institute of Monaco, the Basel Zoo and the Sorbonne University.
- A study on the financial needs of Mediterranean MPAs which identified an average annual funding gap of EUR 50 000 to 75 000 per MPA for recurrent costs only.

The 2019 MedFund General Assembly approved the **2020/2025 institutional and financial Strategy** below.

### 1.5 Vision of The MedFund

The long-term vision of The MedFund is the following:

**« Preserved, resilient and sustainably managed Mediterranean marine and coastal ecosystems, for the benefit and with the society »**

The support of The MedFund will be a long-term commitment to ensure the preservation of Mediterranean marine and coastal ecosystems, their resilience to risks, including those related to climate change, and their sustainable management by the organizations in charge. This commitment will benefit the society but will also require its close involvement.

### 1.6 Mission of The MedFund for the 2020-2025 period

**« Sustainable financing of the effective management of Mediterranean MPAs, in their specific context, through the mobilization of public and private actors »**

The financial support of The MedFund to Mediterranean MPAs will be channeled upstream through the mobilization of public and private actors and will aim to contribute to their effective management. Effectiveness is defined as the implementation of processes and MPA management activities. The MedFund will support MPAs with various characteristics and in their specific national and local contexts.

#### **Objectives and scope of action:**

The mission of The MedFund is translated into two operational objectives that will guide the Fund's actions over the next 5 years:

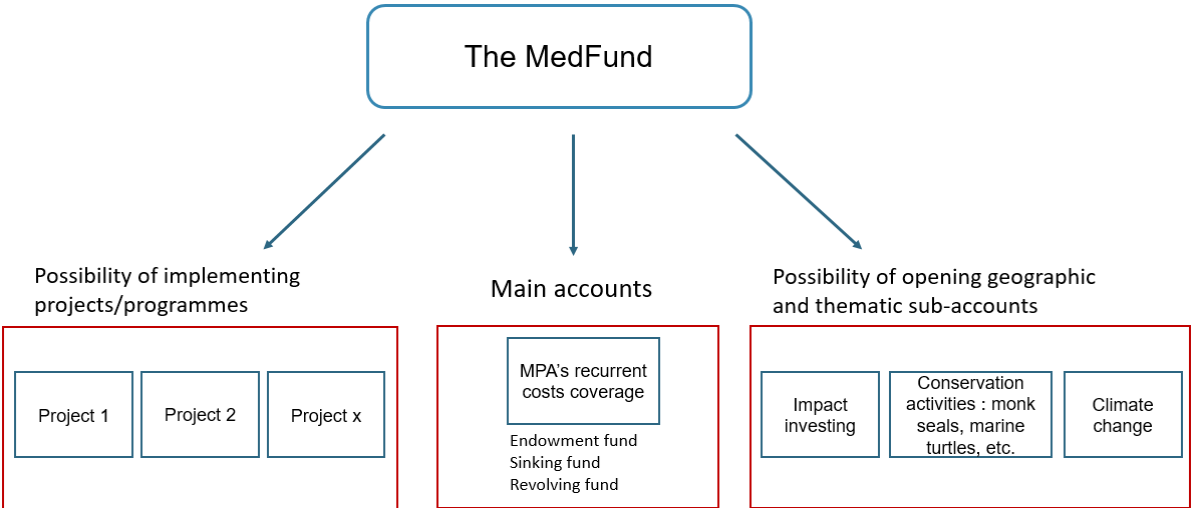
1. Solicit public and private actors to (i) mobilize new funding for the Mediterranean MPAs, independent of the existing ones, and (ii) raise awareness of the role of MPAs, and
2. Contribute to the long-term financing of activities that are poorly funded but essential to the effective management of MPAs, particularly their recurrent management costs.

In order to achieve the € 30 million capitalization target of the Endowment Fund of The MedFund by 2025, the institution will identify and get closer to potential new financial partners, with a view to diversifying both public and private donors. The Fund will develop advocacy, communication, networking and negotiation activities.

The members of The MedFund’s Board of Directors, as high-level personalities and representatives of state and parastatal structures or recognized organizations, will have an essential role to play in the implementation of the fundraising strategy. Their political and/or public function and their extensive network are important assets to pursue and support this strategy. They will be supported in this mission by the Executive Directorate, which will be responsible for defining and implementing the fundraising strategy.

On the model of other existing Environmental Funds, The MedFund will activate all the financial mechanisms deemed necessary for the successful fulfilment of its mission. Firstly, The MedFund will establish "main accounts" corresponding to the endowment fund, sinking fund and revolving fund, to ensure the financing of the recurrent costs of beneficiary MPAs. Other accounts may subsequently be created, as well as specific projects implemented, depending on the needs and opportunities that arise. The diagram below shows the range of potential financial mechanisms that The MedFund could mobilize.

1.7 The MedFund’s potential financial mechanisms



1.8 Identification of financial needs

The financial needs of The MedFund were established by focusing on a growing number of MPAs that the Fund could support, on the understanding that a beneficiary MPA keeps

benefiting from financial support from The MedFund until its funding gap is closed and as long as the required conditions are met (see Box 3).

Two main assumptions were made:

**1. Number of beneficiaries MPAs:**

2 beneficiary MPAs in 2018 and 2019, then 3 additional MPAs every year to reach, still according to this assumption, 20 beneficiary MPAs in 2025, then 44 beneficiary MPAs in 2033:

This trend remains hypothetical. Depending on the needs expressed on the ground, the difficulties to identify new beneficiary MPAs, or the financial capacities of The MedFund, the number of beneficiaries MPAs may follow another trend.

As part of The MedFund 2020/2025 institutional strategy, 20 MPAs from 7 non-European Mediterranean countries have been pre identified as potential grantees from the Fund.

The targeted countries are Albania, Algeria, Lebanon, Morocco, Montenegro, Tunisia and Turkey.

**2. Average amount of grants awarded by The MedFund:**

Following the study carried out on the financial needs of about 20 Mediterranean MPAs, the average amount of grants awarded by The MedFund was set at 65,000 euros per year and per MPA. Again, this figure is an estimate that may be refined over time.

On the basis of these assumptions, the annual amount of grants to be awarded by The MedFund can be calculated. Management costs of The MedFund (functioning and payroll of the Executive Directorate) were also assessed.

### The MedFund's financial needs (Box 3)

Year	2018	2019	2020	2021	2022	2023	2024	2025
Payroll	97 000 €	130 000 €	180 000 €	180 000 €	180 000 €	180 000 €	180 000 €	180 000€
Operation	55 451 €	46 970 €	60 390 €	58 740 €	69 025 €	69 025 €	72 875 €	69 025 €
Grants awarded to MPAs	60 000 €	74 455 €	325 000 €	520 000 €	715 000 €	910 000 €	1 105 000 €	1 300 000 €
Number of beneficiaries MPAs	2	2	5	8	11	14	17	20

Year	2026	2027	2028	2029	2030	2031	2032	2033
Payroll	180 000 €	180 000 €	180 000 €	180 000 €	180 000 €	180 000 €	180 000 €	180 000 €
Operation	91 025 €	69 025 €	69 025 €	72 875 €	69 025 €	91 025 €	69 025 €	69 025 €
Grants awarded to MPAs	1 495 000 €	1 690 000 €	1 885 000 €	2 080 000 €	2 275 000 €	2 470 000 €	2 665 000 €	2 860 000 €
Number of beneficiaries MPAs	23	26	29	32	35	38	41	44

It is observed that the ratio management costs to grants exceeds 20% during the first years, knowing that this figure is the upper limit recommended by the Conservation Finance Alliance. This is normal for the first years of operation of an Environmental Fund. The ratio is estimated below 20% by 2025.

## 1.9 Existing sources of funding

The MedFund's sources of income are of 4 types:

- Revenues from projects
- Revolving fund income
- Endowment income
- Income from sinking fund

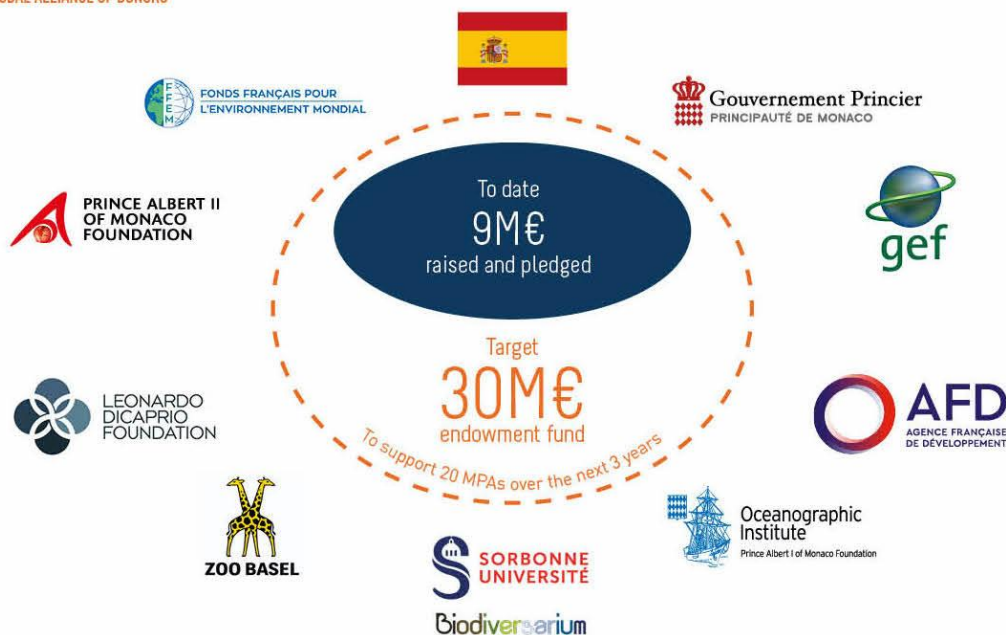
To date, the project has mobilized € 500,000 (USD 580,370) from the Government of the Principality of Monaco and € 350,000 (USD 406,259) from the Leonardo DiCaprio Foundation to support the development of the The MedFund initiative.

In addition, through a partnership agreement with the Basel Zoo, the Oceanographic Museum of Monaco and Sorbonne University - Biodiversarium, The MedFund will receive additional funding from a percentage of every entrance fee and membership subscription from these institutions.

These initial contributions and partnerships demonstrate the interest generated by the CTF among donors and the intention of The MedFund to develop a diversified portfolio of donors. The French Facility for Global Environment (FFEM) committed to support the Fund by 1 million euros provided that 4 million euros are raised to capitalize the Fund. In June 2019, Prince Albert II Foundation has supported the Fund by 1 million euros and the Agence française de développement (AFD) has committed to capitalize The MedFund by 4 million euros. The Spanish government contributed also to the Fund with €40,000.

The MedFund objective is to have strategies to diversify and multiply short-term and long-term, public and private, sources of financing, rather than depending on a single source or a single funding mechanism.

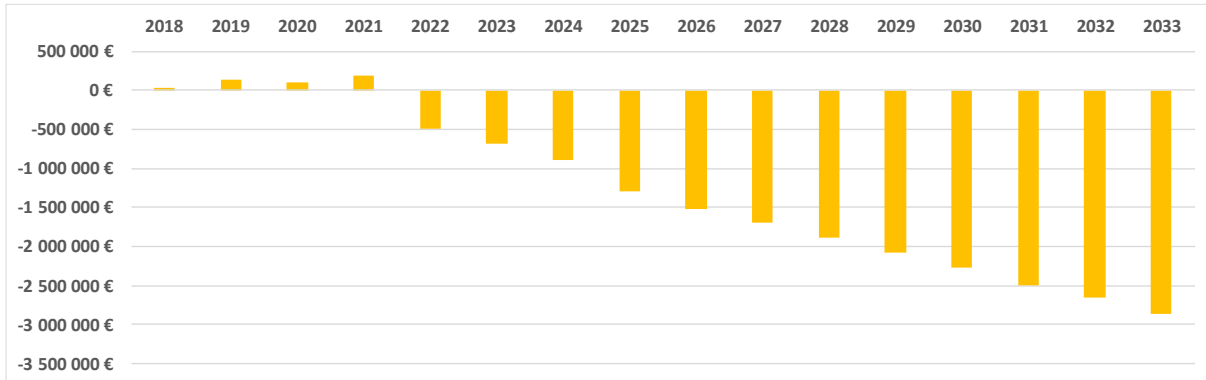
### A GLOBAL ALLIANCE OF DONORS



## Annual income gap and capitalization objectives of The MedFund

By comparing financial needs and The MedFund's funding sources, the annual income deficit of The MedFund can be assessed, to cover these financial needs.

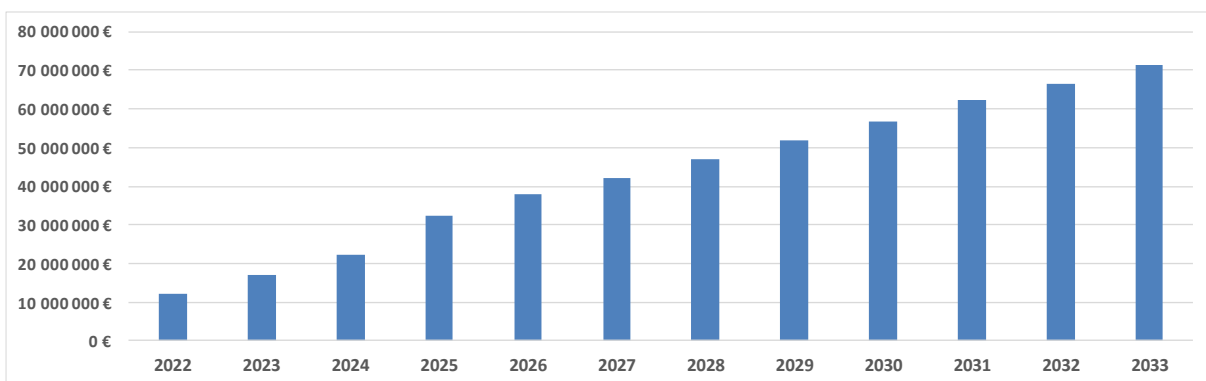
### Annual income gap of The MedFund



The graph above shows that, according to the assumptions used, the cumulative income deficit over the 2019-2025 period amounts to approximately €3 million.

Given The MedFund's goal of providing long-term sustainable funding to MPAs, this revenue gap could ideally be filled by the endowment fund. Assuming financial returns of around 4%, the endowment fund of The MedFund should reach the following capitalization level:

### Required additional capital to cover 100 % of the income deficit by the endowment fund



A capitalization of around €33 million for **the endowment fund** would be necessary to fill the entire income gap in 2025.

This level of capitalization is only an indicator since this estimated income deficit could also be filled, partially or totally, by new projects, **revolving funds or sinking funds**.

Indeed, the grants awarded by The MedFund may also come from donors who would like to support MPAs through The MedFund, without capitalizing an endowment fund (example of the European Union which does not capitalize funds). Other partners may prefer to operate through a "revolving fund" that also allows for long-term financing.

Thus, other approaches than the "endowment fund" could be considered to accelerate impact on the ground, particularly during the first years of the Fund operation. If the required capitalization is not reached, the establishment of a "sinking fund" (whereby capital is also spent over a number of years) could allow the institution to achieve results more quickly and thus increase its reputation and credibility and potential to attract new donors. At this stage, The MedFund should remain flexible and opportunistic, focusing on maximizing impact on the ground.

*The MedFund benefits from financial support from the Global Environment Facility (GEF) and Le Fonds Français pour l'Environnement Mondial (FFEM) to design the most appropriate institutional, legal and financial structure to manage this CTF, to fund pilot MPAs in Mediterranean countries and to design and implement a 5 year fundraising strategy.*

*This 5-year fundraising strategy will be submitted to our institutional donors (AFD & FFEM) in order to remove the conditions that have been set to enable the funding.*

## **2- OBJECTIVES**

The objective of this consultancy service is:

1. To develop and start the implementation of the CTF Resource Mobilization strategy and to complete the initial capitalization of the CTF by targeting:
  - Institutional donors (national, binational and multilateral) including specifically The Gef, KfW Green Climate Fund, the European Union and The Swedish Development agency
  - Philanthropy: private philanthropy, foundations, international NGOs, individuals
  - Private sector: corporations
2. To assess the relevance of innovative funding such as biodiversity offset or blue carbon for The MedFund

## **3- SCOPE OF WORK**

### **3.1 - Component 1: Identifying potential donors from public and private sources**

The aim of this work package is to identify 30 potential donors and funding windows whose priorities could match The MedFund strategy and goals for the Mediterranean.

According to their priorities and interest in the topic of marine conservation/ marine protected area and/or Mediterranean a minimum of 10 institutional donors, 10 philanthropic organizations/individuals and 10 companies from the private sector should be identified and contacted.

In this regard, a benchmark analysis of regional trust funds worldwide will help in identifying potential key donors and main source of funding.

### **3.2 - Component 2: Analyzing potential donors' profiles**

The analysis of each donors should target the following criteria:

- Funding priorities and modalities
- Specific requirements
- Priority of actions (including cross-cutting theme such as climate change)
- Available budget for the region and the theme
- Funding background/history (including average grant amounts)
- Funding cycles
- Contact person within the organizations (direct phone/emails)

### **3.3 - Component 3: Prioritization of potential donors**

Based on the analysis of each donors a set of 13 donors will be identified as top priority for the next 5 years in regard of the funding opportunity with at least: 3 institutional donors + 5 philanthropic organizations + 5 private corporations will be identified and ranked.

This top ranking will be presented and discussed with The MedFund Board members.

### **3.4 - Component 4: drafting of concept notes and proposals**

Based on the donors' priorities, funding modalities and requirements concept notes/proposals will be drafted in the form or format requested for the top priority donors identified in component 3.

Based on their different strategic priorities and programs analyze whether and how The MedFund can be promoted as an attractive vehicle or mechanism for each donor.

Funding proposals for a total of at least EUR 30 million will be submitted.

### **3.5 - Component 5: facilitation of a donors' roundtable**

Seizing the opportunity of high-level meeting on Biodiversity, Mediterranean or marine conservation explore possibility of organizing a donors' roundtable to gather and attract key donors with The MedFund board members and beneficiaries of the fund.



Global event such as CBD 2020, IUCN WCC 2020, Monaco Ocean Week 2021, Davos 2021, IMPAC 5-2021 should be explored.

### **3.6 - Component 6: drafting of an action plan of fundraising activities**

Based on donors' funding cycles draft a strategic plan relevant to each member/staff of the EF by clearly identifying who will be responsible for carrying out specific actions or activities (The MedFund staff, governing board, professional fundraisers...).

Based on donors targeted, identify key events/meetings that should be attended or organized in the next 3 years, to increase the potential to attract those donors.

Determine Key Performance Indicators (KPIs) to measure progress.

### **3.7 - Component 7: recommendations for success**

In order to implement the fundraising strategy in the most efficient way, suggest recommendations to improve action such as:

- Draft the Gift acceptance policy (gift screening principles)
- Identify critical issues to solidifying the Environmental Fund's competitive advantage
- Explore the opportunity of a dedicated committee to support the implementation of the fundraising strategy (donors' committee)
- Identify Key elements that should be incorporated into a communication strategy to brand and market the Fund

### **3.8 - Component 8: innovative funding**

Identify, analyze and assess innovative sources of funding for the region, such as Biodiversity Offsets, Blue carbon, Debt-for-Nature Swaps, Environmental Compensations, and Payments for Environmental Services in order to identify opportunity of new funding for The MedFund.

In this regard, a benchmark analysis of other trust funds worldwide that are successfully using such innovative funding will help in identifying those potential innovative funding and how they are used.

Concept notes will be drafted for the 2 most promising/relevant innovative source of funding.

## **4- EXPECTED OUTPUTS OF THE STUDY**

- A sound and operational 5-year fundraising strategy for The MedFund is developed
- Key donors and funding mechanism are identified
- Proposals and concept notes are drafted for top priority donors
- Opportunity(ies) of a Donors roundtable is assessed and set up
- 3-year Action plan of fundraising activities is established

- Most relevant Innovative source of funding are assessed
- Recommendations are drafted to optimize success and the implementation of the strategy

## 5- KEY ELEMENTS FOR THE METHODOLOGY

The Consulting firm is expected to:

- ✓ Take into account, when relevant best practices from successful Conservation Trust Fund worldwide
- ✓ Review all documents relevant to the Fund to acquaint themselves with the objectives
- ✓ Liaise with M2PA management team and board members to get their inputs
- ✓ Undertake consultations with key stakeholders and current donors of the Fund

The service will take into account the guidelines described in the “Practice Standards for Conservation Trust Funds”<sup>4</sup>, the “Review of Conservation Trust Funds for Sustainable Marine Resources Management Conditions for Success”<sup>5</sup>, and the “GEF Evaluation of Experience with Conservation Trust Fund”<sup>6</sup>.

## 6- APPROXIMATIVE MAXIMUM BUDGET

The budget for the service is between \$55 000 and \$70 000 / €50 000 and €63 000.

In addition to the fees, this budget includes expert mission trips and administrative costs (telecommunications, secretariat...) and costs of experts to attend consultative meetings with The MedFund (3 face to face meetings in Monaco or Paris).

## 7- STUDY STEERING AND RESPONSIBILITIES

This study is under the responsibility of The MedFund.

The supervision of the consultancy will be done jointly by an Advisory Committee formed of key members of The MedFund initiative & the coordinator.

The advisory committee will provide inputs and review reports, documents & tools.

The MedFund board will approve final reports and documents.

Consultants will be required to work closely with The MedFund Management Team.

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<sup>4</sup> Barry Spergel & Kathleen Mikitin for Conservation Finance Alliance (CFA) - Practice Standards for Conservation Trust Funds  
Conservation Finance Alliance (CFA).

Rapid Review of Conservation Trust Funds. Prepared for the CFA Working Group on Environmental Funds by Barry Spergel and Philippe Taïeb 2008.

<sup>5</sup> Bladon, A., Mohammed, E., Milner-Gulland, E.J. 2014. A Review of Conservation Trust Funds for Sustainable Marine Resources Management: Conditions for Success. IIED, London.

<sup>6</sup> Global Environment Facility. 1998. GEF Evaluation of Experience with Conservation Trust Fund. Washington, DC.

## 8- SUPPLIED ITEMS

The MedFund will facilitate contacts with The MedFund stakeholders, board members and other relevant organizations needed to conduct this study.

### Useful links

<https://www.conservationfinancealliance.org/>

<http://www.rac-spa.org/>

<http://medpan.org/>

[http://mava-foundation.org/wp-content/uploads/2018/01/MAVA\\_InnovatingConservationFinance\\_Janv2018.pdf](http://mava-foundation.org/wp-content/uploads/2018/01/MAVA_InnovatingConservationFinance_Janv2018.pdf)

## 9- FORMAT OF DELIVERABLES

Inception, progress reports and intermediate deliverables will be in English or French and submitted in electronic forms (standard Word for Windows format or power point for presentation; A4 size pages).

Final deliverables and reports will be in English or French.

Proposals/concept notes will be drafted in the format and language required by the donors.

Executive summary reports and power point presentation will be drafted for all components in French AND English.

Logos to be included will be provided by The MedFund.

## 10- TIME FRAME & PRELIMINARY CALENDAR

The assignment will have a 5 months duration maximum starting in March 2020 and ending in October 2020 at the latest.

<u>Milestones</u>	<u>Outputs</u>	<u>Timeframe</u>	<u>Deliverables</u>
Kick-off meeting	Methodological approach reviewed and confirmed: <ul style="list-style-type: none"><li>• Presentation of each team member</li><li>• Schedule of activities</li><li>• Key documents/studies</li><li>• Preliminary list of key donors to consult with</li></ul>	March 2020	➤ Inception Report - format will be left at the discretion of the Consultant but should not exceed ten pages with an Executive Summary.

Project status 1	Activities undertaken on component 1 to 3	April/May 2020	<ul style="list-style-type: none"> <li>➤ Report will at least include: the list of donors, donors' profiles and prioritization, preliminary findings</li> <li>➤ Summary report &amp; power point presentation</li> </ul>
Project status 2	Activities undertaken on component 4 to 7	May/July 2020	<ul style="list-style-type: none"> <li>➤ Report inclusive of concept notes and proposals</li> <li>➤ Summary report &amp; power point presentation</li> </ul>
Project status 3	Activities undertaken on component 8	July/Sept. 2020	<ul style="list-style-type: none"> <li>➤ Report inclusive of an Executive Summary and concept notes</li> <li>➤ Summary report &amp; power point presentation</li> </ul>
The MedFund board meeting	Final report to be presented for validation by The MedFund board	August/Sept. 2020	<ul style="list-style-type: none"> <li>➤ Final reports &amp; final deliverables (component 1 to 7) - inclusive of an Executive Summary in French and English</li> <li>➤ Summary report &amp; power point presentation</li> </ul>

The Final Draft Reports are to be submitted to The MedFund one week before the deadline. The MedFund will give its definitive approval on the basis of the Final draft Report, but they reserve the right to have this report re-drafted by the consultant as many times as necessary.

## 11- BIDS

Bids must be emailed to the MedFund [contact@themedfund.org](mailto:contact@themedfund.org) by February **28<sup>th</sup> 2020 by midnight (CET time)**. Bids have to be signed by an authorized representative of the bidder. Proposals and questions can be submitted in French or English languages.

The candidate must submit technical and financial budget for each component and scope of work. A breakdown of fees and reimbursable expenses must be presented in the budget.

Desired Profiles:

- Higher degree in relevant area of study and extensive work experience related to resource mobilization in public and private sectors, advocacy, and communication;
- At least fifteen years' experience in the conservation sector, preferably in fundraising resource mobilization or partnership building
- Excellent analytical and organizational skills;

- Ability to lead strategic information collection, analysis and result-based use of Information;
- Ability to lead formulation of strategies and their implementation;
- Ability to apply Resource Mobilization and Partnerships building theory to specific institutional contexts;
- Excellent writing and presentation skills;
- In-depth knowledge and understanding of multilateral donors' organizations, as well as the current donor environment both in the US and in the EU contexts
- Ability to conduct strategic analysis and make resource mobilization-related policy recommendations at senior, organizational management level;
- Fluency in French & English is essential;
- Expert (s) in conservation finance a plus – ideally with a proven experience as CTF fundraising activities;
- Knowledge of marine protected areas and the Mediterranean region is a plus.

Each application must include:

- CV (s) of the expert (s) and references (related to each of the components of the study)
- The proposed methodology
- The completion schedule (specific to each objective)
- The bid estimated budget detailing the allocation of funds to different tasks and for each component and including, without limitation, personnel, travel, communication and logistics, and all equipment and / or supplies.

The candidate (consisting of one or more experts) must answer all the objectives stated in the brief. The candidate may subcontract one of the objectives to another provider (consisting of one or more experts). In this case, the applicant must submit a CV and references of the proposed subcontractors.

## 12- GENERAL SCORING SYSTEM OF THE OFFER

### Technical offer

The technical offer will be evaluated out of 100 points, based on the following criteria:

General experience and technical references: 60 points

The certificates submitted by the candidates will be evaluated according to their character, their number and their date of achievement:

- Type and number of similar studies led by the project managers (50 points):
  - Presentation of more than 3 studies: 50 points
  - Presentation of 2 or 3 studies: 25 points

- Presentation of 1 study: 10 points
- No certificate: 0 point
- Date of completion of the three most recent studies (10 points):
  - Within the last 3 years: 10 points
  - More than 3 years ago: 5 points

Methodology, organization and planning: 40 point

- The methodology of the study (30 points)
  - Fully meeting the terms of reference and objectives of the study: 30 points
  - Partially meeting the terms of reference and objectives of the study: 15 points
  - Not meeting the terms of reference and objectives of the study: 0 point
- Organization and planning: 10 points

Candidates with technical offers scoring under 70 points are eliminated automatically.

Among the successful candidates, the best score is made equivalent to 100 points, the scores of the other candidates are then adjusted based on the following equation:

$$\text{TSC} = \frac{\text{Initial technical score of the candidate}}{\text{Best initial technical score}} \times 100$$

### Financial offer

Financial offers of the tenderers having a technical score of at least 70 points are examined.

The financial offers are first compared with the maximum budget available for the contract. Tenders exceeding the maximum budget allocated for the contract are considered unacceptable and are eliminated.

For the remaining bids, scores are assigned as follows: the lowest bid is given 100 points, and the other bids are awarded points according to the following equation:

$$\text{PC} = \frac{\text{Lowest financial offer}}{\text{Financial offer of the tender being considered}} \times 100$$

Thereafter, the best value offer is selected by weighing the technical score against the financial score on a 70/30 basis, according to the formula below:

$$\text{N} = 0.70 \times \text{TSC} + 0.30 \times \text{PC}$$

N: Final weighed score

TSC: Technical Score of the candidate concerned

PC: Price offered by the candidate concerned

The winning bid will be the one receiving the highest value for N.

A selection panel will evaluate the quotes/proposals received in relation to the stated criteria above.

After the evaluation has been completed The MedFund will notify successful and unsuccessful bidders. A fixed-price contract will be established with the successful bidder in Euros or US dollars.

### 13- CHRONOLOGICAL LIST OF PROPOSAL EVENTS

RFP published	January 28 <sup>th</sup> 2020
Deadline for written questions	February 8 <sup>th</sup> 2020
Proposal due date	February 28 <sup>th</sup> 2020

Contact: [contact@themedfund.org](mailto:contact@themedfund.org)

### 14- INDICATIVE LIST OF STUDIES

Green EcoLand for FFEM Note d'Engagement de Projet :« Vers la création d'un fonds fiduciaire pour les aires marines protégées de Méditerranée » 2018

Barry Spergel & Kathleen Mikitin for Conservation Finance Alliance (CFA) - Practice Standards for Conservation Trust Funds 2016

Horwath HTL, Etude sur l'implication du secteur touristique dans le financement des Aires Marines Protégées de Méditerranée, 2015

Gobin, C. and Landreau, B. 2017. *Innovating conservation finance in West Africa and the Mediterranean*. MAVA Foundation.

Binet, T., Diazabakana, A., Hernandez, S. 2015. [Sustainable financing of Marine Protected Areas](#) in the Mediterranean: a financial analysis. Vertigo Lab, MedPAN, SPA/RAC, WWF Mediterranean. 114 pp.

MedPAN and SPA/RAC. 2016. The [2016 status of marine protected areas in the Mediterranean](#): main findings **Philanthropy and voluntary funding**

- OECD (2014). Venture philanthropy in development

- WINGS (2016). Infrastructure in Focus: The Landscape of Support to Corporate Philanthropy

#### **Multilateral Aid**

The Global Environment Facility and the Global Climate Fund

- GEF (2015). Behind the numbers 2015 a closer look at GEF achievements

- GEF -SG P (2016). Scaling up community actions for international waters management

- Green Climate Fund (2015). Issue02

- GCF (2015). Project briefs

Local and national RE DD+

- Parker, C., Mitchell, A., Trivedi, M., Mardas, N. The Little RE DD+ Book, 2009

- The RE DD Desk resources

- UN-REDD resources

- Sebastian Thomas, Blue carbon: Knowledge gaps, critical issues, and novel approaches, 2014

### **Debt-for-Nature Swap**

- B. Thapa and V. Sasidharan, “Debt-for-Nature Swaps and Protected Area tourism in coastal and marine environments: a symbiotic relationship for developing countries
- CFA, 2003: “Debt-for-Nature Swaps”
- Andrew Kessel: “Debt-for-Nature Swaps, a critical approach”, 2006

### **Impact Investing**

- Credit Suisse, WWF, and McKinsey & Company (2014). Conservation Finance – Moving beyond donor funding toward an investor-driven approach
- Credit Suisse, and McKinsey & Company (2016). Conservation Finance – From niche to mainstream, the building of an institutional asset class
- NatureVest and EKO Asset Management Partners (2014). Investing in Conservation – A landscape assessment of an emerging market
- Richter, B. (2016). Water Share: Using water markets and impact investment to drive sustainability. The Nature Conservancy

### **Biodiversity offsets**

- Joseph W. Bull, K. Blake Suttle, Ascelin Gordon, Navinder J. Singh and E. J. Milner-Gulland, Biodiversity offsets in theory and in practice, 2013
- BBOP publication library
- The Institute for European Environmental Policy (IEE P): Policy options for an EU not net loss initiative, 2014
- The Institute for European Environmental Policy (IEE P): Supporting the Elaboration of the Impact Assessment for a Future EU Initiative on No Net Loss of Biodiversity and Ecosystem Services, 2016

### **Payment for ecosystem services**

- Ecosystem Marketplace
- African Development Bank Group (2015). Payment for environmental services: a promising tool for natural resources management in Africa
- Huberman, D. (2008). A Gateway to PES: Using Payments for Ecosystem Services for Livelihoods and Landscapes. Markets and Incentives for Livelihoods and Landscapes Series No. 1, Forest Conservation Programme, International Union for the Conservation of Nature (IUCN), GlandGreen Bonds
- OECD, “Green bonds-Mobilizing debt capital markets for a low-carbon transition”, 2015
- Carolyn M. DuPont, James N. Levitt and Linda J. Bilmes: “Green bonds and land conservation: the evolution of a new financing tool”, 2015

### **Blue bonds**

- The World Bank (2015). Bonds for sustainable development
- NatureVest website

### **Park Bonds**

- Landreau B., Park Bonds: A new mechanism to secure the long-term financing of Protected Area networks, 2014



### **Project Finance for Permanence**

- WWF, "Project Finance for Permanence, key outcomes and lessons learned", 2015
- Redstone Strategy Group in collaboration with the Gordon and Betty Moore Foundation and the Linden Trust for Conservation, 2011.

Project Finance for Permanence: Lessons from landscape-scale conservation deals

- Redstone Strategy Group in collaboration with the Gordon and Betty Moore Foundation and the Linden Trust for Conservation, 2011.

Project Finance for Permanence. Assessments of three landscape-scale conservation deals: AR PA, Great Bear, and Forever Costa Rica

- Linden, L., McCormick, S., Barkhorn, I., Ullman, R., Catilleja, G., Winterson, D. and Green, L., 2012. 'A Big Deal for Conservation', Stanford Social Innovation Review