

TERMS OF REFERENCE

Consultancy services for the Development of an Environmental and Social Management System (ESMS) for the Fondo Biocorredor Amazónico (Fondo BCA)

A. Background

The [Fondo BCA](#) is a Conservation Trust Fund recently established to receive and manage financial resources from the Debt Conversion for Nature and Climate, carried out in December 2024 by the Republic of Ecuador in partnership with The Nature Conservancy (TNC), the International Development Finance Corporation (DFC) of the United States, and the Inter-American Development Bank (IDB).

Expected to unlock approximately \$460 million over the next 17 years, the effort will support the Amazon Biocorridor (BCA) Program, a management model for effectively conserving the Ecuadorian Amazon region. The BCA program - co-designed with Indigenous Peoples and Nationalities - will support the establishment of new protected areas and the improved management of existing ones, combining local knowledge and scientific evidence to guide strategies that enhance ecological connectivity and resilience.

Beyond the management of the Debt Conversion for Nature and Climate resources, The Fondo BCA is also expected to mobilize additional funding from various public, private sources globally and locally.

For its operations, the Fondo BCA will develop of **an Environmental and Social Management System (ESMS)** - based on the best international practices for Conservation Trust Funds - to provide its Board of Directors, donors, staff members and project implementers with policies and procedures to:

- Identify social and environmental risk in the activities it develops and supports,
- Avoid (or minimize) adverse environmental and social impacts, and
- Enhance positive impacts of the Fondo BCA's investments to the maximum extent possible.

The ESMS will be designed according to the strategic guidance provided by the Environmental and Social Management Framework (ESMF) that was finalized during the Debt for Conversion transaction phase. The ESMF was prepared with reference to TNC policies, national laws and regulations and the IFC Performance Standards and:

- Set the environmental and social baseline;
- Identified potential environmental and social impacts of the proposed conservation activities;
- Provided recommendations for high level mitigation measures and a monitoring plan to verify their implementation;
- Ensured meaningful engagement with Indigenous Peoples and Nationalities;
- Set forth requirements for the Fondo BCA ESMS and recommended the key steps for managing these impacts, including a Grievance Redress Mechanism.

B. Objective of the consultancy

The objective of this consultancy is to design an ESMS compliant with the strategic guidance provided in the ESMF and structured against the following "Applicable Standards":

- TNC's main frameworks for environmental and social management, including the TNC [ESMS for Green Climate Fund projects](#); the TNC [Voice, Choice and Action \(VCA\) Framework](#) (principles and guidelines for community-led conservation); [TNC's Human Rights Guide for Working with Indigenous](#)

[Peoples and Local Communities](#), [TNC's Guidance for Integrating Gender into Conservation](#), as well as Grievance Redress Mechanisms;

- [DFC Environmental and Social Policy and Procedures](#);
- [IFC Performance Standards](#);
- The Inter-American Development Bank (IDB) [Environmental and Social Policy Framework](#) (ESPF), including its 10 Environmental and Social Performance Standards, version October 31, 2021.
- Ecuadorian environmental and social legislative and policy framework, Sustainable Finance Principles, Guidelines and associated E&S due diligence tools, among others;

The ESMS will be composed of the following key elements:

- a) E&S Policy – A brief declaration of the organization's commitment to sustainable development and management of E&S issues.
- b) A Grievance Redress Mechanism.
- c) E&S Procedures - To detail how the organization addresses E&S and sustainability issues as part of its investment operations and to provide step-by-step instructions focusing on what needs to be done and by whom at various stages of the investment cycle.
- d) E&S Guidelines and Tools - to provide guidance and tools and tools to responsible staff on how to carry out the various steps outlined in the E&S Procedures and on what to look for when conducting an E&S review.
- e) Record keeping and documentation management system - to ensure that the steps taken to comply with the ESMS requirements are formally recorded and tracked.

C. Scope of Work

While this ToR aims to outline the core tasks, the Consultant team shall critically verify the scope of services indicated and may extend, reduce or amend those services wherever such is deemed necessary according to their own professional judgement and knowledge. Any suggested amendments to the ToR should be clearly documented within the Consultant team's submission, including accompanying justification for the proposed amendments, and must be approved by the contracting party.

The consultancy will cover the following activities:

Task 1 – Review the relevant existing documentation prepared by Fondo BCA and/or its partners and finalise a workplan for the assignment.

- Kick-off meeting (virtual) with Fondo BCA relevant representatives.
- Review the information relating to the financial operation with regard to safeguards and rights.
- Review the existing relevant documentation prepared by Fondo BCA and/or its partners - including the ESMF.
- Organize working meetings with focal points and priority actors in coordination with the Amazon Biocorridor Programme.
- Prepare a workplan, with a detailed timeline and any resources needed in coordination with key stakeholders.

Deliverables. Following the analysis, the consultant will:

- Finalize a document review that identifies any gaps in baseline data and potential inconsistencies between national and international E&S standards and requirements.
- Prepare a short inception report (with methodology and workplan). The inception report will be discussed with the Fondo BCA team, amended and finalized. The work plan will form the basis of the detailed terms of the assignment, shall be approved by Fondo BCA prior to starting the work and will be routinely reviewed and adapted with Fondo BCA during the assignment.

Task 2 – Develop the Fondo BCA ESMS

The objective of this ESMS is to effectively anticipate and avoid, minimize, mitigate or compensate as appropriate for E&S impacts by appraising and managing the environmentally and socially derived risks and opportunities, associated with Fondo BCA funded activities.

The Fondo BCA funded activities are mostly aimed at the protection of biodiversity, its restoration and sustainable use and management of natural resources. Anticipated risks from the Fund operations would rather be related to the area of social risks and its potential impacts. Environmental risks and its potential impacts could arise as well, but would rather be limited to the establishment of small-scale infrastructure and other physical interventions at the project level, with most likely moderate impacts limited to the respective site and manageable with standard mitigation measures.

The ESMS will be developed against the “Applicable Standards” and its operation shall ensure:

- Screening of Environmental and Social Risks
- Categorization of the environmental and social risks and potential impacts associated with Fondo BCA funded projects and grantee activities respectively.
- Risk-appropriate appraisal of the capacity of grantees and beneficiary communities to responsibly/appropriately manage the E&S risks associated with their activities/local activities.
- Development of sufficient and appropriate information regarding E&S risks to allow Fondo BCA to make an informed decisions about the acceptability of those E&S risks.
- Implementation of necessary risk control actions and tools/templates/safeguard instruments required by the relevant standards to ensure that grantees and target communities avoid, mitigate and/or compensate environmental and social risks and impacts.
- Development of and adherence to a Fondo BCA Specific Exclusion List - i.e a list of activities which will not be funded, risk settings where the development of sustainable projects is deemed not possible.

The ESMS shall be built on the elements mentioned below – to be integrated into the Fondo BCA ESMS Manual and referenced in the Fondo BCA Operations Manual (a draft is in place):

a) Environmental and Social Policy

The Consultant shall develop an Environmental and Social Policy Statement, declaring the Fondo BCA commitment to sustainable development and management of E&S issues, including e.g. any risks and impacts on local communities, indigenous peoples, and livelihoods. The Policy Statement shall incorporate language related to the Fondo BCA Grievance Redress Mechanism policies to be developed as part of this consultancy. The Policy – as the central frame of the ESMS – is to be integrated in the Fondo BCA ESMS Manual and referenced in the Fondo BCA Operations Manual.

b) Grievance Redress Mechanism

The Consultant shall develop an institutional Grievance Redress Mechanism that:

- Provides a predictable, transparent, and credible process to all potentially affected parties, resulting in outcomes that are seen as fair, effective, and lasting.
- Builds trust as an integral component of broader community relations activities.
- Enables more systematic identification of emerging issues and trends, facilitating corrective action and preemptive engagement.

The design of the Grievance Redress Mechanism will be informed by the following 5 key principles of proportionality, cultural appropriateness, accessibility, transparency and accountability, and appropriate protection.

The Grievance Redress Mechanism shall be made public via appropriate channels (e.g., the [Fondo BCA website](#)), and, in the case of communities or indigenous peoples that do not have access to the Internet, a printed form will be prepared and distributed to communicate the Grievance Redress Mechanism more widely.

c) Environmental and Social Procedures

The Consultant shall establish procedures that detail how Fondo BCA addresses E&S and sustainability issues as part of its operations. The Procedures shall be developed against the requirements of the “Applicable Standards”, and described as detailed step-by-step instructions focusing on what needs to be done and by whom at various stages of the grant/-project cycle (including monitoring & supervision and reporting, and requirements for Fondo BCA grantee legal grant agreements) and incorporated into the Fondo BCA ESMS Manual and referenced in the Fondo BCA Operations Manual. The ESMS will follow the Plan-Do-Check-Act (PDCA) cycle to ensure continuous improvement.

The Procedures shall detail the various stages of risk appraisal from initial project development stage (including risk screening and risk categorization, determination of required safeguard instruments) to project preparation (including development of baseline information and safeguards instruments) up to project implementation (including monitoring, supervision, reporting and evaluation).

As per the IFC Performance Standards, the procedures shall cover tentatively the following areas – as deemed appropriate and relevant:

- Assessment and Management of Environmental and Social Risks and Impacts
- Labor and Working Conditions
- Resource Efficiency and Pollution Prevention
- Community Health, Safety, and Security
- Land Acquisition and Involuntary Resettlement
- Biodiversity Conservation and Sustainable Management of Living Natural Resources
- Indigenous Peoples
- Cultural Heritage

The development of the ESMS shall be undertaken in close cooperation with the Fondo BCA management, shall comprehensively take into account existing management procedures and shall be tailored to the specifics of Fondo BCA-financed projects (including grantees and local level specifics).

The ESMS with all relevant procedures will be closely linked to the overall Fondo BCA management procedures, the specifics of the project cycle including sequencing of activities and overall requirements, such as contents of applications and project proposals or reporting formats.

d) Environmental and Social Guidelines and Tools

The Consultant shall develop tailored guidance to responsible staff on how to carry out the various steps outlined in the E&S Procedures and on what to look for when conducting an E&S review. The Guidelines shall encompass useful tools, including e.g. a checklist for Risk Screening, a Risk Categorization tool, guidance to facilitate preparation for site visits. The Guidelines shall also encompass specific guidance for e.g. the following areas:

- Restrictions to the use of natural resources.
- Human wildlife conflict/coexistence management.
- Gender equity.
- Free, Prior and Informed Consent (FPIC). The guidance will build on international standards and the national FPIC processes, as established in Ecuadorian legislation. For each Fondo BCA-funded project, it must be determined whether FPIC, in accordance with international standards, or the legally mandated national consultation process under Ecuadorian law applies.

This includes identifying the specific legal requirements for each case. The consultant shall develop a methodology to ensure compliance with the applicable process, aligning with both international best practices and Ecuadorian regulatory frameworks.

- Project-level Grievance Redress Mechanisms.

e) Documentation and Record Keeping

The Consultant shall, in cooperation with the Fondo BCA team, develop a documentation system to ensure that the review and analysis conducted and the required mitigation or corrective measures, as applicable according to the E&S Procedures, are:

- Integrated into the Fondo BCA ESMS Manual,
- Integrated into the Grant Agreements (contracts with grantees), and into plans for mid-term and final evaluations,
- Integrated in relevant programs/action plans/capacity building on the target community level,
- Available in a structured and transparent Fondo BCA database (this database is part of the scope of work of this assignment).

Deliverables. The consultant will prepare the ESMS documentation, including, but not be limited to:

- Fondo BCA ESMS Manual, integrating all key procedures and governance structures and including the Environmental and Social Risk Management Procedures - (See Annex 1 for an outline):
- Additional tools including e.g. Risk Screening Checklists, Questionnaires, Monitoring Templates, guidance for social surveys, sample ToR for ESIA's, outline for ESMPs, templates for E&S requirements in Grant Agreements, Templates for E&S management procedures/routines on the level of target communities, Indigenous Peoples Plan template.
- Grievance Redress Mechanism and preparation of the Grievance Redress Mechanism materials to be published on the Fondo BCA website or printed for local communities and indigenous peoples with no access to the Internet.

All deliverables will be submitted in a draft version for comment, will be validated via a validation workshop with the Fondo BCA team and partners (TBD if virtual or in person). The draft might also have to be submitted to donors for comments.

All deliverables need to be produced in English and Spanish. Preferably the draft versions should be produced in English for review and then translated to Spanish.

Based on the draft ESMS and the results of the validation workshop, the Consultant shall review and produce the second and final version of the ESMS. The final version will require the Fondo BCA Board approval.

D. Timeline and Deliverables

ESMS Fondo BCA would like to complete this work by 30th July 2025, according to the following deadlines:

| Deliverables | | Target due dates | Instalment (%) |
|---|---|-----------------------|----------------|
| Task 1: | Inception report with methodology and workplan | April 1 st | 20% |
| | Document review with identified gaps | April 7 th | |
| Task 2 – ESMS documentation but not limited: | First draft of the Fondo BCA ESMS Manual (integrating all key procedures and governance structures) | June 13 th | 40% |
| | Grievance Redress Mechanism | June 13 th | |

| Deliverables | | Target due dates | Instalment (%) |
|--------------|---|-----------------------|----------------|
| | Environmental and Social Guidelines and Tools | July 11 th | 20% |
| | Final draft of documentation | July 30 th | 20% |

E. Duration of contract and Payment

This contract is anticipated to go from March 25th until September 25th. The consultant will be paid installments as outlined above.

F. Qualifications

- The project team must include at least one local consultant or staff member, proposed by the Consultant and firm. Their qualifications should align with the scope of services and demonstrate excellent technical and professional qualification. The Consultant shall provide a description of tasks to be performed by each team member as well as details on the selection and experience of the proposed members with regard to their tasks. The Consultant shall provide updated curricula vitae (CV) of the proposed international and local/regional staff. Key staff should have adequate education, professional experience, language skills and experience in the region.
- Experience with project development, Conservation Trust Funds, E&S risk screening, Environmental & Social Safeguards and ESMS implementation.
- Proven experience working in Latin America, preferably in Ecuador or the Amazon region, with familiarity with national environmental and social legislations and regulations.
- Strong background in environmental and social impact assessments (EIA/ESMPs), stakeholder engagement, FPIC processes, and grievance redress mechanisms.
- Excellent oral and written communication skills in English and Spanish.

G. Conflict of Interest

Any contract resulting from this ToR must comply with Fondo BCA’s rules on procurement and conflicts of interest.

H. Institutional arrangements

This assignment should be conducted by an individual consultant or a consultancy team of a professional legal entity (consulting company, NGO, etc.). Qualifications of the preferred contractor are the ones listed above.

Fondo BCA will provide the contractor with all relevant documents including the Debt for Conversion ESMF and any existing Studies and Reports, discuss and agree on the methodologies, assist in organizing meetings and workshops. The contractor should report the progress of the deliverables every week to the Project Manager. The contractor is expected to ensure timely identification of potential risks and signals of any delays in deliverables and inform Fondo BCA Project Manager in a timely manner.

I. Submission of proposals and selection process

Proposals should be composed of a brief introduction of the team’s experience related to ESMS development, a brief introduction of the team’s experience related to ESMS development a narrative (up to max 5 pages) explaining the approach to prepare the deliverables and considerations regarding the target dates suggested in these Terms of Reference. A financial proposal (up to max 2 pages) should be composed of estimated number of days to complete each deliverable and daily rates. The travel-related costs must be included as part of the financial proposal, ensuring they are integrated into the total budget to avoid separate payments and administrative inefficiencies. The financial proposal shall cover all related costs for the development of the consultancy.

The selection criteria for the selection of the consultant will be:

- Compliance with minimum qualifications
- Level of alignment with desired experience
- Capacity to carry out all planned activities through the proposed approach
- Reasonable financial proposal

Procurement activities will be conducted in a nondiscriminatory manner with fair treatment given to all proponents. Fondo BCA hereby reserves the right to (a) reject any and all offers for any reason whatsoever, (b) waive immaterial project requirements, and (c) pursue purchasing in a manner that is in the best interests of Fondo BCA.

The technical and economic proposals will be received until the following e-mail addresses by March 11th until 18h00 (GMT-5, Ecuador, Bogotá, Lima time):

info@fondobiocorredoramazonico.org and g.cevallosojeda@tnc.org.

Questions to clarify this Request for Proposals may be sent to the emails above before the deadline.

ANNEX 1 - Outline of the “Environmental & Social Operational Manual”

The following content is the minimum expected to be included in the final document by the Consultant:

I. Introduction

- Context
- Legal/policy Reference Framework and Applicable Standards
- Purpose of this Document

II. Institutional and operational arrangements

- Scope of the ESMS
- Overall E&S Governance Arrangements
- How the ESMS fits into the Fondo BCA Project Cycle
- ESMS review
- ESMS disclosure, reporting and external communication
- Monitoring & Evaluation

III. Environmental and Social Policy and Standards

- Environmental and Social Policy
- Environmental and Social Standards (tentative list)
 - Assessment and Management of Environmental and Social Risks and Impacts
 - Labor and Working Conditions
 - Resource Efficiency and Pollution Prevention
 - Community Health, Safety, and Security
 - Land Acquisition and Involuntary Resettlement
 - Biodiversity Conservation and Sustainable Management of Living Natural Resources
 - Indigenous Peoples
 - Cultural Heritage
- Environmental and Social Guidelines and Tools

IV. Grievance Redress Mechanism

V. Exclusion List