



“Design Stage Planning for a Pilot Program to Microfinance Community Conservation”

March 24, 2022

I.- BACKGROUND ON WWF

The World Wildlife Fund, WWF, is one of the largest independent conservation organizations at the international level. It was founded in Switzerland in 1961 and currently counts five million partners, 4,500 employees, 75 offices, and more than 13,000 projects in 157 countries around the globe.

II.- BACKGROUND

The Amazon is a vitally important ecosystem for climate regulation, biodiversity, economies, cultural identity, and local traditions; protection of this ecosystem is more than a conservation issue. However, socioeconomic drivers have been causing hundreds of thousands of hectares of Amazonian forests to be cut down annually to make way for the construction of dams, roads, mines, and grazing pastures. The discussion around the Amazon has traditionally been framed as a trade-off between economic development and environmental conservation, but this is a false choice. WWF offices in Ecuador, Peru, and Bolivia regularly work with rural and indigenous communities in the Amazon to develop nature-based businesses to create livelihoods. However, finance for these businesses is often difficult to find.

Enter Kiva: an international nonprofit organization dedicated to expanding financial access to help underserved communities thrive. In pursuit of this mission, Kiva manages a digital marketplace that provides risk-tolerant capital to microfinance institutions and social enterprises across the globe to help those excluded from traditional financial markets access credit. Kiva works in over 70 countries with 250 partners and provides USD 150+ millions of credits to these partners annually. However, the rural and indigenous counterpart communities within the Amazon with which WWF priority countries regularly work have remained largely out of reach of Kiva's financing.

WWF posits that a partnership with Kiva and its proven microfinance platform can expand financial access to these counterparts to fund an array of nature-based businesses which mainstreams conservation into local economic activity. This can be achieved through a blended finance modality which utilizes grant funding for WWF technical assistance to create the enabling conditions for Kiva lending to local entrepreneurs. A Strategic Plan for the creation of this partnership will require a modality be agreed upon that meets the needs of all relevant stakeholders, that costs of implementation and associated financial gaps are estimated, and that a workplan for building capacity is developed.

III.- OBJECTIVES

The principal objective of this consultancy is to design a Strategic Plan for the implementation of a WWF-Kiva partnership. The Strategic Plan will guide the start-up phase of the partnership which will be executed over the course of 1-2 years. The Strategic Plan has three goals:

- **Program Design** – The Strategic Plan must finalize the modality proposed in the feasibility study with consideration given to the operating procedures of Kiva and its associated MFIs, the needs of local entrepreneurs, the capacity of WWF country offices, and the anticipated ESG impacts of a WWF-Kiva partnership.
- **Capacity Needs Assessment** – The Strategic Plan must evaluate the necessary capacity of WWF's country offices to execute the functions outlined in a proposed WWF-Kiva modality and design a workplan for the field offices to build what capacity they may presently lack.

- **Financial Planning** – The Strategic Plan must estimate the costs for partners including Kiva, WWF, WWF country offices, and any potential third parties of building capacity and executing functions associated with a WWF-Kiva partnership, the financial gap prohibiting these activities, and the structure of a blended financial model and its potential funding sources such as foundations, multilaterals, etc. to resolve said financial gap.

The main deliverable is a collaborative draft of the Strategic Plan which includes input from WWF country offices, Kiva and its associated MFIs, and local entrepreneurs identified as eligible for Kiva lending.

IV.- ACTIVITIES

1. *Conduct interviews with stakeholders*

- Arrange interviews with WWF country offices and local entrepreneurs to understand the context of a WWF-Kiva program, and the enabling conditions that need to be established for its implementation.
- Arrange interviews with Kiva and its associated MFIs to understand their operating procedure, and how microfinance can be aligned with WWF goals to finalize a modality for the partnership.
- Conduct interviews with members of NeSST, a Kiva partner which provides the financial component of the Amazon Indigenous Rights and Resources (AIRR) project, to understand the challenges and key insights of microfinancing nature-based business in the Amazon.
- Identify and arrange interviews with other relevant internal or external actors, such as those that may be able to provide financial education, technical assistance, or other enabling services, if necessary.

2. *Analyze relevant documents*

- Review the feasibility study regarding a WWF-Kiva partnership, such as the proposed modality, the roles assigned to the country offices and MFIs, and the different means by which Kiva can provide lending to nature-based businesses.
- Review relevant financial documents and budgets which provide an understanding of the fiscal context in which WWF country offices operate, including the funding available to provide technical assistance to nature-based businesses and its associated costs.
- Review documents which detail the context of microfinance in South America, including the operations of other microfinance programs which provide insight into what can be accomplished by a WWF-Kiva partnership.
- Review relevant Kiva documents.

3. *Prepare a draft of the Strategic Plan*

- Develop a draft of the Strategic Plan, which finalizes the modality of a WWF-Kiva partnership and includes a workplan for capacity building and a financial plan for analyzing costs and existing financial gaps.
- Submit the draft for feedback from the WWF technical managers, WWF country offices, and Kiva.
- Using the feedback from the previous step, prepare a final draft of the Strategic Plan.

V.- METHODOLOGY

- Review the documents listed in the Activities section for context and perform a literature review of other relevant documents.
- Consult with the WWF technical managers (Esteban Brenes and Jacob Walker), Kiva technical managers (Patrick Flynn), and other relevant WWF personnel.
- Prepare meetings with the WWF country offices.
- Field trips to local entrepreneurs.
- Align the Strategic Plan proposal with the goals of WWF and the country offices.

VI.- PRODUCTS

1. Proposal of methodology with a work plan
2. First draft of a Strategic Plan, no more than 25 pages in length, including:
 - a. A finalized outline of a WWF-Kiva modality
 - b. A capacity needs assessment and corresponding capacity building workplan
 - c. A financial plan which outlines costs associated with capacity building and partners operational costs in implementing a WWF-Kiva partnership, and the structure of a blended finance model.
3. Final draft of a Strategic Plan, including a two-page summary in English and Spanish and a presentation deck about findings and recommendations.

All products should be made in English.

VII. – CONSULTANT PROFILE

- Master's degree in Sustainability, Economics, Business Administration, Finance, or related field.
- At least 8 years of proven experience in establishing conservation finance mechanisms, including the design and financial planning of conservation projects, preferably in Latin America.
- Understanding of the context of conservation in the Amazon.
- Understanding of the context of microfinance in South America.
- Ability to align stakeholders around shared goals and facilitate the exchange of information.
- Excellent capacity to summarize, write and present.
- Strong communication skills.
- Fluency in English and Spanish.

VIII.- TERM

The consultancy will have a duration of approximately 3 months.

IX.- BUDGET

The total budget for fees and materials is **\$30,000 USD**. Prior to the signing of the contract, the consultant will be asked for a detailed structure of the costs, including estimates of fees, materials for workshops, travel and any other operational expenses.

X.- CALENDAR OF PRODUCTS AND PAYMENTS

Product	Due Date	Payment
Estimate of Operational Expenses	At contract signing	No operational expenses estimated.
Product 1: Proposal of methodology with a work plan	A week after the signing of the contract	10% (3,000 USD)
Product 2: First draft of a Strategic Plan	Two months after the signing of the contract	30% (9,000 USD)
Product 3: Final draft of a Strategic Plan	Three months after the signing of the contract	60% (18,000 USD)

Please note that this consultancy will be funded in part by a grant from the Conservation Finance Alliance's (CFA) Incubator, and that final payment will be subject to a processing period in which funds are transferred from the CFA to WWF before being made out to the consultant.

To apply to this consultancy, please send a resume and cover letter to Jacob Walker (Jacob.Walker@wwfus.org) no later than April 15, 2022.