



Request for Proposals (RfP) Consultancy services for the Support for the assessment of environmentally harmful subsidies (EHS) in Luxembourg

IUCN European Regional Office

RfP Reference: IUCN-25-04- P04776 - 5

TERMS OF REFERENCE

Overall objective of the Consultancy

Provide comprehensive technical support to IUCN for the development and implementation of a methodology for the identification of non-energy subsidies harmful to biodiversity in Luxembourg.

About the Project

The Kunming-Montreal Global Biodiversity Framework (KMGBF), adopted in 2022, urges signatory parties to develop National Biodiversity Finance Plans, extending beyond NBSAPs. However, the EU lacks sufficient biodiversity-related finance data, hindering effective resource management. The overall project, under which this consultancy falls, assists Belgium, Finland, Luxembourg and the Netherlands in creating comprehensive biodiversity finance plans through five key activities:

1. Assessing current biodiversity finance policies and institutions.
2. Evaluating current environmentally harmful subsidies.
3. Reviewing current biodiversity expenditures.
4. Determining financial needs for reaching national biodiversity goals.
5. Integrating findings into cohesive finance plans.

Using a common framework, the overall project of which this consultancy is part, enhances efficiency, consistency, and inter-country learning while ensuring each country's plan is comprehensive and self-sufficient. Goals include developing national finance plans, increasing biodiversity funding, and generating applicable knowledge for other EU countries and beyond.

The broader project is supported by the European Commission and is managed by the IUCN European Regional Office in collaboration with the IUCN Economy and Finance Team. This consultancy will be developed in continuous collaboration and communication with the IUCN Team. IUCN is also responsible for sharing of findings and useful information between the different beneficiary Member States of this project.

The overall aims of this specific consultancy as part of the TSI project are:

- 1/ Design and apply/test the methodology to collect and establish inventory of EHS harmful to biodiversity across all policies.
- 2/ Organise several rounds of workshops with experts on EHS to discuss and validate findings.
- 3/ Collect and report data on existing EHS in Luxembourg across the levels of government.

4/ Outline SMART¹ recommendations to phase out or reform priority EHS harmful to biodiversity.

5/ Validate findings and recommendations with relevant stakeholders from federal and regional authorities.

Description of the Assignment/ Scope of Work

The following activities are to be implemented for this part of the project:

Evaluation of EHS

1. Design and application of methodology:

- Agree on common methodology for application.
- Develop long-list of subsidies
- First phase evaluation of subsidies (EHS or not).
- Second phase evaluation of EHS (counterfactual and materiality analysis).
- Finalize short list of EHS.
- Monetary estimate of short-listed EHS.

2. Organisation of workshops:

- Workshop on tool for evaluation of EHS.
- Workshop to develop long-list of subsidies.
- Workshop or bilateral meetings to discuss and validate counterfactual and materiality analysis.
- Final workshop to present results.

3. Report data on existing EHS.

- Agree on reporting.
- In collaboration with IUCN and the national TSI project focal point, develop report on EHS in Luxembourg.

Recommendations on phasing out EHS

4. Overview of potential actions

- Prepare an overview of potential actions for reducing the negative impact of EHS.
- Review this overview with the relevant subsidy-granting entities.
- Finalize recommendations.

Duration of the Assignment

- 6 months

Deliverables and Activities

The consultant will provide the following deliverables:

- Output 1: Report presenting the methodology applied for the identification of EHS and its findings.
- Output 2: Long list of subsidies to be analysed.
- Output 3: 2 in-person workshops
- Output 4: 3 online workshops
- Output 5: Report with short list and monetary value of EHS for Luxembourg.
- Output 6: Report with an overview of alternative strategies for reducing the negative impact of EHS.

The consultant will carry out the following activities in collaboration with IUCN.

¹ Specific, Measurable, Achievable, Relevant, and Timebound

Timeline of key activities:

Activities		Months					
		1	2	3	4	5	6
Report on EHS							
1.	Design and apply/test the methodology to collect and establish inventory of EHS.						
	• Agree on common methodology for application.						
	• Develop long-list of subsidies						
	• First phase evaluation of subsidies (EHS or not).						
	• Second phase evaluation of EHS (counterfactual and materiality analysis).						
	• Finalize short list of EHS.						
	• Monetary estimate of short-listed EHS.						
2.	Organise several rounds of workshops with experts on EHS to discuss and validate findings.						
3.	Report data on existing EHS						
Recommendations on phasing out EHS in LUX							
4.	• Prepare an overview of potential actions for reducing the negative impact of EHS.						
	• Review this overview with the relevant subsidy-granting entities.						
	• Finalize recommendations.						

Duration and coordination

The time of this consultancy is 6 months.

Way of working (with the unit/project): The consultants will be responsible for maintaining permanent contact with the project coordinator Juha Siikamäki, and the IUCN project Team to ensure the proper and participatory execution of each of the work stages, including, when applicable, the organization of field visits, workshops, and meetings, among others.

The delivery of the products will include all the files developed in digital format, with the texts, databases, and other work done to produce the products.