

Terms of Reference – HCSA Business Model Consultancy

I. HCSA Background

The [High Carbon Stock Approach](#) Steering Group (HCSA SG) is a membership-based, multi-stakeholder initiative with a mission to end commodity-driven tropical deforestation by providing land managers with practical, credible, and inclusive tools for land use planning.

The High Carbon Stock Approach (HCSA) Steering Group is an organisation with [three functions](#):

- 1) **An Approach (HCSA Toolkit development) function:** The HCSA Steering Group (SG) develops and periodically reviews the [High Carbon Stock Approach Toolkit](#), and associated methodologies and guidance, to provide practical guidance for land managers on how to implement No Deforestation commitments on-the-ground through an integrated conservation and land use planning approach. The Toolkit and associated methodologies are adapted for implementation at different scales by land managers in commodity supply chains in the tropics.
- 2) **Quality Assurance (HCSA Toolkit Implementation support) function:** The HCSA Secretariat, Quality Assurance Working Group, and peer reviewers provide a quality assurance process for stand-alone assessments. The HCSA also provides accreditation of HCSA trainer organisations and registered HCSA practitioners, as well as maintaining a grievance procedure. These functions aim to support HCSA Toolkit implementation in addition to quality assurance processes undertaken by the High Conservation Value Network ALS system for HCV-HCSA Assessments.
- 3) **Monitoring Implementation of the HCSA (Impacts) function:** The HCSA monitors the long-term effectiveness (i.e., maintenance of identified conservation areas) of the implementation of the HCS Approach. The HCSA monitoring system is established through spatial data from HCSA assessments which delineates areas for development and areas for conservation or community use. In addition, the monitoring is supported by the provision of spatial data from SG members and other land managers, practitioners, or collaborators using the HCSA. The result of the monitoring will inform future revisions of the HCSA Toolkit and associated methodologies, internal membership performance evaluation processes, alert, and response protocols, and support the organisation and members in communicating publicly on the impacts achieved by HCSA implementation.

The High Carbon Stock Approach is a registered [charitable foundation](#) in the Netherlands (Algemeen Nut Beogende Instelling, (ANBI); with two subsidiaries located in Malaysia and Singapore.

The HCSA's core revenue is accrued through HCSA Steering Group annual membership fees which historically have been sufficient to meet HCSA's operational costs. Support for HCSA's priority workstreams and Toolkit development has been reliant on donors' support. HCSA is seeking to explore and define a scalable business model for HCSA to effectively meet HCSA's

future needs and ambitions outlined in its [2021-2025 Strategic Business Plan](#) and provide services, products, and benefits that complement HCSA's main functions to a wide variety of actors. Moreover, it is integral that the business model is one that is tied to enhancing the value proposition for HCSA Steering Group member organisations which is: *'The most widely recognized and credible method for implementation of tropical no deforestation commitments, offering clear, consistent definitions and practical methodologies for all parties.'*¹

II. Objective

The HCSA Secretariat's Executive Director (ED), with support from the HCSA's Executive Committee (EC), is seeking to work with a consultancy to explore and define a scalable business model for HCSA, one that is tied to enhancing the value proposition for HCSA Steering Group member organisations, HCSA stakeholders and/or other potential clients.

III. Consultancy Remit

We are seeking the expertise of a consultant to support HCSA's ED and EC to conduct a technical analysis on viable business model options, with member benefits, to meet HCSA's future needs and ambitions outlined in its [2021-2025 Strategic Business Plan \(SBP\)](#) and to complement HCSA's three functions to make the organisation long-term financially robust.

The consultant will conduct the following tasks:

1) Business Canvass Model Analysis

Output: Business Canvass Model Analysis report and produce three HCSA business model proposals.

Objective: To scope and canvass business model options for HCSA through conducting an analysis to identify new opportunities to expand HCSA's services and products to enhance the value and benefits to its current and future clients.

1.0 The Business Canvass Model Analysis report should include the following components:

1.1. Client Review - Toolkit User/Members/Donors/Other supporters and partners:

Review HCSA's existing and potential client/stakeholder groups including its membership base, toolkit user clients, donors, partners, and other actors such as financial institutions, communities, and governments to identify HCSA's client target segments.

1.2. Service Valuation – conduct a review of:

¹This is evidenced by: incorporation in leading certification schemes, as well as production, procurement, and financing policies; application in 10 countries; ongoing adaptation in a full range of applications and contexts (e.g., smallholders, landscapes).

- 1.2.1 Previous feedback/surveys from key target client audiences (*current and prospect HCSA members, partners, Toolkit users, and others*) on HCSA's services and values (*review recent feedback from HCSA members and external parties gathered in 2020 & 2018*);
- 1.2.2 Potential HCSA Services and Product Analysis to identify what services are in demand from HCSA's clients and what activities will generate sales. This should include an analysis of HCSA's current services (*see HCSA's three main functions and the SBP*) and survey a sample of target client segments, outlining the channel outreach across the different segments, to identify which services and products should be maintained and enhanced; and what new services and products that HCSA should potentially develop.

1.3. Market Review – A market review (*including reviewing a 2020 review of potential competitors in the marketplace*) on the current market demand for responsible integrated conservation land-use planning and monitoring no deforestation tools, tools that demonstrate and monitor tropical forest conservation and climate carbon storage and biodiversity benefits with respecting rights and livelihoods, where HCSA plans to expand (*See HCSA's SBP and HCSA main functions*), and conduct market trend analysis to understand potential future demand for HCSA's services and products – particularly with relation to emerging re/new focus on private and public sector commitments to end deforestation by 2030 tied or inspired by the Glasgow Leaders Declaration on Forests and Land Use.

1.4. Expansion plan – support the review of HCSA's plans to expand into new geographies and commodities at different scales with an array of implementation tools and identify new opportunities (*See HCSA's SBP*) that match client demand for services.

2.0 Business Model Proposals & Recommendations – identify at least three fully defined business models proposals for the HCSA ED and EC to review:

2.1 Business model options - Building upon the outcomes of the business model scoping analysis the consultant will produce three key business model proposals with: targeted clients including HCSA members, benefits, services, and product options; clearly defined value propositions; etc. The proposals should also outline respective strengths, weaknesses, opportunities, and threats as well as resources required for their implementation.

2.2 Business Model Recommendation - Recommendations of which business model options are most viable will presented and consulted with the HCSA ED and EC to support a decision for which model will be adopted.

2.3 Finalise HCSA Business Model Report – Address feedback on business model recommendations by HCSA ED and EC for the most supported model and finalise HCSA Business Model recommendations report.

IV. Deliverables & Timeline

Output	Timeline
1.0 Business Canvass Model Analysis report	31st March 2021
1.1 Client Review	February 2021
1.2 Service Valuation	March 2021
1.3 Market Review & Expansion plan	March 2021
2.0 Business model analysis report produced and presented and consulted to the HCSA	Early April 2021
3.0 Finalisation of the Business model recommendations report	End of April 2021

V. Budget

The maximum budget for this work is USD 30,000.

VI. Qualifications and skills

- At least 8+ or more years of business-related experience supporting and servicing clients on business services/model development.
- Proven track record of past client performance and business model support success.
- Experience and/or knowledge related to land use management and conservation, commodity production systems, and natural resource management certification schemes and/or initiatives is an advantage.
- Strong analytical, conceptual, and problem-solving abilities
- Proven track record of excellent project and time management skills.
- Fluency in English is a requirement.
- Does not have a conflict of interest (independent/not part of HCSA SG).

VII. Tender Requirements

A. Technical Specifications

A.i Potential Suppliers should describe from their understanding of the Objectives and Scope of the Assignment, as well as the context of the project, how their Nominated Personnel will facilitate delivery of each task set out in the Terms of Reference.

A.ii A description of the anticipated Workplan, plotting the delivery of the tasks mentioned above linked to the level of effort of each of the Nominated Personnel should also be provided. This Workplan must identify proposed output-based payment deliverables, dates, and amounts.

B. Financial Specifications

Potential suppliers of the tender must include a budget that states the daily fee rates (based on an 8-hour working day for one person) for all the Nominated Personnel and includes the total value of all expected Reimbursable Expenses. The total budget should be inclusive of any relevant taxes.

The total budget must be in USD Dollars (USD) or Euros (EUR).

C. Relevant Experience

Potential Suppliers should identify 2 assignments undertaken within the last 2-4 years relevant to this TOR and the project context. A summary of each of the assignments should be provided, as should the name and contact details for referees who can verify performance.

CVs must be provided for all Nominated Personnel expected to contribute to the performance of this TOR.

VIII. Tender Assessment Process

The HCSA Executive Director and appointed Executive Committee members will review tenders based on their fulfilment of the ToR technical specifications, relevant experience, proven performance, and competitiveness of the bid.

Please submit tender submissions to HCSA Secretariat at info@highcarbonstock.org by the **deadline of 17th January 2022**.