Indo-German Biodiversity Programme
Conservation and Sustainable Management of
Existing and Potential Coastal and Marine Protected Areas in India (CMPA)

***Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) GmbH, New Delhi, India**

Terms of Reference for a Feasibility Study on the Sustainable Financing of the Coastal and Marine Biodiversity Park at Airoli in Thane Creek, Mumbai, Maharashtra

January 2016

1 General Information

Funding Project :	Conservation and Sustainable Management of Coastal and Marine Protected Areas, India (CMPA)
Project No.	2011.9299.6-001.00
Duration of the consultancy	Four months

2 Context, Background & Objective

The Ministry of Environment, Forests and Climate Change, Government of India (MoEFCC) has entered into a technical cooperation agreement with the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) for implementing the project 'Conservation and Sustainable Management of Existing and Potential Coastal and Marine Protected Areas (CMPA)'. The BMUB has commissioned the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH to jointly implement the Project with the MoEFCC in selected states in India.

The overall objective of the project is 'to contribute to the improvement of the conservation and sustainable use of biodiversity in the pilot protected areas, while taking into consideration the economic circumstances of the local population'.

The CMPA Project intends to achieve this objective by involving stakeholders at local, state and national level in the design of participatory approaches to the conservation and management of existing coastal and marine protected areas, and supporting the creation of new protected areas. This strategy is complemented by measures in the areas of capacity strengthening and information, communication and education.

One of the pilot areas selected for the implementation of the CMPA Project in Maharashtra is Thane Creek. A Coastal and Marine Biodiversity Park (CMBP) with state of the art interpretation facilities is being developed as part of the project at the Thane Creek Site.

The objective of the current consultancy is to assist the Forest Department of Maharashtra and its Mangrove Cell to develop a long-term strategy and action plan for the sustainable financing of the CMBP.

3 Location and Duration

The project will focus on the areas around the Coastal and Marine Centre at Airoli in Thane Creek in Maharashtra, India. The contract will be for a period of four months from the date of signing..

4 Scope of the Consultancy Contract

4.1 Market Assessment

The consultant will participate in a project inception meeting with GIZ and the Forest Department (Mangrove Cell) to jointly identify and rank the target groups which are most likely to visit the CMBP (educational institutions, environment enthusiasts, corporates, recreation, tourism, etc.). Based on this selection, the consultant will propose – and seek agreement from GIZ and the Mangrove Cell – a number of competitive facilities to be included in a comparative market analysis. The consultant will then profile on these facilities, including visitor profiles, footfalls, entry fees, and if possible offer insight into their operations including a revenue model and expenses *(best effort basis)*. The competitive facilities could include Taraporewala Aquarium, Mahim Nature Park, Sanjay Gandhi National Park. Secondary research on at least two comparable facilities in south and south-east Asia like Matang Mangrove Park in Malaysia shall be conducted.

For the information of GIZ and the Forest Department the consultant will provide a preliminary report on the assessment, detailing the organizational set-up of each facility investigated, its strength and weaknesses, and an assessment of it financial viability.

4.2 Estimating Operational Costs and Revenue Streams

The consultant will carry out a feasibility study consisting of detailed analysis of operational expenses to be expected in the day-to-day management of CMBP and look into the sources of revenues being available to the Forest Department to offset such cost. Lessons learnt from the analysis of similar facilities covered under point 3.1 should be taken into consideration. In more detail, the analysis should deal with the points enumerated hereunder.

4.2.1 Operational Expenses

The consultant will provide a detailed assessment of the major operational expenses that need to be taken into consideration in the management of CMBP. These include (but may not be limited to):

a. Staffing;
b. Insurance;
c. Maintenance;
d. Electricity and back-up power facilities ;
e. Security and security devices for crowd management and to guard the facility and imported interactive display models;
f. Marketing, PR and Out Reach and engaging professional agencies for the same;
g. Upgradation cost – changing exhibits every 3 – 5 years;
h. Publications and products;
i. Outreach programmes.

4.2.2 Operational Revenues

In order for CMBP to be financially self-sustaining, identifying the various streams of revenue and projecting a realistic revenue model will be key. The model should comprise tourism-based revenues and tourism-based fees with an emphasis on revenue sharing with communities. Major sources of revenues could include:

a. Entry Ticket – could have multiple models for weekday and weekends, subsidised rates for educational institutes and groups etc.;
b. Special Recreational Features Tickets – boating, nature walks, camping, bird watching, photography, filming, angling etc.;
c. Sale of Food & Beverages, Souvenirs and Memorabilia at Theme based retail stores;
d. Rentals from space for events – book releases, conferences, performances at the amphitheatre, screening of movies at the 35 seater mini auditorium;
e. Sponsorships (sponsor a species), Nursery – mangrove plantation, buy saplings etc.;
f. Parking charges;
g. Special events like celebration of wildlife week, and biodiversity related days;

The consultant will analyse the viability of such revenue-generating approaches for CMBP and provide a best possible assessment of potential income these approaches could generate on an annual basis.

4.2.3 Financing Mechanisms

In addition to the traditional revenue-generating approaches, the consultant shall assess the possibilities for using financing mechanisms beyond operation-dependant income generation for supporting the financial viability of CMBP, such as e. g., the generation of a corpus fund. Sources of revenue for both running the facility and creating a corpus can be identified to subsidise CMBP until it is self-sustaining. Such sources could include:

a. Direct allocations from government budgets like revenue allocations and budget support;
b. Corporate social responsibility funding;
c. Bilateral and multilateral donor agencies;
d. Private Charitable Foundations;
e. Carbon Markets;

4.3 Proposal for a viable financing model for CMBP

The consultant will develop a financial framework for CMBP, which can assure the long-term financial viability of the management of CMBP. The framework will take into consideration the results obtained under 3.2. The proposed framework will have to include different income and expenditure scenarios to provide different options to the managers of CMBP. Such scenarios will include minimum requirements, as well as a scenario with a potential for growth. Risks and opportunities of each scenario – if any – need to be clearly spelled out.

4.4 Development of a draft strategy and action plan for a viable financing model for CMBP

The consultant will participate in a strategy workshop organized by GIZ and the Forest Department. The goal of that meeting is to (i) present the results of the feasibility study, and (ii) to identify possible strategies and milestones of a road map for an action plan, which will assist the Forest Department to implement a viable financing model for CMBP. For this meeting the consultant will prepare detailed presentations of the findings of the feasibility study and the proposed financing models. The consultant will take note of the discussions and decisions taken during the meeting for inclusion in the final report.

5 Implementation of the consultancy contract

The consultancy will be done in close cooperation with GIZ and under the overall guidance of the Maharashtra Forest Department. The consultant shall foresee updating Project Coordination unit (FD/GIZ) in Mumbai every month by email. They will also foresee meetings with the Project Coordination unit (FD/GIZ) in Mumbai every month.

The consultant will follow guidelines set by GIZ for standard project text and usage of logos. All material produced will require approval by GIZ before final production.

6 Experts Profile

The consultant should have:

- The firm needs to have long standing experience (at least 10 years) in financial feasibility studies for similar projects like theme parks, aquariums and wildlife destinations.
- A team comprising of at least 2 senior experts (with a PGDBM or MBA in Finance or a relevant sector) with a vast knowledge of the sector and at least 10 years' experience each in similar projects. And one junior expert with 2 years' experience.
  Expert One: should preferably have vast knowledge of the hospitality, real estate and a specialization site identification & evaluation, market assessment.

Expert 2: should have experience in Market Research, market surveys techno-economic feasibilities, and financial modelling for mixed-use developments and exhibition centers.
Expert 3: One junior expert preferably with an accounting background and two years' experience.

- The company should have an average annual turnover of at least 1 crore
- Excellent local network in Maharashtra and a good understanding of tourism and financing mechanism.
- Excellent existing cooperation with the Government of Maharashtra and other key stakeholders in the Mumbai / Thane area;
- It is preferable that the consultant has knowledge of the local language (Marathi and Hindi) for conducting field level assessments.
- The working language will be English for the reports.

7 Timeline and deliverables

The consultancy is estimated to require 80 person-days. Total duration of the consultancy is 17 weeks (four months) from the date of signing of the contract. The consultant is required to detail the activities and deliverables in the project proposal.

The estimated duration of each component of this consultancy and necessary person-days are as follows:

A) Market Assessment: 40 person days, to be concluded within 5 weeks after signing of the contract;

B) Feasibility Study: 25 person days, to be concluded within 8 weeks after the submission of the preliminary report on the market assessment;

C) Draft proposal for a viable financing model for CMBP: 8 person-days, to be concluded within 2 weeks after the end of the economic analysis;

D) Participation in strategy workshop and editing of the final report: 7 person-days, to be concluded within 2 weeks after the strategy workshop had taken place.

The deliverables of the consultancy are as follows:

1) A preliminary report on the results of the market assessment;

2) Detailed presentations for use as reference material during the strategy workshop;

3) A final report comprising:

    a. A final version of the report on the results of the market assessment;

    b. Detailed presentations of the feasibility study CMBP;

    c. A final version of a proposal for a viable financing model for CMBP, taking into consideration the outcome of the discussions during the strategy workshop.

All documents (reports, PowerPoint presentations) have to be edited in English and must be provided in digital format. The final report, in addition, has to be submitted in three hard copies to GIZ.

8 Clause on Intellectual Property Rights

The data collected in the context of this contract are the property of the CMPA Project.

The consultant will be free to use the data and results of the study for academic publications, if scientific ethics about anonymity are guaranteed. Sensitive data which relate to unlawful activities, trade secrets, medical or well-being formulations obtained in the course of this study shall only be published in a manner that does not violate intellectual property rights or any other personal rights.

GIZ shall be intimated of any publication using data collected in the context of this contract prior to its publication.

The consultant shall ensure that any use of the data, be it for publications or for other purposes, properly acknowledges the role of the CMPA Project and that of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMBU) as the commissioning agency.