



REPUBLIC OF VANUATU
DEPARTMENT OF CLIMATE CHANGE
Ministry of Climate Change and Natural Disasters
Private Mail Bag 9054, Port Vila
Telephone: (678) 22160; Email: docc@vanuatu.gov.vu;



All correspondents directed to the Director

Terms of Reference

Local Consultant – Development of design document

Activity 2.2: Development of design document (Concept note)

This person will be responsible for the Development of the Design Document (Concept Note) for the Loss and Damage Fund for Vanuatu and will work closely with the project team and the LDWG.

Project Title: Vanuatu Loss and Damage Fund Development Project

Location: Port Vila, Vanuatu

Duration: 24 months

Start Date: TBD

Reporting to: Project Manager, Department of Climate Change (DoCC), Ministry of Climate Change (MoCC), Government of Vanuatu

Funding Support from: Ministry of Foreign Affairs and Trade (MFAT), Government of New Zealand

Background

Although it contributes just 0.0016% of global greenhouse gas (GHG) emissions, Vanuatu is already experiencing the devastating effects of climate change manifested as loss and damage. Vanuatu suffers irrecoverable loss and damage from climate change events on an annual basis, both through extreme and slow-onset events. Highly exposed to damaging cyclones, such events have led to financial losses in the billions of US Dollars. Single events can result in catastrophic and sustained impacts, for example, Cyclone Pam (2015), Cyclone Harold (2020), and Cyclones Kevin and Judy (2023) each led to losses of more than 500 million USD, which equates to more than 60% of the nation's GDP. Slow-onset events such as sea level rise, ocean acidification, and salinisation of productive land are leading to further losses. These include non-economic losses and damages such as the irretrievable loss of culture, indigenous language and identity, human rights, health and wellbeing, biodiversity, and ecosystems.

The challenge for Vanuatu, like many highly vulnerable Small Island Developing States (SIDS), is that the international recognition of loss and damage rapidly needs to turn into meaningful investments on the ground; talk needs to turn into action. Establishing a financial mechanism that can attract and manage Loss and Damage finance and disperse it to those most in need can play a critical role in facilitating practical projects which address loss and damage. Such a mechanism requires sound governance, robust systems and processes (including financial management) reinforced by enhanced capacity, increased awareness of loss and damage, and effective Monitoring, Evaluation, Reporting and Learning (MERL).

The Government of New Zealand has committed NZD 4 million to support the “Vanuatu Loss and Damage Fund Development Project” to enable Vanuatu to become ‘investment ready’ to most effectively absorb international L&D funding arrangements into national systems and then programme and disperse finance in bottom-up and locally appropriate modalities. The MFAT funding will be used to design an L&D Fund and enhance capacity, but will also provide seed funding to get projects started and thus attract further investment.

By establishing a national Fund, L&D can be addressed in locally appropriate ways; an agile and responsive financial mechanism would provide easy access to communities and organisations. The Fund will be situated within a broader national climate finance architecture, and the project will help the Government of Vanuatu to work towards a more integrated approach to community-level climate change responses. A national fund can also facilitate effective learning and the rapid scale-up of effective strategies.

About the Role

Under the leadership of the Project Manager, the consultant will play a key facilitating and technical support role in the design and establishment of a national Loss and Damage (L&D) Fund.

The consultant will contribute local knowledge, ensure alignment with national systems, and support stakeholder engagement across all levels of government. The consultant will work closely with the project team, climate finance work group of NAB, and the Informal Loss and Damage Working Group to ensure the L&D Fund is contextually appropriate, legally sound, and operationally feasible.

Scope of Services

- **Review and synthesis**
 - Review outputs from project activities 1.1 and 1.2, including institutional mapping, policy assessment, and financial mechanism analyses.
 - Review the decision by the Government of Vanuatu selecting the preferred design of the Vanuatu Loss & Damage Funding Mechanism, including comments and recommendations

- Desktop review of other national and international Funding Mechanism Design Documents, Governing Instruments, and Operations Manuals
- Synthesize a draft Governing Instrument for the new Mechanism, which should contain, at a minimum.
- **Purpose and Guiding Principles**
 - Clarify the overall vision, objectives, and guiding principles of the proposed L&D Funding Mechanism.
 - Define the Mechanisms' thematic scope (e.g., recovery, rehabilitation, relocation, risk transfer, emergency response, data collection and reporting, etc).
- **Institutional and Governance Arrangements**
 - Propose governance and institutional structures, including boards or oversight bodies, management entities, and stakeholder engagement mechanisms.
 - Define the roles and responsibilities of government agencies, development partners, and non-state actors.
 - Ensure consistency with existing national institutional frameworks for climate finance.
- **Financial Architecture and Operations**
 - Identify the Fund's target beneficiaries, eligibility criteria
 - Develop funding windows if applicable
 - Outline potential funding sources (domestic, international, bilateral, multilateral, private sector), and the mechanisms for making contributions to the Mechanism
 - Outline fund management modalities (grant-based, revolving fund, blended finance, loans, etc.).
 - Suggest allocation mechanisms, disbursement criteria, and fiduciary standards.
 - Propose monitoring, reporting, and evaluation (MRV) systems.
- **Additional Design Elements and Next Steps**
 - Highlight unresolved policy or technical issues requiring further analysis.
 - Provide recommendations for areas where additional detailed design work or legal review is needed.
 - Suggest the scope and Terms of Reference (ToR) for the subsequent Fund Design Consultant.
- **Stakeholder Consultation and Validation**
 - Facilitate consultation sessions with domestic and international stakeholders and experts, including from the MFEM, NGEF, FRLD, GCF, and other climate funding mechanisms.
 - Promote government and public understanding of the fund's objectives and benefits in accessible ways.
- **Coordination and Reporting**
 - Facilitate a validation workshop to refine the design document.
 - Incorporate feedback into the final version.

Deliverables

- Inception Report – Detail work plan, methodology, and consultation approach.

- Draft Design Document (Concept Note) – consisting of the Fund’s draft Governing Instrument and Operations Manual.
- Stakeholder Consultations and Validation Workshop Reports, including feedback and recommendations, and how these were incorporated into the Design.
- Final Design Document – Revised documents consisting of the Governing Instrument and Operations Manual, incorporating stakeholder inputs and recommendations.
- TORs for subsequent Full Design Consultant(s).

Expected Content of the Final Design Document to include, at a minimum

- Executive Summary.
- Background and Rationale.
- Objectives and Guiding Principles.
- Scope.
- Institutional and Governance Arrangements:
 - Legal Status.
 - Linkages to other Funding Architecture.
 - Board composition, roles, and function.
 - Rules of Procedure of the Board.
 - Secretariat.
- Financial Arrangements:
 - Trustee.
 - Financial Inputs.
 - Access and Disbursement Modalities.
 - Allocation of funding.
 - Fiduciary Standards.
 - Environmental and Social Safeguards.
 - Accountability and Independent oversight/audit.
- Operational Arrangements:
 - Templates and forms.
 - Delivery Partners and Access entities.
- Monitoring, Evaluation, and Reporting Mechanism.

Selection Criteria

Essential Experience and Knowledge:

- Advanced degree in climate finance, environmental science, project management, or a related field.
- At least 7 years of experience managing complex, multi-stakeholder projects, preferably in Small Island Developing States (SIDS).
- Strong expertise in governance and financial oversight.
- Demonstrated knowledge of international and national climate frameworks, including the Paris Agreement and the UNFCCC.

- Experience with the Multilateral Development Bank or the Multilateral Climate Fund. Management, e.g., ADB, World Bank, Fund for Responding to Loss and Damage (FRLD), Global Environment Facility, or the Green Climate Fund.
- Proven ability to integrate GEDSI principles into project design and implementation.

Desirable:

- Familiarity with Vanuatu's climate policies and governance structures.
- Experience working in the Pacific region or similar contexts.
- Ability to speak Bislama.

Duration

The duration of the contract is 20 Days, commencing in Q1 2025 and Q2 2026.

Expression of Interest (EOI) Submission Requirements

Interested applicants should submit:

- Updated Curriculum Vitae (CV)
- Cover letter outlining approach and motivation
- Copies of qualifications
- Sample of previous work (or report)
- Valid Referee contact information (3)

Submit all soft copies of your EOI to njoseph@vanuatu.gov.vu cc ingrid7oka@gmail.com. The subject line of the email should be "**L&D Climate Finance Design Consultant**". Address all correspondence to the Project Manager, Ministry of Climate Change Adaptation.

Other Information

Consulting Services Budget: **2,000,000 VUV**

Date Published: **31-Oct-2025** Deadline of Expression of Interest: **14-Nov-2025, 05:00 PM**