



REQUEST FOR PROPOSAL (RfP)

Development of a detailed financial model for the transition to net zero carbon public buildings in Mexico City, Mexico

C40 Cities Climate Leadership Group, Inc.
120 Park Avenue, 23rd Floor
New York, NY 10017
United States of America

March 2024

1. C40 Cities Climate Leadership Group Inc. ("C40")

C40 is a network of nearly 100 mayors of the world's leading cities, who are working to deliver the urgent action needed right now to confront the climate crisis, and create a future where everyone, everywhere can thrive. Mayors of C40 cities are committed to using a science-based and people-focused approach to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities. Through a Global Green New Deal, mayors are working alongside a broad coalition of representatives from labour, business, the youth climate movement and civil society to go further and faster than ever before.



The strategic direction of the organisation is determined by an elected Steering Committee of C40 mayors which is co-chaired by Mayor Sadiq Khan of London, United Kingdom, and Mayor Yvonne Aki-Sawyers of Freetown, Sierra Leone. Three term Mayor of New York City Michael R. Bloomberg serves as President of the C40 Board of Directors, which is responsible for operational oversight. A nine-person management team, led by Executive Director, Mark Watts, leads the day-to-day management of C40. C40's three core strategic funders are Bloomberg Philanthropies, the Children's Investment Fund Foundation (CIFF) and Realdania.

To learn more about the work of C40 and our cities, please visit our [Website](#), or follow us on [Twitter](#), [Instagram](#), [Facebook](#) and [LinkedIn](#).

2. Background, objectives, and scope of the project

Background

La Secretaría del Medio Ambiente (Sedema) México City (CDMX) has undertaken a five-year, USD 16 Million project to sustainably transition 95 public buildings using existing energy efficiency and renewable energy technology. Since 2019, SEDEMA has engaged partners such as USAID, GIZ, the IDB, the Climate Finance Accelerator (CFA) funded by the UK Government, and others in training, policy, technical, and financial analysis. When completed, the portfolio of projects are expected to achieve an estimated annual reduction of 15,485,889 kWh (15,485.9 MWh) of energy usage, equivalent to the mitigation of 6,906.47 TonCO_{2e} annually, which represents the accumulated mitigation of 138,129.40 TonCO_{2e}.¹

The city expects to reap several co-benefits, including:

- Financial savings from renewable energy and efficiency;
- Healthier working and engagement environments for city employees and visitors, respectively;
- Stimulate the local renewables and energy efficiency markets; and
- Serve as an example and proof of concept for local real estate owners and other cities in Mexico and Latin America.

¹ Assuming 20-year life PV systems and an emission factor 0.436 tonCO_{2e}/MWh as published by the National Electric System, 2023



Through previous engagements with the above mentioned institutions, SEDEMA has undertaken project design; completed investment grade energy audits for five buildings and opportunities for conversion and clean energy generation potential for the first 25 buildings; prepared a detailed energy diagnosis and detailed engineering for one CDMX building; identified potential financiers; and prepared to carry out a pilot in 2024, converting one building within its portfolio to zero emissions. Transitioning to renewables and energy efficient buildings is a key component of CDMX's Climate Action Plan. SEDEMA now requires technical assistance to build a financial model and identify feasible financing mechanisms to facilitate sustainable implementation.

Objective(s)

The objectives of this consultancy are as follows: To support CDMX in the financial analyses necessary to facilitate implementation of their transition to net zero carbon public buildings **by creating a detailed financial model; completing financial mechanisms scenario analyses (including relevant policy and legislation updates; and ensuring the sustainability of this work by transferring knowledge to all relevant staff during a workshop.** All outputs must incorporate feedback received from key stakeholders (e.g. financiers, renewable energy and energy efficiency developers, and municipal departments), particularly the Secretariat of Administration and Finance (SAF) of CDMX.

The Consultant will conduct the following activities to support the above stated objectives (activities and sub-tasks are described in more detail below):

Activity 1. Produce an updated financial model: An initial, basic financial model developed by SEDEMA must be updated in greater detail and specificity, taking into consideration the technical studies completed by other partners, and the policy, legal, and financial constraints outlined by SAF.

Activity 2. Scenario analysis: The Consultant should provide CDMX with two broader scenario analyses - 1) Financing the remainder of the municipal portfolio under existing legislation, which requires a revolving loan fund (the barriers to this option already been outlined by SAF and should be taken into consideration); and 2) Financing the remainder of the portfolio using other mechanisms, including how to modify legislation accordingly. The latter overarching scenario analysis should include a minimum of two other financial mechanisms.

Activity 3. Support the continuity of this work beyond the current administration by providing clearly written outputs, completing a workshop for relevant staff to explain outputs and answer questions, and accompanying the team to site visits and SAF meetings to provide technical support.



All deliverables should be presented in Spanish.

Project Scope

Activity 1. Produce an updated financial model: An initial, basic financial model developed by SEDEMA must be updated in greater detail and specificity, taking into consideration the technical studies completed by other partners, and the policy, legal, and financial constraints outlined by SAF.

Task 1.1: Review documents provided by SEDEMA including but not limited to: the existing financial model; relevant documents produced in previous rounds of technical assistance (e.g. project design documents, existing investment grade energy audits, the energy diagnosis, and engineering documents); the revolving fund legislation; and pitch documents developed with the Climate Finance Accelerator.

Task 1.2: Develop and execute a stakeholder interview plan to fill any gaps identified in the initial document review. Outline 10 relevant stakeholders to interview and share the list C40 and SEDEMA who will facilitate introductions where necessary. It is expected that the Consultant(s) will have completed previous work with the government as well as renewable energy and efficiency market stakeholders and can therefore bring some contacts from their established networks. The number of stakeholder interviews will be determined by the Consultant with input from C40 and SEDEMA.

Task 1.3: Produce a detailed and specific renewable energy and building energy efficiency financial model, incorporating the outcomes of task 1.1 and task 1.2.

Deliverable(s): A detailed renewable energy and building energy efficiency financial model, as well as the associated document review, and stakeholder interview notes.

Activity 2. Scenario analysis: The Consultant should provide CDMX with two broader scenario analyses - 1) Financing the remainder of the municipal portfolio under existing legislation; and 2) Financing the

remainder of the portfolio using other mechanisms, including a revolving loan fund (the barriers to this option already been outlined by SAF and should be taken into consideration), and how to modify legislation accordingly. The latter overarching scenario analysis should include a minimum of two additional financial mechanisms.



Activity 2. Scenario analysis: The Consultant should provide CDMX with two broader scenario analyses - 1) Financing the remainder of the municipal buildings portfolio through a revolving fund. This scenario should include policy recommendations on how to modify legislation to overcome current barriers (the barriers to this option have already been outlined by SAF and should be taken into consideration); and 2) Financing the remainder of the municipal buildings portfolio under existing legislation. This scenario analysis should include a minimum of two financial mechanisms.

Task 2.1: Produce a detailed scenario analysis of what financing the remainder of the municipal portfolio under existing legislation would entail. Along with reviewing the barriers outlined by SAF, the consultant should identify any additional barriers and potential solutions.

Task 2.2: Produce detailed scenario analyses that consider financing the remainder of the portfolio using other financial mechanisms including a revolving loan fund and a minimum of two additional options as well as the legislative modifications required to do so.

Deliverable(s): A detailed financial model in spreadsheet format that includes all assumptions, data used for estimating energy savings, and sources. The model should be structured in a way that allows city officials to toggle between the different scenarios easily, without having to edit the underlying model (however, it should be editable).

Activity 3. Support the continuity of this work beyond the current administration by providing clearly written outputs, completing a workshop for relevant staff to explain outputs and answer questions, and accompanying the team to site visits and SAF meetings to provide technical support.

Task 3.1 Provide clearly written outputs that include explanations and instruction on how to use the financial models and scenario analyses.

Task 3.2 Deliver a short workshop (2-3hrs) to relevant staff with the objective of ensuring all staff are well-versed in the financial model and the scenario analyses. During this workshop, the Consultant will provide an overview of the model and its outputs, deep dive into the assumptions, and take questions from staff members.

Task 3.3 Attend site visits and SAF meetings with SEDEMA to provide support and answer technical questions. The number of meetings and site visits will be discussed agreed upon by SEDEMA staff and the Consultant. When attending SAF meetings, the Consultant will be expected to provide detailed answers to technical questions, and document them for future reference.

Deliverable(s): The previously mentioned written outputs of Activities 1 and 2, a 2-3 hr workshop for SEDEMA staff; and attendance at an agreed upon number of site visits and meetings with SAF.

3. Proposal Guidelines

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until *11.59pm EST, April 19, 2024*. Any proposals received after this date and time will not be accepted. All proposals should include clear timetables, how you will work with C40, clear costs and detail on experience in this area.

The proposal should give C40 evaluators all the information they need to assess your bid. Please clearly indicate where applicable:

- How your proposal is responsive to the Evaluation Criteria;
- The assumptions you are making about the project;
- Risks you have identified and appropriate mitigation measures;
- Information about your fee;
- Proposed timeline of implementation;
- Three examples of relevant past work, especially within buildings and renewable energy finance and public policy in Mexico
- Resumes of proposed key personnel in the standard [C40 CV Template](#);
- Any additional support that you need to make the project a success, including any inputs you will need from third parties or C40 staff;
- Proposed working partnership with C40, including (as applicable) project governance and management, key personnel, key roles and responsibilities, and escalation procedure for issues.

You must include adequate information about how your costs were calculated to enable evaluation of cost reasonableness.

Supplier Diversity



C40 is committed to supplier diversity and inclusive procurement through promoting equity, diversity and inclusivity in our supplier base. We believe that by procuring a diverse range of suppliers, we get a wider range of experiences and thoughts from suppliers and thus are best able to deliver to the whole range of our diverse cities and the contexts that they operate within.

We strongly encourage suppliers (individuals and corporations) that are diverse in terms of size, age, nationality, gender identity, sexual orientation, majority owned and controlled by a minority group, physical or mental ability, ethnicity and perspective to put forward a proposal to work with us.

Feel welcome to refer to [C40's Equity, Diversity and Inclusion Statement](#) as supplier diversity and inclusive procurement is one element of applying equity, diversity and inclusion to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities.

Contract

Please note this is a contract for professional services and not a grant opportunity. Organisations unable to accept contracts for professional services should not submit bids. The work will be completed on the [C40 Standard Service Provider Agreement](#)

[These terms and conditions are non-negotiable. Organisations unable to accept them as drafted should not submit bids in connection with this opportunity.]

If C40 are unable to execute a contract with the winner of this competitive process, we reserve the right to award the contract to the second highest Potential Supplier

Subcontracting

If the organisation submitting a proposal needs to subcontract any work to meet the requirements of the proposal, this must be clearly stated. All costs included in proposals must be all-inclusive of any outsourced or contracted work. Any proposals which call for outsourcing or contracting work must include a name and description of the organisations being contracted.

4. RfP and Project Timeline

RfP Timeline:



RFP Timeline	Due Date
Request for Proposals sent out	<i>March 22nd, 2024</i>
Questions submitted to C40	<i>April 2nd, 2024</i>
C40 responds to questions	<i>April 3rd, 2024</i>
Deadline for receiving Offers	<i>April 19th, 2024</i>
Clarification of Offers	<i>April 20th, 2024 - April 21st, 2024</i>
Evaluation of Proposal	<i>April 22nd 2024 - April 23rd, 2024</i>
Presentation on Proposal	<i>April 27th, 2024 - April 28th, 2024</i>
Selection decision made	<i>April 29th, 2024</i>
All Potential Suppliers notified of outcome	<i>April 30th, 2024</i>

Project Timeline	Due Date
The project initiation phase must be completed by	<i>May 7, 2024</i>
Project planning phase must be completed by	<i>May 15, 2024</i>
Project implementation phase is expected to be completed by	<i>July 15, 2024</i>
The project is due to run until	<i>July 31, 2024</i>

5. Proposal Evaluation Criteria

Proposals will be evaluated against the following criteria

Evaluation Criteria	Weighting
<p>Criteria 1: Robustness of proposal and technical expertise</p> <p>Measured by: Ability to prove Technical expertise, previous experience, project management capabilities, cultural fit quality, and availability of the team). This should be documented in the Resume (CV) and supporting material of proven previous experiences.</p>	35%
<p>Criteria 2: Capability, experience of proposed team with deep experience in buildings and renewable energy finance and public policy</p>	25%

Criteria 3: Familiarity with local context	25%
Criteria 4: Value for money Economy: minimising the cost of resources used / spending less Efficiency: the relationship between the output from goods/services and the resources to produce them Effectiveness: the relationship between the intended and actual results Equity: the extent to which services reach the intended recipients fairly Measured by: Description of the costs and expected hours dedicated per each activity, and total for the 3 activities + taxes.	15%



6. Project Budget

The total project budget is \$17,000. All proposals must include proposed costs to complete the tasks described in the project scope, including all VAT and taxes. Costs should be stated as one-time or non-recurring costs or monthly recurring costs. Pricing should be listed for each of the following items in accordance with the format below. All costs incurred in connection with the submission of this RfP are non-refundable by C40.

Payment will be made according to meeting project milestones as approved by the C40 point of contact. Travel within México City is expected for this work and estimated expenses are to be included in the budget.

7. C40 Policies

C40 expects third parties to be able to abide by these C40 policies

- Non-Staff Code of Conduct Policy [here](#)
- Equity, Diversity and Inclusion Policy [here](#)

8. Submissions

Each Potential Supplier must submit 1 copy of their proposal to the email address below by April 19, 2024 at 11.59pm EST:

Wanjiku Ngare, wngare@c40.org
Anelise Rosa, arosa@c40.org

Anonymised responses to questions will be provided here ([link](#)) when the Q&A period closes.



Disclaimer

C40 will not accept any liability or be responsible for any costs incurred by Potential Suppliers in preparing a response for this RFP.

Neither the issue of the RFP, nor any of the information presented in it, should be regarded as a commitment or representation on the part of C40 (or any of its partners) to enter into a contractual arrangement. Nothing in this RFP should be interpreted as a commitment by C40 to award a contract to a Potential Supplier as a result of this procurement, nor to accept the lowest price or any tender.