



Laneshift Initiative: Zero Emission Freight LATAM

Terms of References (ToR)

Individual Consultant

Financial Expert to support Development
of Zero Emission Freight Financial
Products in Latin America

15th April 2024

C40 Cities Climate Leadership Group, Inc.

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New York, NY 10017

United States of America



SUMMARY

1. Introduction	3
1.1. About C40 Cities Climate Leadership Group Inc. (“C40”)	3
2. Summary, Purpose and Background of the Project	3
2.1. Project Background	3
2.2. Finance of the E-Freight Sector	5
2.3. Project Aim, Specifications and Responsibilities	6
2.3.1. Objectives	6
2.3.2. Responsibilities	7
2.3.3. Deliverables	7
2.3.4. Timeline	8
3. Consultancy management specifications	8
3.1. Desired profile	8
3.2. C40 Supervision	9
3.3. Language	9
3.4. Documentation	9
3.5. Contracting	9
3.6. Subcontracting	9
3.7. Budget	9
3.8. Disclaimer of liability	10
4. C40 Policies	10
4.1. Diversity statement	10
5. Proposal Guidelines	10
5.1. Requirements for Proposals	11
5.2. Proposal Evaluation Criteria	11
6. Deadlines	12



1. Introduction

1.1. About 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-Sawyer 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. Summary, Purpose and Background of the Project

2.1. Project Background

The Laneshift Initiative is a joint effort between C40 Cities and The Climate Pledge (an initiative co-founded by Amazon and Global Optimism) to achieve carbon neutrality in the urban transportation of goods and services. It does so by rethinking the routes and e-trucks current availability vehicles used in six targeted Latin American cities: Curitiba and Rio de Janeiro (Brazil); Quito (Ecuador); Medellín and Bogotá (Colombia); and Mexico City (Mexico), and four Indian cities (Mumbai, Delhi, Punjab and Bangalore).



The TCP-C40 partnership is poised to harness the collective expertise and capabilities of its partners to advance the overarching objectives of the Laneshift alliance within Latin America (LATAM). The collaboration seeks to offer tailored solutions for the targeted cities, aiding them in the decarbonization of their middle and last-mile operations.

In collaboration with cities and key stakeholders, Laneshift will address regulatory impediments hindering the electrification of freight vehicles. The project team will initiate pilot projects, showcasing the viability of electric vehicles, and tackle funding challenges. Crucially, the initiative emphasises equity, ensuring that the transition to electric freight is inclusive and benefits diverse communities.

The partnership aims to phase out diesel vehicles, envisioning cleaner and healthier air for millions in some of LATAM's largest cities. Beyond localised benefits, the initiative targets a reduction in greenhouse gas emissions contributing to global warming. By supporting the creation of green jobs, the project lays the foundation for a sustainable and inclusive transition.

In the current context of heightened environmental awareness, the freight transport sector in LATAM is compelled to embrace eco-friendly practices. Fleet electrification emerges as a pivotal strategy to curb pollutant gas emissions, steering the region toward cleaner and more efficient mobility.



Through a collaborative approach involving manufacturers, impacted communities, and financial institutions, Laneshift, together with C40 Cities and its partners, aspires to amplify its impact. The initiative aims to set in motion a market transformation that extends far beyond the participating cities and regions, delivering enduring benefits.

2.2. Finance of the E-Freight Sector

The electric freight transport sector is experiencing significant growth driven by the need to reduce greenhouse gas emissions, improve air quality and increase energy efficiency in freight transport. Electric trucks use rechargeable batteries, offering a cleaner and quieter alternative to conventional diesel vehicles.

The transition to electric truck freight transport requires significant investments in technology, infrastructure and vehicle fleets. In this context, the relationship between the electric freight transport sector and the financial sector is critical to facilitate the adoption and expansion of this technology. Here are some ways in which they interact:

- Transport companies can access financing to purchase new electric trucks or upgrade their existing fleets. Loans, leasing and other financing products can help cover the higher upfront costs of electric vehicles compared to conventional diesel models.
- The deployment of adequate charging infrastructure is essential for the mass adoption of electric trucks. Investors and financial institutions can finance the installation and operation of charging stations at strategic locations along major transport routes and at key logistics hubs.
- Electric trucks present different risks and insurance considerations compared to traditional diesel vehicles. Insurance companies can offer specialised insurance products to cover specific risks associated with electric technology, such as battery coverage and liability for accidents related to electric charging.

According to C40 projections, Freight represents about 6% of total city vehicle activity (3-15% of total kilometres travelled in each city), but represented 9% of cities yearly CO₂e transport emissions (6-18% of the cities transport greenhouse gas inventory).

One of the KPIs of the Laneshift initiative consists in the **creation or improvement of financial products for the financing of E-trucks, and the goal is that 3 development banks will offer new or improved financial products across three C40 cities.**

C40 has mapped the countries of the Laneshift initiative (Colombia, Mexico, Brazil and Ecuador), and in some cases we have approached financial institutions interested in financing freight transport and supporting the transition to zero-emission vehicles:

MDB= Multilateral Development Bank	<ul style="list-style-type: none"> • IFC • IADB • KfW • AFD • CAF
NDB= National Development Bank	<ul style="list-style-type: none"> • BANCOLODEX • BNDES • FDN • FINDETER • NAFIN • NADBANK • CORPORACION FINANCIERA NACIONAL
CB= Commercial Bank	<ul style="list-style-type: none"> • CITIBANAMEX • HSBC • BANCO SANTANDER • BANCOLOMBIA • BBVA • ITAU • NATIXIS
MANUFACTURER BANKS	<ul style="list-style-type: none"> • BANCO MERCEDES • BANCO VOLKSWAGEN • SEALING INTERNATIONAL (YUTONG MEXICO) • VOLVO
ASSET PROVIDERS	<ul style="list-style-type: none"> • ENELX • ELEMENT FLEET • VEMO • TRANSDEV • VG MOBILITY

C40 has started engagement with some of the development banks (IFC, IDB, KfW, NAFIN) in order to develop credit lines better tailored to the market. Bank requirements and tradeoffs are becoming clearer and engagements are leading to a better understanding of financial modelling assumptions and market understanding. Geographies of interest vary across banks and a full understanding of the market and demand pipeline stemming from shippers / carriers is needed to select specific opportunities.

2.3. Project Aim, Specifications and Responsibilities

Through this RFP, C40 is searching for a consultancy to support the development of at least 3 credit lines tailored specifically for the electric freight sector in Brazil, Mexico, Colombia and/or Ecuador. The consultant will collaborate with development banks and financing institutions to establish robust financial mechanisms to support the transition to electric freight transportation. The development of the credit lines will be monitored and measured as the bank's intention to create a special line to support the credit needs of companies for the purchase of electric vehicles and charging infrastructure.



2.3.1. Objectives

The primary objectives of the consultant are as follows:

1. Research and analyse the current landscape of electric freight transportation, including market trends, technological advancements, regulatory frameworks, and financial landscape. This objective entails a market research aiming to cover any relevant information gap needed as input for the credit lines assessment.
2. Identify potential financing mechanisms and development banks interested in supporting the transition to electric freight.
3. Develop at least 3 comprehensive credit line proposals tailored to the needs of the electric freight sector.
4. Present the proposal to the selected relevant development banks and financing institutions, and negotiate terms and conditions.
5. Provide guidance and support for the implementation of the credit line, including monitoring and evaluation mechanisms.

2.3.2. Responsibilities

The consultant will be responsible for the following tasks:

1. Support C40 to select the 3 development banks with high level of ambition and interest in financing e-freight in Latin America and manage a close engagement with them and the partner financing institutions, and other relevant stakeholders, for the credit lines development;
2. Collect accurate market information needed as inputs for the creation of the lines, such as vehicle prices, contract durations, business models, transaction size, offtaker size, etc. Assess the financing needs of the electric freight sector, considering factors such as investment requirements for infrastructure development, fleet conversion, and operational expenses for designing credit lines structure that addresses these needs.
3. Develop 3 detailed proposals to different development banks outlining the terms and conditions of the credit line, including interest rates, repayment schedules, eligibility criteria, and risk mitigation measures. For each credit line, the consultant should assess the impact of different parameters on the final interest rates, such as contract duration ranges.
4. Recommend specific requisites for the created credit lines in order to ensure that equity, diversity and inclusion goals are accounted for.
5. Present the proposals to key stakeholders and actively participate in negotiations to secure funding and support for the credit line. Regular engagement with relevant stakeholders and in-depth engagement with the development banks interested in creating/improving credit lines through meetings.
6. Provide ongoing guidance and support to stakeholders involved in the implementation of the credit line, including monitoring progress, evaluating performance, and making necessary adjustments.
7. Document the entire process, including research findings, stakeholder engagements, and outcomes, for future reference and knowledge sharing.



2.3.3. Deliverables

The consultant will deliver the following key **outcome**:

1. At least 3 (three) comprehensive credit line proposals outlining the structure, terms, and conditions of each financing mechanism, including scenario analysis based on different input parameters. The proposals should be presented along with a roadmap of the approval process that the credit line undergoes within the entity, and the different instances through which it must pass until it is made available to the public (mention the timeline).

For that purpose, the consultant will deliver the following **outputs**:

2. Market analysis report on the electric freight sector, including market analysis, financing needs assessment, including market trends, technological advancements, regulatory frameworks, financing opportunities and best practices. This report should be focused on the relevant information for the creation of finance instruments and provide the average/range values and parameters needed as inputs for a finance mechanisms assessments, based on information from market research.
3. Evaluation of potential development banks, financing institutions, and stakeholders interested in supporting the credit line initiative according to specific criteria. The list of potential financiers should be ranked by relevance for next engagements related to the creation of the credit lines.
4. Presentation materials for engaging with stakeholders and presenting the credit line proposal.
5. Documentation of stakeholder engagements, negotiations, and outcomes.
6. Final report summarizing the consultant's activities, findings, and recommendations.

2.3.4. Timeline

The consultant will carry out its professional services up to **December 2024**. The structuring of at least one financial mechanisms or credit line is expected to be ready (including review and approval by the C40 team) by **September 2024**, to be presented in the NYC Climate Week. The remainder of the lines shall be structured by December 2024.

The execution of the consultancy must allow sufficient time and flexibility to properly develop each component and the review and feedback of the project by the C40 team for each deliverable.

3. Consultancy management specifications

3.1. Desired profile

- At least 10 years of professional experience in finance, banking, or related fields, with a focus on project finance, infrastructure finance, or sustainable finance in Latin America,



- Degree in Finance, Economics, Business Administration, Engineering, or a related field is required. Master is desirable.
- Experience working with development banks, multilateral organizations, and financial institutions on sustainable finance initiatives or infrastructure projects in Latin America.
- Proven track record of successfully developing and implementing credit lines or similar financial instruments. Strong network and relationships within the finance industry, including development banks, commercial banks, investment funds, and other relevant stakeholders.
- Familiarity with regulatory frameworks, legal requirements, and policy incentives related to sustainable finance, transportation, and environmental protection.
- Strong understanding of the electric freight sector, including technological advancements, market dynamics, and regulatory frameworks.
- Excellent communication and negotiation skills, with the ability to engage effectively with diverse stakeholders.
- Advanced analytical and problem-solving skills, with the ability to develop innovative solutions to complex challenges.
- Experience working in multi-stakeholder environments and managing projects from inception to completion.

3.2. C40 Supervision

Bianca Macedo, Senior Clean Transport Finance Manager, and Claudia Ceccotti, Senior Finance Manager, Zero Emission Vehicles Latin America, will be acting as supervisors for the consultancy. They will be responsible for reviewing and approving all deliverables prepared by the consultant. Additionally, they will oversee approving payments.

3.3. Language

Catch-up and follow-up meetings may be conducted in English and either Portuguese or Spanish, if necessary, since the C40 staff is spread across different regions worldwide. The proposals should mention the candidate's proficiency in Spanish, Portuguese and English. All deliverables should be written in English.

3.4. Documentation

When preparing documentation, please use the C40 templates unless otherwise instructed. The documents should be provided in a format compatible with the software used by both C40 and the cities. The presentation and formatting of electronic files should be consistent, professional, and suitable for publication, thus under the approval of C40's main point of contact.

If sharing documentation with cities or external partners, please only include the C40 name and logo. Permission from the C40 team is required to use their name and logo. Unless given written permission from C40, winning bidders may not use their own name or logo. All project information, reports, and intellectual property will remain the property of C40.

3.5. Contracting

Please note that this is a professional services contract and not a grant opportunity. The work will be completed on the [C40 Standard Service Provider Agreement](#). These terms and conditions are accepted as drafted by most of our suppliers and we reserve the right



to penalise your offer based on non-acceptance of the terms. Please do not mark the document under changes if you wish to include any requested changes with your proposal.

3.6. Subcontracting

The individual consultancy service of this call cannot be subcontracted and must be performed entirely by the selected consultant.

3.7. Budget

Proposals budget must be submitted in USD, including taxes, all applicable administrative fees, and included expenses associated with using software. Please share the cost breakdown of each activity in the itemised budget, if needed. It should be noted that **payment for services is subject to the delivery and approval of each product.**

3.8. Disclaimer of liability

C40 will not accept any responsibility for costs incurred by potential suppliers in preparing a response to these Terms of Reference - ToR. Neither the issuance of the ToR nor any of the information presented in it should be considered a commitment or representation by C40 (or any of its partners) to enter into a contractual agreement. Nothing in this ToR should be construed as a commitment by C40 to award a contract to a potential supplier due to this procurement, nor to accept the lowest price or bid.

C40 will only accept individual proposals for this RFP. Kick-off meetings are expected to ensure alignment and involvement of project stakeholders, as well as an understanding of the scope, timing of activities, delivery dates, and product review and approval processes.

4. C40 Policies

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

1. Staff Code of Conduct [here](#)
2. Data Protection Policy [here](#)
3. Non Staff Code of Conduct [here](#)
4. Modern Slavery Statement [here](#)

4.1. Diversity statement

C40 is committed to supporting and promoting equity and diversity and creating an inclusive working environment for everyone. We believe that when people with different life experiences are involved in decision-making, we deliver better. We believe that having a diverse workforce ensures we connect better with all the different communities and people affected by the climate crisis. This enables us to make better decisions which lead to better outcomes in the work we do through increased creativity, productivity, greater global impact alongside a broader perspective and approach to our work.

We welcome applicants who are diverse in terms of age, gender identity, sexual orientation, physical or mental ability, ethnicity, and perspective. Our goal is for C40 to be an environment where everyone, from any background, can flourish and can be themselves whilst contributing to our mission. If you identify as a person with a disability, we work to provide reasonable appropriate measures and any additional support needed to provide an equitable working experience. If you are living with a disability, chronic illness or



neurodiversity please inform us, to provide you with the proper assistance in the application process.

C40 promotes a work culture where staff can input to improve equity, diversity and inclusion through staff-led groups and formal forums. We know that creating our ideal working environment is a learning process and we are committed to the ongoing effort.

5. Proposal Guidelines

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.
- Professional experiences and expertise in the sector (ex. examples of past work or references of similar projects in the region).
- Proposed timeline of implementation (include time frame for your tasks and completion of the project).
- 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.
- Information about fees, including adequate information about how your costs were calculated to enable evaluation of cost reasonableness.

5.1. Requirements for Proposals

To ensure fairness, we kindly ask that proposals be limited to 10 pages, excluding a cover page/letter and attachments. Your submissions should be in PDF and Microsoft Word formats, with margins of less than one inch and a text size of at least 10 points. We appreciate your attention to these requirements and look forward to reviewing your proposals. Please send your proposal with the following content:

- 1. Workplan & Timeline:** Bidders are expected to provide a workplan and timeline that outlines the approach to the project, including task sequencing and milestones. This section helps in assessing the bidder's project management capabilities. Bidders should describe their risk management approach, including identifying potential risks and assumptions made during project planning. Mitigation strategies should also be outlined, and details on how a risk assessment will be conducted should be provided.
- 2. Equity, diversity, social inclusion, and ethical considerations:** Bidders must include a chapter in the proposal document explaining how they will incorporate this component into the consultancy.
- 3. Budget:** Bidders must present an itemised budget in USD for each project task. The budget should outline hourly rates of personnel involved as well as an estimate of hours. The budget is all-inclusive, covering any taxes.
- 4. Attachments:**
 - a. *Consultants CV:* In attachment, include a brief CV with a limit of 2-3 pages.



- b. *References:* The proposal should include contact details for at least two recent professional references. This section evaluates the bidder's track record and previous client satisfaction.

The work will be completed on the [C40 Standard Service Provider Agreement](#). Contract terms and conditions will be negotiated upon selecting the winning bidder for this ToR. All contractual terms and conditions will be subject to review by the C40 Legal Department.

5.2. Proposal Evaluation Criteria

All proposals will be evaluated by a selection panel. Proposals will be assessed based on how inclusion, diversity, and equity considerations are integrated into the work plan, and demonstrated in past experiences and references.

We welcome all potential suppliers to participate in the procurement process. We highly value diversity in age, nationality, gender identity, sexual orientation, physical or mental ability, ethnicity, and perspectives. We also encourage suppliers to propose creative approaches to the assigned tasks if they find them important.

Criteria	Weighting
Work Plan	30%
Expertise & References	40%
Equity, diversity, social inclusion, and ethical considerations	10%
Budget	20%

6. Deadlines

Each bidder must submit 1 copy of their proposal in Spanish to the email addresses below by **5 pm BRT (GMT-3), Monday 29 April 2024**. Please note that any proposal received after the deadline will not be considered and will be returned to the sender.

- **Gabriel Tenenbaum**
 - Head of Zero Emission Vehicles, Latin America
 - gtenenbaum@c40.org
- **Bianca Macedo**
 - Senior Clean Transport Finance Manager
 - bmacedo@c40.org
- **Claudia Ceccotti**
 - Senior Finance Manager, Zero Emission Vehicles Latin America
 - cceccotti@c40.org