REQUEST FOR PROPOSAL (RfP)
CARBON MARKETS: CURRENT LANDSCAPE ANALYSIS AND IMPLICATIONS FOR CITIES

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

22nd May 2024
1. Organisational Backgrounds

**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-Sawyerr 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](#).

**About the Global Covenant of Mayors for Climate and Energy (GCoM)**

GCoM is the largest global alliance for city climate leadership, uniting a global coalition of over 13,000 cities and local governments and 100+ supporting partners. The cities and partners of GCoM share a long-term vision of supporting voluntary action to combat climate change and towards a resilient and low-emission society. GCoM serves cities and local governments by mobilizing and supporting ambitious, measurable, planned climate and energy action in their communities by working with city/regional networks, national governments, and other partners to achieve our vision. The coalition comprises cities across 6 continents and 146 countries, representing over 1 billion people or more than 13 percent of the global population.

To learn more about GCoM, please visit our [website](#), or follow us on [Twitter](#), [Instagram](#), [Facebook](#), and [LinkedIn](#).

**About the C40 x GCoM Joint Program**

Building on a strong foundation of collaborative work over many years, C40 and GCoM are now enhancing their partnership through a new major program for
2023-25, generously funded by Bloomberg Philanthropies, which focuses on critical areas where their shared expertise can support cities to deliver urgent and transformative climate action. This includes:

- **Scaling up joint work across urban finance programs** delivered by C40 and GCoM, which address climate finance challenges on both the demand and supply side through activities such as finance diplomacy and advocacy, finance initiatives, finance capacity building and technical assistance support to cities, partner engagement and connecting cities to funding sources.

- **Integrating the cities' data and planning journey** by building on existing work, integrating its components and simplifying them, so that climate action planning across thousands of cities can accelerate and data can be leveraged to inform implementation of projects and policies, notably complementing the finance strand of the program.

- **Amplifying C40 and GCoM cities' climate actions**, and creating opportunities to implement ambitious local policies and projects by supporting engagement and sending powerful messages to the right partners.

2. Summary, Purpose and Background of the Project

**Background**

Carbon markets present a potential opportunity for cities to secure additional funding to strengthen the business case for climate action. While some cities like Tokyo and Shenzhen have made effective use of their own carbon trading schemes, the vast majority of cities are not currently utilising carbon markets (regulated or otherwise) to deliver their climate action projects. Both C40 and GCoM are keen to understand if/how best cities can engage with carbon markets to secure funding whilst addressing relevant technical, legal, policy and ethical considerations.

3. Project Scope

**Aims of Research**

The C40 x GCoM Joint Program is interested in better understanding how carbon markets (regulated and voluntary) will function, including under Article 6, and the implications for cities. The aim of the research is to develop a briefing for the Joint Program on the current state of play of carbon markets and what this practically means for cities - opportunities, risks and general consideration to be aware of. The briefing will be used by C40 and GCOM to not only build internal knowledge, but to identify key areas where stronger engagement may be necessary to ensure proposals on the table would support and incentivise climate action in cities and create a clear framework in terms of subnational accounting for climate projects.
A key driver for the study is that many cities in the global south are being approached to sell carbon credits for zero-emission projects – in particular projects which may not appear in national registries. However, it’s unclear what this means legally and ethically in terms of how cities can communicate about these projects if they sell credits (i.e. can they still refer to them as zero carbon projects), as well as technically, in terms of what this means for cities’ GHG inventories. Given cities have developed ambitious and robust climate action plans and given the spotlight on greenwashing around net zero plans, C40 and GCOM want to ensure cities understand the full implications from participating in carbon markets.

C40 and GCOM may share some or part of the briefing with member cities. The briefing should be written in plain, simple English and should assume the audience may have limited subject matter expertise.

The selected consultant will deliver the following activities:

**Activity 1. Create a briefing outlining and analysing the current landscape**
The aim of this task is to help C40 and GCOM understand the current state of play.

- **Task 1.1** Research the current state of voluntary and regulated carbon markets and provide a summary of how carbon markets are expected to work in practice, and what agreements have been made in terms of how carbon markets will function and be governed (including ITMO mechanism). Relevant examples should be highlighted where possible. Assess how existing provisions or ground rules affect the ability of subnationals to participate and the ways in which subnationals can participate. Provide a brief state of play on the voluntary market, including efforts to improve integrity (e.g. Integrity Council for the Voluntary Carbon Market), and expectations going forward.

- **Task 1.2** Review current proposals and work of the Supervisory Body to understand what was negotiated/agreed in 2023 and what will be in 2024/25. During this task, the contracted consultant should also highlight where and how consultation mechanisms are available to non-state actors like C40 and GCOM.

**Deliverables of Activity 1:**
1. A briefing document covering the above areas of the carbon market landscape. The briefing should be max. 10 pages (excluding appendices) with a short executive summary.
2. Summary slide deck.

**Activity 2. Create a briefing on the implications for cities**

- **Task 2.1** Assess legal, financial, economic, technical, political and ethical issues, opportunities, risks and implications for cities related to their participation in both the voluntary and regulated market considering
existing/proposed mechanisms. Assess if/how cities can participate in carbon markets, considering institutional limitations, to facilitate access to finance while ensuring the integrity of these efforts. Assess and summarise the implications for cities, including but not limited to:

- a full picture of the various implications, risks and opportunities,
- opportunities to benefit from carbon markets;
- requirements to participate;
- legal ownership/claims on carbon credits (with respect to national governments, NDCs and international buyers of credits);
- communications claims by cities over low/zero carbon projects
- development and public release of city GHG inventories as well as city climate budgets;
- project accounting methodologies;
- interlinkages with national climate project registries; and,
- pricing mechanisms; and
- types of projects that are well suited to carbon markets, accounting for the considerations categories outlined above (e.g. ethical, technical, etc), and how cities balance pursuit of highest impact actions with financing viability.

- **Task 2.1** Building on 1.2 and 2.1, identify if there are any key points being negotiated where diplomatic intervention (split into voluntary and mandatory markets if necessary) from C40 and GCOM would be beneficial in order to bring the voice of cities and protect the interest of cities, and where these will be discussed. Identify and recommend key opportunities for intervention and diplomatic engagement by cities, and key issues cities should raise or points that require further clarity as the operational guidance is developed.

**Deliverables of Activity 2:**
1. A briefing document, primarily aimed at C40 and GCOM, outlining the implications for cities of current and expected carbon market frameworks, with specific guidance of the role both organisations can play in helping cities benefit from carbon markets as a potential source of revenue and/or mitigate potential negative impacts and risks. The briefing should be a maximum of 10 pages (excluding appendices).

All deliverables should be in English. Whilst professional level graphic design is not required, the documents and slides should be clearly laid out and presented to a publishable standard.

The estimated timeline for deliverables of Activities 1 and 2 is for work to start in June and end in August 2024. However, submissions that extend beyond this period will still be considered as long as there is a robust methodology that correlates well to the proposed timeline.
4. Proposal Guidelines

This Request for Proposal represents the requirements for an open and competitive process. **Proposals will be accepted until 11.59pm GMT, 7th June 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 must include:

1. Description of the approach to tasks, and the costs and expected hours dedicated per deliverable, and total for the 3 deliverables outlined above.

2. Resume (CV) of the consultant(s), proving the desired experience and competencies required for this project (see item 6).

3. Proof of previous experience (at least 3) attached to the email.

The proposal should give C40 and GCOM 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;
- Any additional support that you need to make the project a success, including any inputs you will need from third parties or C40/GCOM staff;
- Proposed working partnership with C40/GCOM, 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.

5. RfP and Project Timeline

**RfP Timeline:**

<table>
<thead>
<tr>
<th>RfP Timeline</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>Request for Proposals sent out</td>
<td>22 May 2024</td>
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<tr>
<td>Deadline for receiving submissions</td>
<td>7th June 2024</td>
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<tr>
<td>Evaluation of Proposal</td>
<td>10th - 13th June 2024</td>
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<tr>
<td>Clarifications and selection decision made</td>
<td>13th - 14th June 2024</td>
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<td>All Potential Suppliers notified of outcome</td>
<td>19th June 2024</td>
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6. Proposal Evaluation Criteria

Proposals will be evaluated against the following criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
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<tr>
<td><strong>Criteria 1: Technical expertise and proven experience</strong></td>
<td><strong>70%</strong></td>
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<tr>
<td>Measured by:</td>
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<td>- Demonstration of a strong understanding of the project scope, objectives and context.</td>
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<td>- Ability to prove technical expertise, previous experience, project management capabilities, and availability of the team</td>
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<td>- Bidders qualifications. This should be documented in the resume (CV) and supporting material of proven previous experiences.</td>
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<td>- References from other clients related to the work are welcomed, but it is not mandatory.</td>
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<td><strong>Criteria 2: Value for money</strong></td>
<td><strong>20%</strong></td>
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<td>Measured by:</td>
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<td>- Description of the costs and expected hours dedicated for each activity, and for the total for the 2 activities + taxes.</td>
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<td>- Alignment of cost with technical expertise and experience</td>
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<td><strong>Criteria 3: Equity and Ethical Alignment</strong></td>
<td><strong>10%</strong></td>
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<td>C40 is looking to appoint an organisation that shares our values. Ten percent of the evaluation will focus on these factors and bidders are encouraged to link to their relevant organisational policies and principles. Organisations that are based in the global south are strongly encouraged to apply.</td>
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7. Project Budget

A **maximum budget of USD $25,000** is available for the services. Bids exceeding this amount will not be considered. Full payment will be made upon satisfactory completion of the services described above.

All proposals must include proposed costs to complete the tasks described in the project scope, including all VAT and taxes. Please note that the contracting entity

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1 This is indicative of the estimated duration of the project but all proposals should feature an accurate timeline, which may be shorter or longer than this estimate. Longer timelines that are justified by the work to be carried out will not be penalised.
is C40’s US Office. Costs should be presented in USD. All costs incurred in connection with the submission of this RfP are non-refundable by C40.

8. 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

9. Submissions

Each potential supplier must submit 1 copy of their proposal to both the email addresses below by 11:59 GMT on 7th June 2024.

Asma Jhina
ajqcomce@gmail.com

Anelise Rosa
arosa@c40.org

10. Questions

All bids should be based on the information provided within this document. However, any questions submitted will be shared and answered in this document for the purpose of transparency. The question, the date it was received, and the answer will be posted, however no information on the source of the question will be shared.

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.