

### REQUEST FOR PROPOSAL (RfP)

# Financing Clean Air Zone Measures in Global South Cities

Support for Clean Air Network Technical Working Group

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

8th September 2025

#### 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 limit global heating in line with the Paris Agreement and build healthy, equitable communities. Driven by the successful delivery of ambitious climate action by C40 cities, mayors are working alongside a broad coalition of representatives from labour, business, the youth climate movement and civil society to go

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 <u>Website</u>, or follow us on <u>Twitter, Instagram</u>, <u>Facebook</u> and <u>LinkedIn</u>.

### 2. Project Background and Summary

further and faster than ever before.

C40's Clean Air Network hosts the **Clean Air Zones in Global South Cities Technical Working Group**. The group is composed of technical staff in cities from Latin America, Africa, and Asia who work together to develop and implement innovative and equitable clean air policies. The group has collectively identified financing for Clean Air Zone measures as a barrier to implementation and has co-designed the work described below to address this challenge.

C40's Air Quality Programme works with cities to accelerate reductions in air pollutants and greenhouse gases through the implementation of robust air quality management efforts. The programme supports cities by facilitating peer-to-peer knowledge sharing, providing direct technical assistance, organising training, building city staff capacity, and conducting research and pilot studies in collaboration with city staff.

This project is made possible with funding from Clean Air Fund, a global philanthropic organisation working with governments, funders, businesses and campaigners to create a future where everyone breathes clean air.

#### **Project scope**

C40 is seeking a service provider to partner with us in delivering three work packages focused on "Financing Clean Air Zone Measures in Global South Cities." The selected service provider will create resources and products to support C40's Technical Working

Group on Clean Air Zones in Global South Cities as participant cities move from ambitious clean air goals to fundable, investment-ready projects.

The scope of work includes three connected work packages:

- Develop detailed, structured case studies describing how specific clean air measures have been successfully financed in Global South cities.
- 2. Conduct a financing readiness and gap analysis for each city in the working group, to assess participant cities' unique priorities, capacities, and challenges.
- 3. Provide intensive, hands-on support to co-design tailored finance strategies for a selection of 3-4 high-priority projects.

#### Ways of working

The selected service provider will be required to deliver all activities and outputs in close consultation with C40's Technical Working Group lead and support staff as well as participant cities. The service provider is expected to collect insights directly from participant cities, to complement background research, and to seek the Technical Working Group's feedback and approval of findings throughout the delivery of the project. All work will be guided by the priorities and needs of the Technical Working Group.

This technical assistance will be **conducted remotely**. Contact with the cities in the group will be mediated by Technical Working Group support staff. Cities in the working group span the globe and time zone flexibility will be required. The regularity of check-ins will be determined with the Technical Working Group lead in the initial planning phase of the project.

#### 3. Project Work Packages and Details

## Work Package 1: Finance-focused case studies of prioritized clean air measures

The service provider will develop 3–4 in-depth case studies analyzing how specific, high-priority emission reduction measures have been financed in Global South cities. The scope of "clean air measures" will be defined by C40 staff and Technical Working Group members, in consultation with the service provider. Priority measures will likely include projects explicitly designed for air quality as well as those with significant clean air co-benefits (e.g., traffic calming projects designed for road safety that also reduce emissions).

The research will focus on city- or neighborhood-scale interventions that Technical Working Group participants have indicated are most feasible in their contexts, such as large-scale pedestrianization projects, the expansion of cycling infrastructure, and zones that limit vehicle emissions. The Technical Working Group will provide guidance on the types of information the case studies should contain, and questions the case studies should answer. The resulting case studies will provide practical, actionable insights on strategies, instruments, and institutional pathways for financing.



**Activity 1.1: Define priority measures and select case studies.** This foundational activity ensures the research is targeted and relevant from the outset.



1.1a - Review and validation of city priorities: The service provider
will begin by reviewing priority projects nominated by Technical
Working Group participants and also reviewing lists of projects
previously developed by C40. Building on this existing information, the service
provider will engage Technical Working Group cities in a single, focused consultation
(e.g., a validation interview).

The goal of this engagement is to confirm and deepen the understanding of the types of clean air measures the cities are most interested in pursuing. If a city does not find a suitable option within the existing high impact clean air measures lists, the service provider will be responsible for proposing new projects that align with the city's specific interests. This validated input will directly inform the strategic scoping of the case study research.

- 1.1b Strategic scoping of measures: The service provider will synthesize the input gathered from the Technical Working Group cities with existing knowledge of the group's priorities. The service provider will produce a focused list of measure types that will guide the subsequent case study research.
- 1.1c Identification of pertinent case studies: Based on the output of 1.1b, the service provider will identify 6-8 potential case studies and will recommend a list of the top 3-4 case studies for further work. The selection process, done in collaboration with C40 and the Technical Working Group, will be guided by a strategy of relevance, prioritizing:
  - Examples from cities with contexts that resonate with the Technical Working Group participants (e.g., similar governance structures, economic scale).
  - Cases that illustrate diverse policy and financing approaches.
  - C40 member cities, if possible, to leverage existing relationships and ensure access to officials.

**Activity 1.2: Literature review and primary data collection** This activity combines a review of existing knowledge with new data gathering.

- 1.2a Foundational literature review: The service provider will begin by conducting a thorough review of C40's Urban Climate Finance Guide for Clean Air Zones to fully integrate its findings on financing mechanisms, funding sources, and success factors. This will be supplemented by a review of other publicly available reports and resources already developed by C40 teams. This ensures the new case studies fill critical gaps and build upon existing knowledge, providing the WG with a holistic understanding of the global financing landscape.
- 1.2b Primary data collection (document review & stakeholder interviews): For each selected case study, the service provider will gather project-specific

documentation and conduct interviews with key stakeholders (city officials, finance partners, etc.). The interviews will serve to verify information from the document review and gather details not publicly available, particularly concerning the financing structure and institutional processes.



**Activity 1.3: Finance-integrated case study development.** Each case study will be developed using a standardized template to ensure consistency and comparability across projects. The template will include the following detailed sections, for example:

- The measure and its rationale: Description of the measure, its role as a component of a Clean Air Zone strategy, and its intended benefits.
- **Enabling environment and institutional pathways:** An analysis of the factors that enabled or hindered the project, including:
  - What existing policies or documents created the mandate or opening for the measure?
  - Which government bodies and officials needed to approve it?
  - Key enabling factors and barriers from both a financial and an administrative perspective.
- **Project costs:** Breakdown of CAPEX (capital expenditures) and OPEX (operational expenditures), when available.
- **Financing strategy and financial architecture:** A detailed analysis of the financing, including:
  - How was the project presented to receive financing (e.g., as a standalone project, part of a larger infrastructure plan)?
  - At which stage was financing secured?
  - What were the terms of the financing (e.g., interest rates, tenor, loan-to-value ratio)?
  - Who provided the financing (e.g., multilateral development bank, national development bank, commercial bank, public funds)?
  - Was additional technical assistance support included?
  - If publicly funded, what was the municipal strategy to secure the necessary budget?
- Lessons learned: Key takeaways and insights for replication in other cities.

**Activity 1.4: Cross-case analysis and synthesis.** The service provider will prepare a short synthesis summarizing patterns across the case studies—such as commonly-used financial instruments, critical enablers or bottlenecks, and implications for cities with limited access to capital.

**WP 1 suggested outputs** (format and final outputs to be refined in consultation with Technical Working Group)

Output 1.1: In-depth case studies (for 3-4 cities): Each case study will be delivered as a package containing:

- A full report detailing the selected measure in its city context, its governance, and a deep-dive into its financing strategy, following the standardized template.
- A summary slide deck for easy presentation and sharing.
- A presentation of the summary slide deck to the Technical Working Group, with a moderated Q&A to follow (1 1.5 hours).



**Output 1.2: Synthesis report:** A single, concise brief that compares the financial strategies from all case studies. It will identify common patterns, highlight and explain the main differences (and their potential sources, such as national policies or local context), identify key challenges, and provide actionable lessons for all cities in the working group.

**Output 1.3: Methodology note:** A short document explaining how the research was conducted, including the criteria for selecting the priority measures and resonant case studies, stakeholders consulted, any limitations encountered, and any recommendations for future research or work needed.

## Work Package 2: Financing readiness and gap assessment for prioritized CAZ measures in Technical Working Group cities

The service provider will identify and systematize the main financing barriers, needs, and opportunities for the ten cities participating in the Technical Working Group. This analysis will serve as a foundational assessment to inform the selection of 3-4 cities for the intensive technical assistance described in Work Package 3.

Building on the "menu" of clean air measures and financing precedents identified in WP1, this work will assess each participating city's financial readiness to implement the Clean Air Zone measures they identify as priorities, including a targeted evaluation of each city's capacity to pursue specific financing pathways. This work package applies the principles and frameworks outlined in the Urban Climate Finance Guide (to be provided)—such as assessing debt capacity and demonstrating technical viability —to each city's unique context. The final product will be a city-by-city comparative analysis that maps specific financing gaps and enablers, guiding both future C40 support and the strategic selection of cities for WP3.

**Activity 2.1: Review and synthesis of foundational materials.** The service provider will review information collected during previous Technical Working Group sessions and use this, together with findings from **Work Package 1**, to establish a "menu" of potential CAZ measures and their typical financing approaches. This menu of measures and financing options will form the basis for subsequent city interviews and information gathering.

Activity 2.2: City interviews for financing readiness evaluation. Short (60 minute) virtual interviews will be conducted with a finance or mobility representative from each Technical Working Group city (approximately 10 cities). Building on the priorities confirmed in Work

Package 1, these interviews will focus on understanding and assessing the city's financial readiness to pursue various financing pathways for priority measures by exploring institutional barriers, technical capacity, and awareness of different financial instruments.



Activity 2.3: City-level readiness and gap matrix. Based on the information collected in Activity 2.2, the service provider will develop a city-by-city evaluation matrix. This matrix will map city readiness and potential enablers to relevant financing options, for each city's stated priority measures. For a given measure (e.g., pedestrianization), the matrix will assess potential financing pathways such as:

- **Public debt:** City's readiness, barriers (e.g., fiscal space limits), enablers.
- Public Private Partnership: City's readiness, barriers (e.g., lack of legal framework), enablers.
- Grants: City's readiness, barriers (e.g., lack of proposal-writing capacity), enablers.

**Activity 2.4: Comparative analysis and strategic insights** A comparative summary will be developed across all cities to identify patterns and common bottlenecks for specific financing pathways. Based on this evidence-based evaluation, the service provider will create a list of detailed insights, which will include:

- Guidance for future C40 support to cities (e.g., tailored capacity building activities and strategies, suggested engagement with funders).
- A clear, data-driven recommendation of the 3-4 cities best positioned in terms of readiness and political will to be selected for the intensive finance strategy support in WP3.

**WP 2 - Suggested outputs** (format and final outputs to be refined in consultation with Technical Working Group)

**Output 2.1: City-level financing readiness matrix:** A comprehensive matrix that creates and communicates a financing profile for each city. It will visually map priority measures against potential financing pathways, detailing the specific barriers, enablers, and capacity gaps for each.

**Output 2.2: Strategic recommendations report:** A summary report analyzing patterns from the evaluation matrix. It will provide recommendations to guide future C40 support and include a list of recommended cities to be supported in Work Package 3 and a clear justification for this selection.

**Output 2.3: Evaluation process summary:** A brief note outlining the methodology used, including a list of the city focal points interviewed and the key documents reviewed, to ensure a transparent and credible process.

## Work Package 3: Co-design of finance strategies for priority clean air projects

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The service provider will support 3–4 cities from the Technical Working Group to develop a tailored finance strategy for one specific, high-priority project per city that contributes to their broader Clean Air Zone goals. The

focus is on creating a practical and fundable plan for a defined intervention. The scope can include larger projects or smaller-scale initiatives, with an understanding that a key part of this work may involve helping cities bundle smaller projects into larger, more fundable packages.

This work package moves from evaluation to direct application. The service provider will work closely with the selected cities to develop a customized finance strategy for one city-defined priority project, strengthening its investment case and accelerating project readiness.

**Activity 3.1: Evaluation, data collection, and baseline definition.** This activity begins with an evaluation phase to establish a clear starting point for a single priority project in each city. The service provider will work with each city to:

- Assess the project's context, including potential finance models the city is already considering, existing relevant contracts, and the city's experience with and constraints around taking on finance.
- Gather all available data related to the priority project, including intervention type, spatial coverage, target beneficiaries, timelines, and existing cost estimates. Where data is unavailable, high-level assumptions will be co-developed with the city.

**Activity 3.2: Development of a project-specific finance strategy.** The service provider will develop a tailored finance strategy for each city's priority project, based on estimated Capital (CAPEX) and Operational (OPEX) Expenditures.

Financing strategy: Using the detailed CAPEX and OPEX estimations, the service
provider will propose a viable financing strategy. This will involve drawing from (but
will not be limited to) the extensive mapping of funding sources in the *Urban*Climate Finance Guide to analyze appropriate options (e.g., grants, concessional
loans, public-private partnerships) and identify specific resources of funding for
each.

**Activity 3.3: Stakeholder validation and financial viability testing.** To bridge the gap between a theoretical plan and a fundable project, the service provider will validate the finance strategy developed in Activity 3.2 with financial actors. The service provider will conduct consultations with a sample of relevant financial stakeholders (such as multilateral development banks, private investors, or national development funds) to receive feedback on the proposed approach.

The objective of these consultations is to:

- Test the core assumptions of the financial model and the viability of the proposed financing instruments.
- Gauge the appetite of different types of financiers for this specific project type and scale.
- Identify potential red flags, specific requirements, or opportunities from an investor's perspective early in the process.



The feedback gathered from this viability testing will be used to refine the finance strategy, significantly increasing its credibility and alignment with real-world investor expectations before it is presented to the city for final validation.

**Activity 3.4: City validation and finalization.** Each city will review its project-specific finance strategy in a virtual workshop. The service provider will collect feedback to ensure the strategy is aligned with local realities, politically feasible, and technically sound. The service provider will respond to the feedback, updating and amending the draft financing strategy as needed before seeking city sign-off. City-facing communication will be mediated by C40.

**Activity 3.5: Synthesis and knowledge sharing** The service provider will produce a concise synthesis document, summarizing insights from the finance strategies developed. It will highlight common challenges, innovative financing approaches, and transferable lessons for other cities in the Global South.

**WP 3 suggested outputs** (format and final outputs to be refined in consultation with Technical Working Group)

Output 3.1: Priority project scoping & evaluation briefs (one per selected city): A concise document for each city that defines the selected project and summarizes the findings from the initial evaluation phase.

Output 3.2: City-specific finance strategies (one per selected city): A comprehensive and user-friendly finance strategy for each city's priority project, delivered as a package that includes:

- A slide deck presentation summarizing the project's value proposition, implementation plan, financial projections, and finance pathways.
- An adaptable financial worksheet (e.g., Excel) detailing CAPEX/OPEX calculations and financing scenarios, allowing cities to modify key assumptions.

Output 3.3: Validation workshop reports (one per selected city): A summary report for each validation workshop, documenting the city's feedback and the agreed-upon revisions to the finance strategy.

**Output 3.4: A final synthesis report:** A consolidated report that analyzes the common themes, challenges, and successful strategies across the developed finance strategies, providing actionable insights for other Global South cities.

**Disclaimer:** The information and strategies produced through this work are for guidance purposes only. Final decisions, based on the cities' own technical and financial analyses, are the sole responsibility of the cities.



#### 4. Proposal Guidelines

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until **October 1st 2025 at 17.00 EST.** 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 your experience and qualifications to perform high-quality work on these topics.

Please limit the proposal to no more than **7 pages**. Team member CVs and references should be attached as an annex. 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;
- Examples of past work;
- Information about your fee;
- Proposed timeline of implementation;
- Proposed project management methodology
- 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 the organisation's commitment to equity, diversity and inclusion and ethical alignment with C40;
- Resumes of proposed key personnel (attached as an annex).

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 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.

Please refer to <u>C40's Equity</u>, <u>Diversity and Inclusion Statement</u>. Supplier diversity and inclusive procurement is one element of applying equity, diversity and inclusion to help deliver the goals of the Paris Agreement 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 Services Contract.

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**

RFP Timeline	Due Date
Request for Proposals publicized	8 September 2025
Questions submitted to C40	9 September - 16 September 2025
C40 responds to questions submitted <u>here</u>	18 September 2025
Deadline for receiving Offers	1 October 2025
Short-listed bid interviews	Oct 16-17 2025
All Potential Suppliers notified of outcome	28 October 2025

**Project Timeline** 

Item	Description	Due date
1	Kick-off meeting	Week 1

Item	Description	Due date	
2	Kick-off meeting report	Week 2	C40 CITIES
3	Activity 1.1 - Defining priority measures and strategic selection of case studies	Week 3	CITIES
4	Activity 1.2 - Literature review and primary data collection	Week 5	
5	Activity 1.3 - Finance-integrated case study development	Week 6	
6	Activity 1.4 - Cross-case analysis and synthesis	Week 7	
7	Outputs WP1 finalized	Week 8	
8	Activity 2.1 - Review and synthesis of foundational materials	Week 9	
9	Activity 2.2 - City interviews for readiness evaluation	Week 11	
10	Activity 2.3 - City-level readiness and gap matrix	Week 14	
11	Activity 2.4 - Comparative analysis and strategic insights	Week 15	
12	Outputs WP2 finalized	Week 16	
13	Activity 3.1 - Evaluation, data collection, and baseline definition	Week 17	
14	Activity 3.2 - Development of a project-specific finance strategy	Week 19	
15	Activity 3.3 - Stakeholder validation and financial viability testing	Week 21	
16	Activity 3.4 - City validation and finalization	Week 23	
17	Activity 3.5 - Synthesis and knowledge sharing	Week 24	
18	Outputs WP3 finalized	Week 26	

## 6. Proposal Evaluation Criteria

Proposals will be evaluated against the following criteria.

Evaluation Criteria	Weighting
Project delivery approach proposed, interpretation of brief and	30%
quality of proposal. The proposal should demonstrate clear understanding of the needs at hand and ability to meet the requirements listed within the timeframe and with high quality. The proposal should be clear, robust and concise.	

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Specific technical expertise & quality of staffing. The successful applicant will need to demonstrate in-depth knowledge of the subject matter - in this case knowledge and skills related to the following: city-level transportation emissions and air quality; urban finance systems and options; urban	30%	C40 CITIES
climate and air quality policy making; and transport system/urban planning expertise. The team members should demonstrate suitable experience, qualifications and availability to deliver the project successfully and of high quality.		
Project Management Experience and record of similar projects: The supplier should demonstrate a track record and references of similar projects where capability and experience were required to conduct targeted interviews, produce insightful case studies with new content, work directly with clients to analyse finance-related challenges, and provide comprehensive finance options, ideally working at city level. References from other clients are a plus.	20%	
<ul> <li>Cost Reasonableness:         <ul> <li>Economy: minimising the cost of resources used / spending less</li> <li>Efficiency: the relationship between the output from goods / services and the resources to produce them</li> <li>Effectiveness: the relationship between the intended and actual results</li> <li>Equity: the extent to which services reach the intended recipients fairly</li> </ul> </li> </ul>	10%	
Equity and Ethical Alignment: This criterion evaluates the bidder's stated approach to equity, knowledge of relevant cultural contexts, and ethical alignment with C40's values. The proposal should demonstrate how the bidder's methodology will be grounded in the local community context to ensure equitable processes and outcomes. Ten percent of the evaluation will focus on these factors. Organisations based in the Global South are strongly encouraged to apply.	10%	

## 7. Project Budget

The budget for proposals must be no more than **USD 60,000**. Payment for services is linked to the delivery and approval of each product.

All proposals must include proposed costs to complete the tasks described in the project scope, **including all VAT and taxes** (when relevant). Costs should be presented in U.S.

dollars (USD). Costs should be stated as one-time or non-recurring costs or monthly recurring costs. All costs incurred in connection with the submission of this RfP are non-refundable by C40.

# C40 CITIES

#### 8. C40 Policies

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

- Non-Staff Code of Conduct Policy here
- Equity , Diversity and Inclusion Policy <u>here</u>

#### 9. Submissions

Each Potential Supplier must submit 1 copy of their proposal to the email address below by **October 1st 2025 at 17.00 EST:** 

#### Natalia Arcila, City Engagement Manager - Air Quality - narcila@c40.org

Anonymised responses to questions will be provided here (<u>link</u>) when the Q&A period closes. To submit questions, please access the link provided above and leave your question in the sheet. Answers will be given by September 18th.

Based on the submissions received, C40 reserves the right to promote the establishment of consortium relationships or request potential suppliers refine their submission after receipt.

#### **Disclaimer**

C40 will not accept any liability or be responsible for any costs incurred by Potential Suppliers in preparing a response for this RFP. Responses submitted will be accessible by all C40 staff and external evaluators (if any).

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.