REQUEST FOR PROPOSALS: Research and Advisory Services

SUMMARY OF PROCUREMENT

WRI intends to award a Fixed Price type contract to support the development of a long-term capacity building program for mainstreaming climate risks into central ministries of finance, economies, and planning, and furthering the economic case for investing in resilience. Proposals from individual consultants are preferred, but proposals from firms with small teams will also be considered.

The consultant(s) will work with WRI to refine program concept, scope country partners, hold stakeholder consultations, and support a soft-launch of the mainstreaming program in January 2021. Applications due to Carolyn Turkaly (Carolyn.turkaly@wri.org) by August 17 at 10AM ET (Washington, DC).

About the World Resources Institute

Founded in 1982, The World Resources Institute (WRI) is a global environmental think tank that goes beyond research to put ideas into action. We work with governments, companies, and civil society to build solutions to urgent environmental challenges. WRI’s transformative ideas protect the earth and promote development because sustainability is essential to meeting human needs and fulfilling human aspirations in the future.

About the Global Commission on Adaptation

The Global Commission on Adaptation (GCA) was established to accelerate adaptation worldwide by raising the visibility of the need for climate adaptation and by focusing on the solutions. Almost two years under way, the Commission has already had a vast impact on setting the agenda for climate adaptation through its flagship report – elevating the ambitions of governments, local authorities, international organizations and companies, and in bringing together the parties, resources and knowledge needed to implement adaptation measures at a large scale. The Commission aims to inspire heads of state, government officials, community leaders, business executives, investors and other international actors to prepare for and respond to the disruptive effects of climate change with urgency, determination, and foresight.

SCOPE OF WORK AND OUTPUTS/DELIVERABLES

You will support the efforts of the Global Commission on Adaptation’s Finance action track team, led by WRI, to make climate risks more visible and actionable, mobilize public and private investment in adaptation, and promote systemic change in fiscal and financial systems to integrate climate risk into decision-making. Please also see appendix to this RFP for latest information on the Finance action track.

More specifically, you will support the development of a long-term capacity building program for mainstreaming climate risks into central ministries of finance, economies, and planning, and furthering the economic case for investing in resilience. This program is being developed in association with the Global Resilience Partnership (GRP) and various bilateral donors. We are currently developing three strands: (a) a regional focus on Africa; (b) support to universities in developing countries on their climate change, economics and finance curricula (to build longer-term capacity and train the next generation of
policymakers); and (c) an expanded finance-focused adaptation and resilience knowledge platform. This program will include partnerships with a diverse set of countries and technical, research, and academic institutions such as the Collaborative Africa Budget Reform Initiative (CABRI), Africa Adaptation Initiative, African Development Bank, LDC University Consortium on Climate Change (LUCCC), V20, World Bank, UNDP and various bilateral donors.

This consultancy will focus primarily on developing the first two of these three ideas. (GRP will lead on developing the third idea.) The consultant(s) will work with a small WRI team and its partners to deliver the overall program at the Climate Adaptation Summit in January 2021.

**Key Activities and Deliverables:**

**Activity 1.** Conduct background research to develop concept and partnerships to support the continued development of a long-term capacity building program to support ministries of finance and economies in their efforts to integrate climate risks, and build a strong network for program deliverables.

**Activity 2.** Conduct background research to develop concept and partnerships to support curriculum development for tertiary level economics, finance, and/or public policy courses that address integration of climate risks into economic and development planning. This could include research and stakeholder consultations with existing university networks, curriculum/courses on these topics, and facilitating development of new curriculum in partnership with professors and research institutions.

**Activity 3.** Ensuring outreach with a diverse network of relevant public and private sector actors to keep stakeholders informed and engaged and that their input is actively sought.

**Activity 4.** Draft blogs and other communications products to support communications and engagement activities associated with soft-launching the program in January 2021.

**Table 1. Deliverables:**

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<thead>
<tr>
<th>No.</th>
<th>Deliverable Name</th>
<th>Deliverable Description</th>
<th>Deliverable Deadline</th>
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<tbody>
<tr>
<td>1</td>
<td>Support program content and design</td>
<td>Identify key workstreams, draft program design</td>
<td>September 30, 2020</td>
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<td></td>
<td>development</td>
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<td>2</td>
<td>Support and document continued institutional partners outreach</td>
<td>Support and document ongoing consultations with identified partners</td>
<td>November 15, 2020</td>
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<td>3</td>
<td>Conduct scoping of country delivery</td>
<td>For identified pilot countries, support in-country partner identification and consultations</td>
<td>November 15, 2020</td>
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<td>partners</td>
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<td>4</td>
<td>Research potential for university level</td>
<td>Build on existing research to identify pathways to formulate university level curriculum/courses on integrating climate risk into economics/finance departments</td>
<td>November 15, 2020</td>
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<td>curriculum and sharing program</td>
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<td>5</td>
<td>Complete the initial technical package</td>
<td>Update program documentation based on all first phase program design, in collaboration with GRP</td>
<td>December 15, 2020</td>
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<tr>
<td></td>
<td>describing overall program strategy and components</td>
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Support soft launch of capacity building program
Includes preparation of blog, short descriptions, and engagement of Commissioners and partners to advance program soft-launch preparation
January 25, 2021

Provide continued program design support following the Summit
Further development of the program design concepts and documentation, and support to the program fund-raising process
March 15, 2021

TIMING AND BUDGET

- Deadline for Applications: August 17, 2020
- Selection of Consultant: August 21, 2020
- Signature of Contract: August 31, 2020

This is a fixed price contract. **Bids not to exceed USD 70,000.** Please note that WRI is an IRS-registered 501(c)3, tax-exempt organization. WRI is not VAT exempt. All prices or quotes should include VAT and tax, as applicable.

GUIDELINES FOR PROPOSAL SUBMISSION

Requirements
The selected consultant should demonstrate capacity in similar work, particularly:

- Background and experience (at least 7 - 10 years) working on adaptation, economics, and/or finance at the national or subnational level
- Experience conducting and managing stakeholder consultations with diverse set of partners
- Experience with writing analytical and communications products
- Background or experience with public financial management processes, national economic and/or development planning, and working in Africa [preferred]

Proposal content
Prospective consultants should submit:

- A statement of interest describing the consultant and how it meets the above requirements;
- CV;
- Examples of and references for similar previous work;
- An outline of proposed approach to working with WRI and partners;
- A proposed budget with a breakdown of costs sufficient to assess reasonableness and compliance with our funder requirements.

Expression of Interest, Deadline for Questions, and Proposal

All expressions of interest and questions about this RFP must be received via email to the contact below by **August 10, 10AM ET (Washington, DC).** An EOI is not required to submit a proposal but is encouraged so that answers to the questions asked by other bidders can be shared with all parties who have asked questions or otherwise expressed interest.

Carolyn Turkaly
Project Specialist II
Carolyn.turkaly@wri.org
All proposals must be sent by **August 17, 10AM ET (Washington, DC)** in electronic format to the same contact listed above.

**EVALUATION AND SELECTION**

**Evaluation Criteria**

The following elements will be the primary considerations in evaluating all proposals submitted in response to this RFP:

- Completion of all required elements;
- Background and experience working on adaptation, economics, and/or climate finance management;
- Experience managing stakeholder consultations;
- Experience with similar projects on a similar timeline;
- Proposed approach;
- Overall cost of the consultant’s proposal.

**The bidder offering the best overall value will be selected. For this procurement, non-price aspects are considered to be of more importance than price.**

**Selection Process**

No proposal development costs shall be charged to WRI / all expenses are to be borne by the bidders. WRI may award to the bidder offering best value without discussions. However, WRI reserves the right to seek bidder clarifications and to negotiate with those bidders deemed to be within a competitive range.

WRI may, at its discretion and without explanation to the prospective consultants, choose to discontinue this RFP without obligation to such prospective consultants or make multiple awards under this RFP.
Programme concept note: Mainstreaming Climate Risk Management in Government Decision Making

Context
Climate change adaptation and building resilience will be required even if the world meets the most ambitious Paris Agreement target of limiting global average temperature to 1.5°C. All countries need to move away from siloed, sector-specific, and short-term approaches to tackling climate adaptation, and strengthen how they systematically and cohesively integrate the financial, technical, administrative, social and political aspects of climate risks into decision-making to build resilience. This process needs government-wide response, led by central planning and finance policy processes and supported by sectoral actions.

All countries need to:

➢ Better understand and manage their macroeconomic and fiscal risks of climate impacts;
➢ Use their standard planning and budgetary processes to integrate climate adaptation policies and planning into national and local budgets and plans;
➢ Shift how their financial and administrative system makes decisions, in order to manage both short- and longer-term risks and ensure that they can react to emerging needs;
➢ Scale up available finance for adaptation, both public and private, to meet the scale of need, especially at local level;

Countries have sought assistance to build capacity in areas such as understanding macro-economic stress testing, assessing the economic implications of climate impacts, developing appropriate layers of risk management, analysing policy and budgetary priorities, conducting public expenditure reviews, and developing models of cross-sectoral policy design and implementation. Further needs are likely to emerge as countries work towards planning comprehensive adaptation and resilience actions.

Structure and governance
This proposed program will support countries to integrate climate risks into planning, administrative, budgetary and fiscal decision-making. This program will be demand led and put countries at the centre of the governance of the initiative. It will work in collaboration with Ministries of Finance and Planning on climate impacts, and with existing coalitions such as the Coalition of Finance Ministers for Climate Change Action, V20 Finance Ministers of the Climate Vulnerable Forum, the Africa Adaptation Initiative, and the LIFE-AR initiative. These ongoing initiatives signal countries’ demand to integrate climate impacts in their planning, budgetary, and policy decision-making processes.

The program will utilise and build on existing institutions, thereby minimizing start-up costs.
➢ It will be led by country demand, working with countries and the coalitions mentioned above to specify assistance needs.
➢ It will work learn from past experiences and ongoing initiatives - and will avoid duplication by referring countries to existing assistance, only undertaking new action to fill gaps.
➢ It will invest in learning by doing and innovative ways to build capacity and share knowledge.
➢ Building on the knowledge of partners, the facility will build platforms that capture and make accessible the latest resilience knowledge, lessons and solutions.

Goal: To strengthen how climate risks are systematically integrated into government planning, budgetary and policy functions.

Outcomes
Governments – from local to national – will have greater in-country capacity to manage climate risks, especially economic and financial risks, leading to:

➢ Increased use of standard processes and tools to integrate climate adaptation policies and planning into national and local budgets and plans;
➢ Increased financial incentives for both public and private financing to meet the scale of need; and ultimately
➢ Enhanced resilience of people, communities and economies in the most vulnerable countries through the better management of financial and economic risks.

A Call for Partners
We call on countries, MDBs and development partners, research and practitioner institutions, to join us in developing this next generation of technical assistance support and in scaling up adaptation action. If engaged with this initiative, countries would be able to:

➢ Build in-country capacity to strengthen how they integrate climate risks into government planning, budgetary, and policy functions;
➢ Engage in peer learning and technical exchange through platforms like the Coalition of Finance Ministers, the V20, Africa Adaptation Initiative, and LIFE-AR.

Developing the Initiative
This initiative has been in development alongside partners since 2019 through the work of the GCA and GRP. Open consultations have taken place since September 2019, including at UNCAS, COP25, and Gobeshona.

Countries and partners interested in the initiative have provided input on high-level set of objectives, principles, and deliverables, and are invited to continue in this regard. By April 2020, we will seek to establish more detailed operational and organizational specifications, with an aim to launch the programme and initiative support in late 2020.

Contacts
Global Commission on Adaptation:
Nisha Krishnan - nisha.krishnan@wri.org
Dominic Molloy - Dominic.molloy@gca.org

Global Resilience Partnership:
Deon Nel - dnel@globalresiliencepartnership.org
David Howlett - dhowlett@globalresiliencepartnership.org
The economic case for investing in climate adaptation is strong. Benefit-cost ratios range from 2:1 to 10:1. Yet, money is not flowing at the pace or scale needed. The Global Commission on Adaptation’s landmark report, *Adapt Now*, calls for a transformation in finance by: shifting how investment decisions are made to account for climate risks, scaling up and deploying public finance more effectively, scaling disaster risk finance and insurance, and harnessing private capital for resilience. The Commission is mobilizing a wide range of partners and will seek to build bridges between public and private stakeholders to achieve these goals. We will pursue four key areas of action in the Year of Action, which combined, will support increased ambition on adaptation finance to be showcased at the Climate Adaptation Summit and COP26.

**1. Align public sector financial decision-making with adaptation goals**

We will address the urgent need to promote understanding and uptake of climate risk considerations amongst countries’ finance and planning ministries, so that key decisions are aligned with a more resilient future. This includes:

- Working with the Coalition of Finance Ministers (CFM) and Finance Ministries of the Climate Vulnerable Forum (V20) members to provide the foundational tools for governments to improve management of macroeconomic and fiscal risks; integrate adaptation planning into their budgets; and increase finance, including at the local level. We will provide technical and intellectual support and leadership to the CFM working group on its Principle 4 (”macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices”) by developing and disseminating best practices.

- Co-designing a capacity building program to help mainstream climate risk into government decision-making. This program will complement the CFM by supporting developing countries (such as V20 countries) that may not be CFM members; supporting non-finance ministries (such as Ministries of Planning); and supporting subnational governments. The program will provide countries with increased access to best practices, tools, and peer exchange.

- Supporting the International Monetary Fund (IMF) as it scales up its climate change policy assessments (CCPA) into a tool that (a) introduces macro-critical climate risks into its annual Article IV consultations, and (b) is formally implemented together with the World Bank.
2. Open the door to scaled up public, concessional, and contingent finance for adaptation

Public finance for adaptation, including domestic and international flows, currently amounts to roughly $30 billion per year, far short of the estimated need for $140-$300 billion per year for developing countries by 2030. The COVID-19 crisis presents both challenges and opportunities for this financing shortfall, largely hinging on how countries factor resilience into their fiscal stimulus and economic recovery plans. The Commission will seek to mobilize partners to help meet the adaptation finance gap, including by:

- Working with donors, multilateral development banks (MDBs), the IDFC, and other partners to identify opportunities to enhance adaptation finance mobilization for official development assistance, including through mainstreaming resilience into COVID-19 recovery.
- Exploring innovative instruments, such as resilience bonds, to mobilize adaptation finance from new sources.

**Key 2021 deliverables:**
- Launch an investor and issuer’s guide to resilience bonds, providing the framework for the developments of new instruments.
- Launch research identifying opportunities to enhance adaptation finance, and create a platform for commitments at the Climate Adaptation Summit.

**Partners:** The V20 Vulnerable Country finance ministries, MDBs, the Coalition for Climate Resilient Investments, the Coalition of Finance Ministers, the African Development Bank, the African Adaptation Initiative, the Climate Bonds Initiative, and E3G.

3. Scale up private finance for climate adaptation and resilient investments

Scaling up private investments in adaptation and resilience has proven difficult to date, partially due to unclear analytics, metrics, and incentives. The Commission is co-leading the new Coalition for Climate Resilient Investment (CCRI), a first-of-its-kind, private sector-led group that seeks to transform how investment decisions are made, starting with infrastructure. The Coalition is interested in strengthening markets for private and public-sector investment in climate-resilient infrastructure and supporting climate vulnerable geographies to attract investment.

In addition, the Commission supports the Climate Resilience Risks & Opportunities Coalition (Climate-RROC), co-led by UNEP-FI and the Global Center on Adaptation, which seeks to enhance disclosure of physical climate risks among financial institutions by sharing experiences and best practices, advancing the knowledge and evidence base in the public sphere, and building support for public policies.
4. Deepen economic understanding of adaptation

While there is a growing body of economic research on adaptation, this topic has not generally been translated into practical tools to inform decision-makers. To support the three activities above, we will continue building the economic evidence for investing in adaptation and resilience, promoting the translation of these findings into decision-maker friendly tools and methods.

**Key 2021 deliverables:**
- Enlist 30 leading companies across the investment value chain, totaling over $1 trillion in assets, to commit to full climate screening and financing of only climate resilient investments by 2021.
- 50 financial institutions commit to disclosure of physical climate risk by 2021.

**Partners:** Our CCRI co-leads include Willis Towers Watson, the World Economic Forum, and the UK Government. CCRI has over 50 members with over $8 trillion in assets. Climate-RROC’s leadership team includes 5 leading banks and investors committed to increasing disclosure practices by 2021.

**Progress and Updates (as June 2020)**

Below are key progress updates from the Action Track as the Commission and partners work toward the above deliverables, including any major modifications made due to COVID-19.

- The members of the Coalition of Finance Ministers are eager to engage on good practice for integrating climate risks and resilience into their processes, but are currently constrained by the COVID-19 crisis and associated economic uncertainty. We have therefore removed a deliverable (30 Finance Ministers committing to mainstream adaptation) and are exploring instead options for stronger public commitments to mainstream climate risks by a subset of the Coalition’s members by COP26 in November 2021.

- World Resources Institute published a long-form commentary highlighting seven financial instruments that finance ministers can use to build a sustainable, resilient COVID-19 recovery. This was used extensively in a draft paper (led by Nick Stern) for the Coalition of Finance Ministers on Greening the COVID-19 Stimulus. We are leveraging the Coalition’s interest in good fiscal practices and will be organizing a series of sessions on integrating resilience into “the real economy.”

- We continue developing a long-term capacity building program to help central ministries (finance, economies, and planning) embed climate risk and resilience planning into a better understanding of all risks, whether health, economic, or environmental. Working with the Global Resilience Partnership and donors, we are exploring three options: (1) a regional focus on Africa; (2) support to universities in developing countries on their climate change, economics and finance curricula (to build longer-term capacity and train the next generation of policymakers); and (3) an expanded finance-focused adaptation and resilience knowledge platform, building on GRP, various DFID programs, LIFE-AR, and elements of the Locally Led Action Track.

- The ex-post evaluation of the first six IMF-led pilot Climate Change Policy Assessments (CCPAs) in small vulnerable countries will be finalized in June. It includes draft recommendations for scaling
up such assessments, refining methodologies for larger economies, and furthering collaboration with the World Bank.

- The Coalition for Climate Resilient Investment is part of the UK COP Presidency’s key deliverables under its private finance pillar. We have made progress under several working groups. Over 38 members are contributing their knowledge and expertise for (financially) structuring resilient assets. CCRI is working with the Office of the Prime Minister of Jamaica to develop a systemic risk assessment tool for the country, and is in discussions with the Ministry of Finance in Chile, the Office of the Governor of California, and the Government of Canada. CCRI is signing an official MoU with the Indian-led Coalition for Disaster Resilient Infrastructure to combine forces on designing and financing more resilient infrastructure globally.

- In light of COVID-19, we are reassessing how best to strengthen the economic and financial cases for resilience. To do this, we are focusing on the “triple dividends” (economic, social and environmental) benefits of early action for resilience and on the specific benefits of such actions for vulnerable populations. This work will potentially look at (a) how macroeconomic models consider resilience; and (b) the broad benefits of investing in nature as part of stimulus spending (together with the NBS Action Track).

- We have kicked off an outreach and engagement phase for Climate-RROC, seeking to gather new members and secure commitments to physical risk disclosure from financial institutions. We are also discussing links to the broader Task Force on Climate-related Disclosures (TCFD) agenda and COP26 deliverables with the TCFD secretariat, UK Government, and Bank of England.

- We are finalizing plans for research into opportunities to enhance finance for adaptation and resilience, particularly from development finance institutions, both at the aggregate level and with a focus on the water sector. These products will include an assessment of the COVID-19 context and opportunities for synergies with adaptation.

- We are finalizing plans for a working group on Resilience Bonds which will develop or oversee key research this year, including a mapping of resilience as it features in existing and planned issuances, and a guide for investors and issuers, building on recent work such as the climate resilience principles.

For more information or to get involved, please contact Nisha Krishnan (Nisha.krishnan@wri.org), Carter Brandon (Carter.Brandon@wri.org), or Dominic Molloy (Dominic.molloy@gca.org).