

Request for proposals:

Guidance on responsible use of NBS offsets within corporate climate action

1. Purpose of this request

Wetlands International is seeking consultancy services to explore and shape best practices on corporate climate action – and specifically the responsible use of offsets therein - to be able to unlock private climate finance for landscapes and Nature Based Solutions. The consultant or consortium is requested to provide a proposal based on the boundary conditions set out in this document.

2. Background

Wetlands International, Commonland and Landscape Finance Lab (“the 4R partnership”) recently launched the 4 Returns Framework for landscape restoration¹. This is a practical tested system-change framework used by stakeholders to undertake holistic landscape regeneration. It seeks to balance competing stakeholder demands in a mosaic of different management approaches, to supply a full range of natural, social and economic returns. For change to happen with urgency and scale required for climate targets, new business and financing models are required as part of the 4Returns landscape approach.

Many corporates have adopted net zero targets and aim to contribute to achieving the Paris Agreement, which is crucial if we are to achieve the 1,5-degree target. Purchasing carbon credits is often used as a means to achieve climate targets (offsetting) and it is an important way to unlock finance for landscapes, but there are also other forms of climate action (as per the WWF Blueprint). Offsetting has been hotly debated, and it is key that corporates commit to the highest standards for carbon credits and that offsetting does not distract from actions required to reduce emissions. Companies should set and disclose robust, science-informed and high-ambition targets along with a roadmap, following the mitigation hierarchy (i.e. avoid, reduce, offset), but what do we consider ‘good enough’ and should we distinguish between sectors? Guidance with regard to responsible corporate climate action is emerging from the likes of Science Based Targets initiative, Carbon Disclosure Project, Integrity Council for the Voluntary Carbon Markets, the Voluntary Carbon Market Integrity initiative and Race2Zero, but this guidance is not always clear with regard to the role of Nature Based Solutions or offsetting.

Which standards could we promote? The 4R partnership needs clear principles to advocate for best practice in ‘responsible corporate climate action’ and the role of offsetting therein, to be able to unlock private climate finance for landscapes and Nature Based Solutions. These principles should then be embedded in carbon landscape partnerships or upscaling facilities and in investment and partnership agreements.

¹ <https://www.wetlands.org/publications/the-4-returns-framework-for-landscape-restoration/>
<https://www.commonland.com/wp-content/uploads/2020/10/Commonland-Landscape-Valuation-Report.pdf>

3. Requested services and deliverables

We seek the following services and deliverables:

- An analysis of existing and emerging guidance from e.g. SBTi, Race2Zero, VCMI, IC-VCMI and distilling what we consider “best practice” per sector/actor
- Guidance on communication of claims by corporates on the use of offsets
- Distill best practice on the use of NBS offsets as part of a wider corporate climate strategy
- Criteria which companies or sectors to include/exclude and why => exclusion or raising the bar/rating? If so, how?
- Recommendations for different actors in the space (corporates, investors, project developers, brokers), each with different roles/responsibilities
- Facilitation of alignment and endorsement of a set of common principles among the 4R partnership on responsible corporate climate action, reflected in an internal policy

Deliverables:

- 1) A high quality publication for external use with working title “Guidance on responsible use of NBS offsets within corporate climate action”, providing a rationale for what we jointly consider to be best practice re corporate climate action in this space and guidance on how this can be demonstrated or checked as part of e.g. buyer due diligence. The report will be branded as a 4R partnership report, and the consultant will be acknowledged in the colophon.
- 2) An internal organizational/4R-partnership policy deduced from deliverable 1) that can be advocated for in dialogues with investors/companies/project developers/initiatives and that can be implemented in (landscape) partnerships and upscaling facilities.

In the process of the external report and internal policy development, the consultant should ensure that the outcome is embedded in the 4Returns partnership by ensuring the following:

- Facilitate alignment between consortium partners about role of off-setting and other carbon and climate practices
- 4R partners with relevant expertise will contribute as co-author to the paper.
- Be clearly linked to WI’s policy brief on voluntary carbon markets², LFL’s work (guidance) with Gold standard and WWF (blueprint), Commonland’s carbon strategy
- Link to strategy for activity II.A.1.B Landscape carbon finance synthesis that clarifies the types of private (and public) finance mechanisms (to be shared upon inception)
- Link to strategy for activity II.B.1. Finance and private sector needs and interests mapped - that clarifies needs/interest from actor perspective to ensure enforceability of our principles (to be shared upon inception)

4. Budget

The consultant will need to provide a detailed budget breakdown for this assignment that relates costs to proposed activities and deliverables. The budget proposal needs to be including VAT, overhead and direct costs (travel, materials).

² <https://www.wetlands.org/publications/the-voluntary-carbon-market-for-safeguarding-and-restoring-our-wetlands/>

5. Proposal Format and Selection Criteria

The consultant/consortium is requested to submit a concise proposal in writing. The Proposal should be 5 pages or less. In summary, the proposal needs to minimally include:

- A description of the consultant’s own view with regard to best practice for corporate climate action and the role of NBS offsets therein.
- A more detailed description of the mode of operation and deliverables
- A detailed budget and planning
- A concise description of the qualification or capability of the consultant, including short biographies of the people involved.

In the selection of the consultant/consortium, we will pay specific attention to the following:

- The likeliness that the proposed mode of operation will deliver satisfying deliverables;
- The track record and network of the consultant;
- The extent to which the proposal shows a clear understanding of a) nature based solutions in the context of corporate climate action b) voluntary carbon markets, especially demand side integrity
- The efficient and optimal use of available budget and time.
- Ability to start as soon as possible (August) and deliver a first agreed-upon draft (mid term deliverable) by October 2022; for stakeholder consultation during the upcoming COP27, bearing in mind that alignment reviewing and internal policy endorsement can be an intensive process. See table below.

6. Submission and selection timeline

What	When
Submission of proposal	5 th of August 2022
Selection	19 th of Aug 2022 or earlier if possible
Start	1 st of September 2022 or earlier if possible
Mid-term deliverable	20 October 2022
Final deliverable	28 February 2023

7. Contact details for submitting proposals

Proposals are to be sent by email **no later than 5th of August 2022** to: Femke.Tonneijck@wetlands.org (Programme Head Wetland Carbon) and Eton.Mudyazvivi@wetlands.org (Programme Manager 4Returns partnership). The reference *4Returns / Best practice for corporate climate action* is to be indicated in the subject line of the email.