

Terms of Reference – consultancy opportunity

Mobilizing private sector finance to protect, restore and enhance world's forests as part of a science-based net-zero corporate strategy

Overview

CDP is seeking to commission an assessment of how CDP's corporate reporting framework (questionnaire, guidance, scoring methodology) and engagement with companies can be leveraged to mobilize private sector funding towards reducing deforestation and forest degradation and restore the world's degraded forests.

Context

The world's forests are being lost at alarming rates. According to IPCC, deforestation and land-use change contribute up to 13% of anthropogenic CO₂ emissions¹. As such reducing tropical deforestation and protection and restoration of world's forests is crucial to achieving the goals of Paris Agreement. However, forests currently attract only around 3% of public climate finance (around \$US 1 billion annually). To effectively reduce deforestation and protect and restore remaining forests, we need to significantly ramp up the funding flowing into forest protection and restoration, particularly from the private sector.

In recent years, a growing number of companies have set net-zero emissions targets. More than 10,000 companies have also set ambitious emissions reduction targets through the Science-based Targets Initiative (SBTi). In response to this increased ambition within the corporate sector, CDP published [a paper](#) laying out the conceptual foundations for **science-based net-zero target** setting. The paper recognized that actions taken by companies to compensate or neutralize emissions (generally known as off-setting) can be part of science-based net-zero strategies. Companies may use these to compensate or to neutralise emissions during a transition towards net-zero. Once they reach a state of net-zero, companies can neutralize residual emissions within their value chain through removals.

Contribution towards protecting, restoring and enhancing world's forests can and must be part of the strategy for corporates striving to achieve science-based net-zero targets. This can provide the much-needed financing to protect this vital resource.

About CDP

CDP is a global non-profit that focuses investors, companies, cities and governments to disclose and act on their environmental impacts. This network of over 515 investors and 125 purchasing companies representing over \$106 trillion in assets and purchasing power, along with policymakers and NGOs around the world, uses CDP data and insights to make better-informed

¹ Pineda, A.C. et al. (2020), Foundations for Science-Based Net-Zero Target Setting in The Corporate Sector, <https://sciencebasedtargets.org/wp-content/uploads/2020/09/foundations-for-net-zero-full-paper.pdf>

decisions to shift capital towards a low-carbon economy. Our disclosure platform collects data annually from over 8,400 companies on their business operations related to climate change, water security, and deforestation, as well as reporting from over 920 cities, states and regions on mitigation and adaptation efforts. The result of this disclosure across sectors and geographies is the world's most comprehensive collection of accessible, comparable and self-reported environmental data that is used to drive action by public and private actors.

Objective

CDP requires a contractor to assess how CDP can leverage its reporting framework to contribute towards increased private sector financing to protect, restore and enhance the world's forests by incentivizing companies to incorporate forests and nature in their climate mitigation strategies.

The assessment should be done using desk-based research, data analysis and interviews. It should include a brief review and assessment of credible compensation and neutralization measures currently available to companies (**including but not limited** to forests-related measures). The review should also include a deeper dive into the forests-related measures (e.g. purchasing high-integrity REDD+ credits, direct investment in forest protection activities), the scale of impact considering best practice on high social and environmental integrity.

In addition, the contractor should review CDP's Climate Change reporting framework and analyze reported data to advise as to how CDP can incentivize and foster increased uptake of forests-related measure among companies reporting to CDP.

Lastly, the contractor will support the delivery of other outputs (outlined below) in collaboration with other CDP teams and partner organizations.

The CDP Forests team will coordinate the assessment process in close collaboration with the Climate Change team (including SBTi) who will provide data, technical input and expertise throughout.

Outputs and responsibilities

The contractor will be responsible for the development and delivery of the following outputs:

- ▼ A report with a comprehensive assessment of different compensation and neutralization measures with a deep dive into those relating to protection, restoration, and enhancement of forests;
- ▼ A gap analysis of CDP's climate change questionnaire, guidance and scoring methodology as it relates to forests-related compensation and neutralization measures within the current net zero framing
- ▼ Recommendations for inclusion of compensation and neutralization with current net-zero framing within CDP's questionnaires.
- ▼ A comprehensive strategy for CDP to leverage its disclosure platform and corporate engagement to incentivize uptake of forests-related measures by corporates and mobilize corporate finance at scale towards these measures;

- ▼ Support the development of a net zero framework providing guidance as to how companies can set and verify net zero targets with a focus on compensation and neutralization;
- ▼ Support the delivery of a data visualization tool showing the supply and demand of forests-related credits; and
- ▼ Contribute towards thought leadership briefings on the business case for corporate investment in protection and enhancement of forests and how companies can practically do so.

Required Qualifications

The contractor delivering this work should be able to demonstrate the following experience and qualifications:

- ▼ Expertise in climate change, forests, and emissions from land use and land use change
- ▼ Excellent data analysis skills
- ▼ Previous experience of working with voluntary carbon markets, climate finance, or a related field
- ▼ Excellent understanding of corporate reporting on emissions
- ▼ Familiarity with CDP Climate Change and Forest questionnaire and its disclosure system.
- ▼ Excellent level of verbal and written English

Recruitment process

The supplier should send the documents listed below to sareh.forouzesh@cdp.net. The subject line should be titled: *Mobilizing private sector finance to protect, restore and enhance world's forests as part of a science-based net-zero corporate strategy*. Clarification questions should be sent to the same email address.

- ▼ Curriculum vitae of the people responsible for delivering the work.
- ▼ Experience of climate change, forests, and emissions from land use and land use change
- ▼ Resourcing plan for execution of the work.
- ▼ Technical proposal outlining proposed strategy to deliver the outputs.
- ▼ Financial proposal detailing all costs including person(s) involved, operational costs and possible expenses e.g. travel.

Deadline for submission: 23rd November 2020

Budget and invoicing schedule

Budget: The maximum budget allocation for the project is £40,000 excl. VAT.

Proposals will be evaluated 100% on quality.