



## **Request for proposals: transformation of the world's economic and financial systems towards sustainability**

WWF UK is seeking proposals from suitably qualified consultants/experts to undertake a short desk-based study of what is needed to help drive and/or achieve transformation of the world's economic and financial systems to a sustainable model, and the practical steps that the UK government can take to help accelerate or implement these changes. The Terms of Reference (ToR) for the study are set out below.

Proposals should be submitted by email to Toby Roxburgh, Head of Sustainable Economic Policy, WWF UK ([troxburgh@wwf.org.uk](mailto:troxburgh@wwf.org.uk)) by no later than **5pm GMT on Tuesday 14<sup>th</sup> April**.

For all enquiries, please contact Toby by email or phone (+44 (0)1483 412234).

### ***TERMS OF REFERENCE***

#### ***Background***

A growing number of prominent global reports – including the recent IPBES Global Assessment report – have concluded that in order to meet environmental, climate and development goals and to secure a sustainable future, we need to reform the world's economic and financial systems towards sustainability.<sup>i</sup>

The IPBES report also identified a wide range of “possible options” available to decision-makers to begin the transformation, ranging from immediate short-term options and longer-term options that may take decades or more to implement. It also notes that “given the size and scope of the global economy, encompassing all levels from local economic output of firms to global trade between nations, different options can be applied at different scales, from individual consumers up to international institutions”.

Many governments around the world are taking positive steps to respond to this challenge. For example, in the UK, the government has established the Global Resource Initiative to consider actions the UK can take to green its international supply chains and leave a lighter footprint on the global environment.<sup>ii</sup> The Dasgupta Review on the Economics of Biodiversity<sup>iii</sup> and the Net Zero Review,<sup>iv</sup> both commissioned by the UK Treasury are also due to report later in 2020 and will be exploring potential economic / financial system reforms.

However, evidence suggests that transformation of global economic and financial systems will not be achieved through the actions of individual countries alone. We also need to work multi laterally to change the underlying ‘rules of the game’ on which the system operates to drive more sustainable decision-making across all countries and economic sectors.

Given the urgency and importance of securing strong action from political and business leaders in 2020 and beyond, it is vital that the UK's initiatives recognize this imperative, providing the necessary clarity on the global systemic reforms needed and what the UK (or indeed any individual country) can do to help bring them about.

#### ***Study aim and objectives***

The aim of this study is to identify what is needed to (a) help drive and/or achieve transformation of the world's economic and financial systems to a sustainable model, and (b) the practical steps that the UK government can take to implement and accelerate these changes. The ambition is that by identifying and building a case for systemic reform, that takes account of current global geopolitical and economic challenges, WWF can work with other actors to help to build support for their implementation.

The study findings will be used by WWF to inform its 2020 engagement and advocacy activities, including by feeding the outputs into the Dasgupta and Net-Zero reviews where possible/appropriate. To help with this, consultants should consider the key questions set out in the forthcoming Dasgupta Review interim report (due end of March or early April) and, where possible/appropriate, to structure the research and recommendations in a way that responds to them.

For the purposes of this study, we propose the following definition of 'economic and financial systems change': a change in the formal or informal 'rules of the game', policy frameworks, institutions, cultural norms or ways of operating, which could incentivise more sustainable decision-making, and would affect change in all economic actors across all economic sectors on a long-term/permanent basis. However, we would be open to alternative suggestions.

Specific objectives are as follows:

1. Undertake a review of the evidence, including key reports, initiatives, literature and/or research from around the world that have examined and/or proposed reforms to the economic and financial system that are needed to achieve sustainability.
2. Identify practical actions, measures and/or interventions that the UK government could take to accelerate and implement these reforms itself and/or progress them globally.

### **Evidence sources**

The study should consider WWF-UK's One Planet Economy narrative (WWF can provide this to consultants after finalising the contract for the study) which describes four key problems that need to be tackled when reforming the current system:

- ensure the true value of nature is systematically factored into economic decisions;
- repurpose the economy and societal priorities to deliver sustainable prosperity and wellbeing rather than short-term GDP growth;
- repurpose business so it takes account of wider impacts on the environment and society, not just short-term shareholder profit; and
- tackle the financial sector's focus on short-term and relative financial performance, that fails to reward sustainable business models and fails to allocate capital to support sustainable outcomes.

However, it should also identify any other major issues/areas we have not yet addressed, particularly those that have been discussed or proposed in the last few years (e.g., relating to equity and fair access to resources, reform of Bretton Woods Institutions and the international trade system). The focus should be on reforms that would be relevant within a mixed-market economy.

Other literature sources to draw on should include, but not be limited to:

- The forthcoming Dasgupta Review interim report (when available).
- WWF UK's *Global Futures* report (which contains recommendations on some elements of economic / financial system reform).<sup>v</sup>
- The IPBES Global Assessment report, including chapter 6 (6.4) on options to reform the economic system.<sup>vi</sup>
- Recommendations in the IPCC special reports on global warming of 1.5 °C, land, the ocean and cryosphere.<sup>vii</sup>
- WWF synthesis of the IPBES and IPCC reports.<sup>viii</sup>
- 2019 Global Sustainable Development Report, particularly the executive summary which outlines system change entry points for making progress on the SDGs.<sup>ix</sup>
- A working paper by CUSP (Centre for the Understanding of Sustainable Prosperity) commissioned by WWF UK which reviewed the literature on alternative indicators to GDP for measuring progress.<sup>x</sup>
- von Weizsäcker & Wijkman (2017) *Come On!: Capitalism, Short-termism, Population and the Destruction of the Planet*.

- UNEP FI (2016) Financing the transition: how financial system reform can serve sustainable development,<sup>xi</sup> and other outputs from the UNEP FI inquiry into sustainable finance.
- Aviva's work on corporate purpose and responsible investment.<sup>xii</sup>
- Emerging thinking/advice from the Paris Collaborative on Green Budgeting.<sup>xiii</sup>

### **Outputs (deliverables)**

Two outputs are required: (1) study report, and (2) stakeholder event presentation, further details on which are below.

#### ***(1) Study report***

The main output from the study will be a concise **30 to 40-page final report** setting out the findings of the literature review, as well as conclusions and recommendations, written with non-technical audiences in mind. The report should be fully referenced, containing links to all documents.

When reporting for objective 1, consultants should summarise each report or piece of literature giving a synopsis of the overall scope of the work/analysis, the main recommendations it contains on system reforms, and the rationale for (and key evidence supporting) these recommendations.

When reporting for objective 2, it is anticipated that consultants will describe a menu of potential actions that the UK could take to implement or help accelerate global reforms, drawing on the evidence review for objective 1 and considering the UK context. Where possible it should identify practical steps that would be involved, key stakeholders, barriers / enabling factors that could affect feasibility, and examples of similar actions that have been taken elsewhere.

#### ***(2) Stakeholder event presentation***

The consultant will be required to produce a short presentation using MS Powerpoint based on the findings from the study, and to present this at a UK-based stakeholder event (may be a virtual web-based event). WWF will lead organisation/convening of the event in discussion with the consultant. It is likely to involve convening a range of representatives from government, businesses and research to discuss the findings and the broader system change agenda.

### **Timeline**

The study is intended to be a short, rapid synthesis of information, as the outputs are needed in a timely way to support engagement in other policy-related initiatives (e.g. the Dasgupta Review). An indicative timeline is set out below (alternative proposals are welcome with justification):

1. **Tuesday 14<sup>th</sup> April:** due date for proposals.
2. **Monday 20<sup>th</sup> April:** study kick-off call.
3. **Friday 15<sup>th</sup> May:** submission of 1<sup>st</sup> draft write up of findings for objective 1, and preliminary ideas/options for objective 2, for WWF review.
4. **End May:** submission of 1<sup>st</sup> draft write up of findings for objective 2, for WWF review.
5. **Early-June:** submission of final report to WWF.

The timing and logistics of the stakeholder event (and presentation) will be discussed/agreed with the consultant (e.g. the event may be best scheduled between 4 and 5).

Periodic progress calls will also be held at suitable intervals through the project (dates TBC).

### **Budget available for the work**

It is anticipated that the costs of the study will be between £20,000 - £30,000 (including UK Value Added Tax, if applicable).

### **Submission of proposals**

Interested consultants are requested to submit a proposal by email to Toby Roxburgh ([troxburgh@wwf.org.uk](mailto:troxburgh@wwf.org.uk)) no later than **5pm GMT on Tuesday 14<sup>th</sup> April**.

Proposals should be as short/concise as possible (e.g. 6-10 pages, plus appendices) and include the following information:

- Proposed study approach/methodology, timeline and key information sources.
- Cost quotation, including:
  - total cost (gross *and* net of UK VAT, where applicable)
  - cost for work under each objective
  - daily cost rates for team members
- Appendices:
  - brief summary of relevant project experience for the overall team
  - two-page CV for each team member

We are particularly interested in hearing from consultants/teams with the following experience:

- Experience in undertaking similar studies involving synthesising, interpreting and summarising wide-ranging types of information on complex global policy and sustainability issues, and translating these into clear, practical and evidence-based policy recommendations;
- Understanding of the policy context, including global/inter-governmental processes (e.g. related to global/national economic and fiscal policy, CBD, SDGs and UNFCCC) and the UK/national agenda (e.g. national economic/financial sustainability, green finance, Dasgupta and Net-Zero reviews etc);
- Knowledge of key global information sources/initiatives (e.g. on global sustainability, environmental risks, macro-economic policy, economic/trade policy reform, natural capital, ecosystem services, biodiversity);
- Strong networks and connections across policy, research, modelling, finance and industry.

### **Contact**

The primary point of contact for the work will be Toby Roxburgh, Head of Sustainable Economic Policy, WWF-UK (email: [troxburgh@wwf.org.uk](mailto:troxburgh@wwf.org.uk) / tel: +44(0)1483 412234).

The project will also be overseen by a steering group consisting of WWF staff, and potentially government representatives and independent experts.

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- <sup>i</sup> See chapter 6, section 6.4 here: [https://ipbes.net/sites/default/files/ipbes\\_global\\_assessment\\_chapter\\_6\\_unedited\\_31may.pdf](https://ipbes.net/sites/default/files/ipbes_global_assessment_chapter_6_unedited_31may.pdf)
- <sup>ii</sup> <https://www.gov.uk/government/news/global-resource-initiative-taskforce-greening-the-uks-environmental-footprint>
- <sup>iii</sup> The Dasgupta Review will, among other aspects, “identify a range of actions that can simultaneously enhance biodiversity and deliver economic prosperity” – <https://www.gov.uk/government/collections/the-economics-of-biodiversity-the-dasgupta-review>
- <sup>iv</sup> The Net Zero Review will “set out a roadmap for an economy that is cleaner, more efficient, and works for everyone, while preserving our planet” - <https://www.gov.uk/government/news/net-zero-review-launched-to-support-uks-world-leading-climate-commitment>
- <sup>v</sup> <https://www.wwf.org.uk/global-futures>
- <sup>vi</sup> <https://ipbes.net/global-assessment>
- <sup>vii</sup> <https://www.ipcc.ch/sr15/>, <https://www.ipcc.ch/report/srcc/>, and <https://www.ipcc.ch/report/srocc/>
- <sup>viii</sup> <https://www.panda.org/our-work/climate-and-energy/climate-nature-future-report/>
- <sup>ix</sup> <https://sustainabledevelopment.un.org/globalsdreport/2019>
- <sup>x</sup> <https://www.cusp.ac.uk/wp-content/uploads/WP20%E2%80%9494Measuring-Prosperity.pdf#wp20>
- <sup>xi</sup> <http://unepinquiry.org/wp-content/uploads/2016/11/Financing-the-Transition-Financial-System-Reform.pdf>
- <sup>xii</sup> <https://www.aviva.com/social-purpose/thought-leadership/roadmap-for-sustainable-capital-markets/> and <https://www.avivainvestors.com/en-gb/about/responsible-investment/our-approach/pushing-for-global-reform/>
- <sup>xiii</sup> <https://www.oecd.org/gov/budgeting/paris-collaborative-on-green-budgeting-hlfp-side-event-july-2018.htm>