**Terms of Reference – Steps to implement Net Zero Delivery Tracker and Net Zero Investment Plan**

**Background**

**Net Zero Delivery Tracker**

WWF-UK has [developed a Net Zero Delivery Tracker and applied it to three UK fiscal events](https://www.wwf.org.uk/learn/net-zero-test), with the results launched through a series of reports and presented at events and workshops. WWF-UK has used this proof of concept to advocate for government to adopt a Tracker, based on this methodology.

The Tracker enables assessment, at each Budget or Spending Review of:

1. Total positive, negative, and neutral spending in relation to priority environmental areas.
2. Carbon emissions impact of individual line items and of the overall fiscal event.
3. The extent to which this emissions impact is compatible with a stated emissions pathway to net zero.

**Net Zero Investment Plan**

The Net Zero Delivery Tracker helps assess the alignment of **public tax and spending** with net zero. However around 75% of the investment for net zero, and a substantial amount of the required emissions reductions, is likely to come from the private sector.

A second mechanism is therefore needed to understand whether this **private investment** is happening at the speed and scale required and ensure that government is putting in place the policy, regulation, and incentives to unlock it and the resultant emissions reductions.

WWF-UK’s suggested approach to achieving this is through a [Net Zero Investment Plan](https://www.e3g.org/wp-content/uploads/Unlocking-the-Economic-Opportunity-of-the-21st-Century-Through-Private-Finance.pdf) (NZIP), a concept which we have developed in conjunction with a range of businesses and civil society organisations.

The NZIP would be comprised of two elements:

1. An independent body would be tasked with **tracking public and private net zero financial flows** on an ongoing basis and recommending actions that government could take to tackle market barriers.
2. Government would, in consultation with business, produce **a series of sectoral roadmaps**, setting out the actions that they will take to leverage in private investment for net zero and ensure each sector is aligned with the necessary carbon reduction pathway. These roadmaps would **ladder up to an overarching, economy-wide plan**, which would also identify and address cross-sector dependencies and issues. Both the roadmaps and the economy-wide plan would be regularly updated.

To facilitate rapid delivery of both asks, WWF-UK is commissioning a step-by-step guide to how they could be introduced within the first months of any new government.

**Output**

A step-by-step guide to how a new government could introduce a Net Zero Delivery Tracker and Net Zero Investment Plan. This should include, but is not limited to, elements such as:

* Necessary process changes, mostly but not exclusively to government processes, to implement the Net Zero Delivery Tracker and Net Zero Investment Plan.
* Necessary data flows, both internal and external to government.
* Resource and capacity needs, both internal and external to government, and assessment of where resourcing is likely to need to be increased.
* Governance roles and responsibilities:
  + Who in government should lead the roadmap development process?
  + Who should in and out of government should input into it?
  + What should the process of keeping roadmaps iterated and updated look like, and who should own it?
  + Who will own the tracking work?
  + Who should feed into it?
  + What will the KPIs be?
* Structural questions:
  + What should the overarching plan that the roadmaps feed into look like? What are the essential attributes of such a plan, and which cross-cutting areas must it address?
  + How will the sectors that the roadmaps cover be broken down and determined?
* Any necessary legislative changes.

It should draw together existing work in the space, both from government and from the private sectors and NGOs, setting out which elements are already in place, which exist but would need to be scaled up or changed, and which would need to be developed.

This work includes, but is not limited to:

* [Report](https://www.e3g.org/wp-content/uploads/Net-zero-investment-gap-22.10.26-Final-STC.pdf) by Frontier Economics on UK’s investment gaps.
* [Paper](https://www.e3g.org/wp-content/uploads/Unlocking-the-Economic-Opportunity-of-the-21st-Century-Through-Private-Finance.pdf) by WWF-UK and E3G on Net Zero Investment Plan and by WWF-UK on [need for UK response](https://www.wwf.org.uk/our-reports/delivering-resilient-prosperous-green-economy-uk-response-ira) to the US Inflation Reduction Act.
* [Work](https://www.climatepolicyinitiative.org/climate-finance-tracking/) by CPI on tracking national-level financial flows, particularly landscape of climate finance work in [California](https://www.climatepolicyinitiative.org/publication/california-landscape-of-climate-finance/).
* [Three](https://www.wwf.org.uk/learn/net-zero-test) reports by WWF-UK, setting out methodology of Net Zero Delivery Tracker and findings when applied to fiscal events.
* [Work](https://transitiontaskforce.net/) of the Transition Plan taskforce in developing guidance for private sector Transition Plans.
* [Report](https://committees.parliament.uk/publications/42316/documents/210501/default/) from Environmental Audit Committee on need for financial flow tracking.
* [Policy report](https://www.lse.ac.uk/granthaminstitute/publication/boosting-growth-and-productivity-in-the-united-kingdom-through-investments-in-the-sustainable-economy/) from Zenghelis, D. *et al.* on boosting growth and productivity through investment in the sustainable economy.
* Work by Government underpinning development of the Net Zero Strategy, including sectoral analysis.
* Work by the Net Zero Council on sectoral barriers to net zero, financing challenges, and sectoral roadmaps.
* France’s Green Budget Tagging [work](https://economy-finance.ec.europa.eu/system/files/2023-06/6.%20France_Geen%20Budgeting.pdf), Denmark’s GreenREFORM [project](https://dreamgroup.dk/economic-models/greenreform) and [other international examples](https://www.oecd.org/publications/green-budgeting-in-oecd-countries-acf5d047-en.htm) of green budgeting implementation.
* Aviva’s [reports](https://www.aviva.com/sustainability/climate/sustainable-finance/) on Climate Transition Plans and a Net Zero Investment Plan.

**Deliverables**

* Step-by-step guide, setting out the above, in Word and PDF formats, of between 10 and 20 pages. The information should be laid out clearly and accessibly, making use of infographics where necessary.
* 20-minute PowerPoint presentation summarising the guide, with delivery of this presentation to relevant stakeholders on 3-5 occasions.

**Required completion date**

May 2024.

**Proposal deadline and submission details**

Please send your proposal to Rick Parfett via [rparfett@wwf.org.uk](mailto:rparfett@wwf.org.uk) by midday on 11 March 2024. WWF intends the work to commence mid-March 2024.

**Required expertise**

* Direct experience and extensive expertise in government processes and structures, particularly HM Treasury processes, based on experience of working in government.
* Ability to set out the work in a clear, concise, accessible manner, so that it can be actioned quickly and effectively.
* Experience and understanding of developments in the green finance sector that are likely to feed into implementation of the Net Zero Delivery Tracker and Net Zero Investment Plan.
* Evidence of having previously undertaken similar work that demonstrates the required skills and experience, as well as brief professional biographies of the team involved.

**Response Instructions**

* Please include a project plan detailing proposed scope, methodology, timelines and evidence of expertise.
* Please ensure that the fee proposal are fully broken down and itemised, with rate and quantity information included. If VAT registered, please ensure application of VAT is clear. Please include any NGO discounts you may wish to offer. If relevant, please list any anticipated travel expenses separately.
* Proposals should be no longer than six pages (names and CVs of staff working on the project are excluded from this).

**Assessment of Proposals**

WWF-UK will consider proposals and appoint the successful third party through a mix of qualitative and quantitative assessment, to include:

* Quality of the submission and adherence to the brief.
* Relevant organisational experience, expertise and skills of staff.
* Cost and overall resource inputs.
* Quality and effectiveness of the proposed methodology and ability to deliver the brief.

**Contract Particulars**

*It is our requirement that an appointed external partner adopts our standards terms and conditions for engaging with us. These are included within the tender documents. Please confirm you are willing to accept these terms. Should you have any amends you need to make, these will need to be put in a Word document and submitted for approval by the WWF-UK legal team.*

*WWF-UK asks all suppliers to comply with the Supplier Code of Conduct and WWF-UK Third Party Expenses Policy. Both documents are enclosed within the tender pack. Please confirm your acceptance of both.*

*All contracted suppliers are required to register on Panda Purchasing (WWF-UK’s PO and invoice system). Should you be successful in your bid, please confirm you will be willing to register on the system.*