



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# Development of the technical foundations of the measurement, reporting and verification (MRV) framework of the SBTi

## Request for proposals

June 2022

### RFP: SBTi MRV Technical Foundations

## Introduction

The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reduction targets in line with the latest climate science. The initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), and one of the We Mean Business Coalition commitments. The SBTi's goal is to provide companies worldwide with the confidence that their climate targets are supporting the global economy to halve emissions by 2030, and achieve net-zero before 2050.

The SBTi aims to provide transparency and integrity in continuing to hold SBTi companies and financial institutions accountable for their climate targets by delivering a clear and standardized mechanism to assess, verify and enhance corporate accountability on progress towards science-based targets. This framework will advance our work on measurement, reporting and verification (MRV) of science-based targets and overcome current transparency and accountability challenges in the business climate action landscape, including inconsistencies in progress disclosure, methodological approaches for assessing progress, reporting requirements, and lack of quality criteria.

The SBTi Progress framework will give companies and financial institutions (FIs) clear expectations and guidance on how to measure, report and verify progress against the achievement of targets. It will include the following elements:

- **Technical Foundations** will provide the technical details, overarching principles, and methods for how the SBTi will assess progress against targets and achievement of science-based targets.
- **MRV Standard** will provide the SBTi criteria and recommendations to enable companies and FIs to measure and report progress against science-based targets and maintain their targets.
- **SBTi MRV Protocol** will outline the SBTi's plan for assessing, incentivizing, and/or disclosing progress and achievement of science-based targets and the actions SBTi will take in the event of target achievement or non-achievement.

The SBTi Progress framework will be developed between 2022 and 2023 and the process will be supported by an expert advisory group with a diverse range of relevant specialists with backgrounds in academic research, business, finance, advocacy, policy/civil society, and public consultations to support us with input at each stage of development.

This Request for Proposals (RFP) has been prepared to engage with a consultant to undertake the development of the Technical Foundations for the SBTi Progress Framework.

Follow [this link](#) for more information on the SBTi Progress Framework project.

## Objective

By the end of the consultancy, the SBTi has defined the overarching principles and technical foundations for enabling a transparent and objective tracking and assessment of progress and achievement of science-based targets, and their impact over time.

The technical foundations will be the basis to develop an MRV standard at a later stage.

## Scope

From a content perspective, the scope of this work considers all the different actors covered by the SBTi (companies, financial institutions, and SMEs) for near-term, long-term, and net-zero science-based targets. Different target types will need to be addressed, including absolute, intensity, supplier engagement, and sector-specific, including forestry, land-use, and agriculture (FLAG), portfolio coverage, temperature rating, etc.

The technical foundations will be the main technical input for the development of the SBTi progress standard, which will keep a high-level approach applicable to all types of targets and target actors. This consultancy is intended to provide universal principles, metrics, and methods to assess progress against the different kinds of targets allowed in the SBTi framework, but is not expected to develop sector-specific interpretations.

## Proposed work

The consultant will work directly with the MRV team to develop the following tasks:

- 1. Complete a landscape analysis on MRV with internal and external resources.**  
Mapping of accountability challenges, needs and expectations around MRV for science-based targets from key internal and external stakeholders, including SBTi key staff and partners, companies, civil society (business-facing CSOs, advocacy NGOs/campaigners, and policymakers/policy experts), investors, media, amongst others.  
  
Regarding external resources, review and analyze the approach and developments from existing and emerging initiatives, alliances disclosing platforms, standards, frameworks, and regulations in the climate action ecosystem, where there could be an influence by and to the MRV Framework of the SBTi.  
  
Furthermore, review current approaches to MRV that companies and financial institutions have introduced to track and assess the progress of their science-based targets, including the resources collected for the SBTi annual progress reports.
- 2. Develop a target taxonomy across different SBTi standards and from SBTi approved targets around MRV.** Classification of the science-based targets, including SBTi sector-specific standards, based on the MRV challenges. A first list of areas of analysis is presented at the end of the tasks.

3. **Prepare a first working paper on MRV for the SBTi.** This document aims to highlight the major challenges for MRV and the potential role of the SBTi in covering these. This document will be co-authored with the SBTi and will be presented before COP27 along with the consolidation of an Expert Advisory Group for the development of the SBTi progress framework.
4. **Propose the overarching and guiding principles of the MRV for the SBTi.** Preparation of the principles intended to underpin and guide the application of the MRV framework for science-based targets to ensure impartial, transparent, and robust assessment.
5. **Identify relevant metrics to assess progress against the types of targets that are relevant to the SBTi.** Proposals of performance metrics required to understand progress made against SBT and the alignment to the emission pathway to address transparency and impact of science-based targets over time adequately. This includes GHG emissions-related metrics but also other key target enablers (non-emission metrics and other KPIs). The evaluation should consider the application and extendibility to sector-specific criteria.
6. **Assess the feasibility of the proposed metrics.** Comprehensive and objective evaluation of the metrics identified in the previous task, encompassing advantages and disadvantages, feasibility for implementation, and correlation with the wider climate space. The former considers, amongst others, current and emerging accountability frameworks, disclosure platforms, standards, and regulatory frameworks for the corporate climate ecosystem. To cite some examples, ISSB, EFRAG, SEC, CDP questionnaires, ACT, GCAP, best practices of third-party verification actors, etc.
7. **Develop and evaluate methods to assess the progress of science-based targets at the target level and at the entity level.** Proposals of assessment prototypes covering all the taxonomy of science-based targets concerning their progress over time, achievement, and impact. When relevant, proposed methods to aggregate progress from the target to the entity level and portfolio level.

The proposals should consider the application and extendibility to sector-specific criteria and indicate when specific sectoral approaches would be required, including examples.

This task includes the evaluation and comparison of each methodological proposal and testing of the proposals using publicly available information regarding the progress and achievement of science-based targets provided by the SBTi.

In addition, the SBTi is interested in evaluating the feasibility of the implementation of proposals in its operations and the evolution of SBTi criteria, including implications of the proposals for legacy targets and consideration of past versions of the SBTi criteria, potential grievances and discrepancies, and implication of the MRV proposals for the SBTi resources and internal operations.

- 8. Determine the data assurance requirements.** Proposals of data quality, levels and periodicity of assurance and/or verification requirements for the SBTi accountability framework, considering the different types of actors with approved science-based targets, uncertainty associated with self-disclosed data, and relevant voluntary and regulatory disclosure frameworks.
- 9. Recommend principles and proto-criteria for MRV standard.** Based on the results of the technical foundations, presentation of a first proposal of criteria and recommendations regarding measurement, assessment and disclosure of progress against science-based targets and their maintenance for the MRV standard.

Furthermore, compile and present recommendations for the operationalisation of the SBTi progress framework like the integration of results in annual progress reports and the SBTi progress dashboard. It should also provide recommendations where further research and development from a sectoral approach would be required.

- 10. Develop the MRV technical foundations report.** Integration of the MRV overarching principles, evaluated proposals and recommendations for enabling the assessment of progress and achievement of science-based targets that will be the basis for the development of the MRV standard. The final delivery should integrate the feedback from external stakeholders described in the next step.

The report will be public and will be branded in line with the SBTi branding guidelines, acknowledging the consultant as a technical author.

- 11. Implement a public consultation of the MRV technical foundations report.** Preparation and facilitation of a public consultation to present the MRV technical foundations report and request for feedback, for example, through a subsequent

survey or roundtable discussions. This task includes the preparation of a presentation of the results of the consultation.

12. **Prepare a presentation with the main findings of the report.** Presentation of the results of the report, including a summary of principles; key takeaways; and main points of feedback from the EAG, leadership team and technical council, and public consultation.

**Areas of analysis.** A first list of the MRV challenges identified by the MRV team are:

- Context and definition of accountability of science-based targets under the SBTi.
- Valid methods for achieving targets: buying and selling assets, insetting, choice of supplier emission factors, frameworks to assess CO<sub>2</sub> removal permanence.
- Exploration of impact vs. target achievement: cumulative emissions, choice of scope 2 contractual instruments.
- Principles of reporting best practices, considering needs or pre-requisites of the SBTi (e.g., temperature rating).
- Targets over time: changing coverage due to emissions fluctuations or decreases, crossing the 40% threshold beyond which a scope 3 target is required, maintenance targets.
- Implications of privately disclosed data: scope 1+2+3 targets, aggregated targets, intensity target growth projections.
- Implications of near-term and Net-Zero targets for financial institutions.
- Sector-specific considerations (sectoral decarbonization approach (SDA), forest, land and agriculture (FLAG) sector, building sector) and to which extent specific approaches to MRV are needed.
- Implications on how progress assessment will impact the company temperature classifications (moving from ambition to actual performance).
- Beyond value chain mitigation (BVCM) and neutralization.
- Differing levels of assurance and uncertainty associated with self-disclosed data.

## Deliverables and timeline

	<b>Activity</b>	<b>Description of deliverable</b>	<b>Estimated delivery dates</b> (W= week)
1	Complete a landscape analysis on MRV with internal and external resources.	Written report with the landscape analysis of the corporate climate ecosystem around MRV climate accountability, including the mapping of actors and a summary of findings clustered by topic	Oct 2022 - W4
2	Develop a target taxonomy across different SBTi standards and from SBTi approved targets around MRV.	Matrix with the classification of the science-based targets according to MRV challenges.	Oct 2022 - W3
3	Prepare a first working paper on MRV for the SBTi.	5-10 page working paper with the first public position of the SBTi on MRV.	Nov 2022 - W1
4	Propose the overarching and guiding principles of the MRV for the SBTi.	List of MRV guiding principles agreed with the MRV team.	Nov 2022 - W2
5	Identify relevant metrics to assess progress against the types of targets that are relevant to the SBTi.	Set of emissions and non-emissions metrics for assessing science-based targets	Nov 2022 - W4
6	Assess the feasibility of the proposed metrics.	Presentation with the evaluation and comparison of the metrics including advantages and disadvantages, feasibility for implementation, and correlation with the wider climate space.	Dec 2022 - W3
7	Develop and evaluate methods to assess progress of science-based targets.	Presentation with the evaluation, comparison and testing of methods for assessing the progress of science-based targets, including progress aggregation.	Jan 2023 - W4

	<b>Activity</b>	<b>Description of deliverable</b>	<b>Estimated delivery dates</b> (W= week)
8	Determine data assurance requirements.	Proposals of data quality and assurance requirements for the SBTi accountability framework.	Feb 2023 - W1
9	Present recommendations of principles and proto-criteria for MRV standard.	Presentation of a first proposal of criteria and recommendations regarding measurement, assessment and disclosure of progress against science-based targets for the MRV standard and a list of recommendations for implementing the MRV technical foundations.	Feb 2023 - W3
10	Develop the MRV technical foundations report.	30-40 page report with the overarching principles and high-level guidance for the MRV of science-based targets, as well as the methodological approaches for assessing target achievement and tracking as technical annexes.	Draft for consultation Feb 2023 - W1  Final version May 2023 - W1
11	Implement a public consultation of the MRV technical foundations report.	Public consultation concept and report with the systematization or results in a presentation for the project team, including main points of feedback, suggestions for changes, and the actors included in the consultation.	Mar 2023 - W1
12	Prepare a presentation with the main findings of the report.	Presentation of the results of the report, including a summary of principles; key takeaways; and main points of feedback from the EAG, leadership team and technical council, and public consultation.	May 2023 - W2

Other deliverables include a detailed working plan, material used for the working session, including final presentations and minutes of meetings.

The different deliverables should be presented in partial and final versions. An output will be considered fully delivered until it is approved by the SBTi. All deliverables should be in English.



## Inputs to be delivered to the contractor

- Latest versions of the SBTi resources.
- Results of the Survey “Tracking Science-Based Target Progress and Achievement: External Consultation - Project Scoping” conducted in July 2020, with more than 140 respondents.
- List of methodological and research questions around the SBTi Progress framework developed by the MRV team.
- Summary of findings related to MRV on the progress disclosure of science-based targets in the CDP climate change questionnaire 2020 and 2021.

The tasks under this RFP should be completed within **eight months** of the signature of the contract (around **180 workdays**).

## Required qualifications

The SBTi will consider all qualified candidates, including independent contractors and consultancy firms. The selected contractor will be able to demonstrate capacity and qualifications in similar work to the ROF, in particular the following areas. In addition, showcasing any previous working experience with the SBTi is an advantage.

- Excellent understanding of accountability, transparency frameworks and reporting standards of corporate action on climate change;
- In-depth understanding of corporate and financial institution target-setting, SBT methods, criteria and standards;
- Excellent understanding of temperature rating method, time series data and trend analysis of GHG emissions for corporates.
- Evidence of experience with GHG accounting practices and accounting methods, as well as the main elements for setting up an MRV Framework.
- Excellent project management skills.
- Experience in workshop development and facilitation.
- The proposal should also include a pool of thematic experts / backstopping to provide strategic and concise technical advisory for specific topics required for developing the MRV technical foundations. e.g. of third-party validation of GHG emissions, climate targets of financial institutions, scope 3 value chain emissions, net-zero targets, and sectors like forest, land and agriculture, transport, and building environment.

All experts should also fulfil the following general qualifications and soft skills:

- Excellent verbal and written communication in English;
- Ability to work in an international and multicultural team environment remotely;
- Strong organizational, planning and time management skills;
- Efficient and customer-oriented management.

The proposals should provide a team arrangement that ensures that each of the tasks and objectives described in this RFP are achieved.

## Guidelines for proposal submission

### Expression of interest, the deadline for questions, and proposal

- All expressions of interest and questions about this RFP must be received via email to the contact below by **July 13th, 2022 (CET)**. The subject line should be titled: Proposal – MRV Technical Foundations.
- Answers to the questions will be shared no later than July 18<sup>th</sup>, 2022 to all parties. Follow-up questions would be answered under request after that date.
- All proposals must be sent by **August 4th, 2022 (CET)** in electronic format to the same contact listed below.

Emily Castro MRV  
Senior Technical Manager, Science Based Targets  
[mrv@sciencebasedtargets.org](mailto:mrv@sciencebasedtargets.org)

### Prospective consultants should submit:

- A technical proposal that outlines the strategy and workplan and timeline to deliver all outputs, including over working time and split per expert;
- A proposed team and how it meets the above requirements, including bios of team members, overall time and percentage capacity assigned to the project of the proposed consultants in relation to other projects;
- Examples of and references for similar previous work;
- A financial proposal detailing costs;
- Statement of any potential real or perceived conflicts of interest (COIs), and a description of how COIs will be prevented.

## Economic proposal

The SBTi's maximum available budget for this project is USD120K. The economic proposal must include all staff expenses. The consultancy does not foresee any business travel. All prices or quotes should include VAT and tax, as applicable.

### Payment terms:

- 30% upon signature of the contract.
- 30% upon delivery of the first draft of the Technical Foundations (January 2023).
- 40% at the end of the project.

Proposals that offer partnership schemes with the SBTi will be also considered.

## Evaluation criteria

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

- Quality of the proposal;
- Completion of all required elements;
- Presentation of technical proposal and implementation plan;
- Strategy for delivering the services from a technical and process perspective, including quality control;
- Experience with similar projects and proposals of experts;
- Overall cost of the consultant's proposal;

Berlin, June 29<sup>th</sup>, 2022