



# United Nations Environment Programme

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PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE

ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

## Finance Initiative

Innovative financing for sustainability

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### Request for Proposals (RFP)

**Project:** Investigation on the role of the financial sector in both financing and adopting environmentally beneficial practices for new developments and/or retrofits of existing buildings (i.e. the financing or adoption of “green buildings”).

**Core Deliverable:** Research report.

**Deadline for Proposal Submission:** 31 May 2009

**Deadline for Project Completion:** 31 October 2009

This Request for Proposals is divided into the following sections:

1. Tendering Organisation
  2. Project Description
  3. Deliverables
  5. RFP Framework
  7. Deadlines & Contact Details
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### 1. Tendering Organisation

The United Nations Environment Programme Finance Initiative (UNEP FI) is a unique global partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI gathers over 170 financial institutions that are Signatories to the UNEP FI Statements, and a range of partner organizations, to understand and work on the linkages between the environment, sustainability and financial performance. Through a comprehensive work programme that straddles all financial sectors, key environmental issues and all geographic regions, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

<http://www.unepfi.org>

UNEP FI carries out its activities in North America through the North American Task Force (NATF). The Task Force is working to incorporate the principles of sustainable development as normal business practice throughout the North American financial sector. Its principal goals and activities are:

- To create a forum for North American Signatories to the UNEP FI Statements to exchange ideas and best practice in the area of finance and sustainability;
- To explore and raise awareness on specific environmental and social issues, such as climate change, and its impact on the North American financial sector;
- To identify and disseminate information about the risks and opportunities related to social and environmental issues for the financial services industry in North America.

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### **2. Project Description**

As part of its 2009 work programme the NATF seeks to undertake a research project on the role of the financial sector in both financing and adopting environmentally beneficial practices for new developments and/or retrofits of commercial buildings (i.e. the financing or adoption of “green buildings”) in North America.

Core project activities and deliverables are:

- (a) undertaking of research including any necessary field work;
- (b) preparation of a research report (approx. 50 pages)
- (c) preparation of an oral presentation of the key findings of the research for the NATF and selected stakeholders

The aim of the project is to support/promote the further development of green buildings in North America by providing the region’s financial sector (specifically banks and insurers) with key information on the business case for financing/adopting green building projects and what the current best practice is in this area.

Questions that should be addressed by the research report include:

- Which are the main forms of involvement / potential involvement of FIs (banks and insurers) in green buildings (investors, mortgage holders, insurers, landlords, tenants, etc.)?
- Which are the benefits and drivers of FI involvement in the various stages of green building projects, including design, construction, retrofit, and maintenance?
- What are the pros and cons associated with the adoption of the various green building rating systems (e.g. LEED, Green Globes, Energy Star, Climate Neutral, ANSI Sustainable Integrated Design & Development)?
- What tools are available to help guide the design of green buildings against best practices and standards?
- How should banks analyse whether to finance such projects? How should the underwriting process differ from that used when financing traditional buildings?
- How should insurers view green buildings over traditional constructions when designing and pricing insurance products?
- What tools are available to help banks/insurers value green buildings
- How do, or should, applicable federal or local economic incentives, grants (e.g. DOE stimulus), and credits factor into the analysis?
- What role, if any, do federal or state legislation play (e.g. energy / energy efficiency bills and codes)?
- What role can philanthropy play in supporting the design and construction of green buildings?
- What are the barriers to FI involvement in green building projects?
- Are there any risks that relate specifically to green buildings and how have/can they be/been rated or mitigated?
- How do landlords and tenants interact and influence each other when it comes to green building leases (e.g. introduction of ‘green’ provisions within lease

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- renewals)? Does this have any positive or negative impacts on green building related financial services and products?
- What are the potential risks and/or missed opportunities of non-involvement in the sector (What is the existing and potential green building market size? What is the range in premiums and payback of green retro-fitting and new construction? What of rental premiums for landlords/owners of green buildings?)
  - How do green attributes create greater capital valuation for FIs? Which ones in particular increase cash flow and reduce expenses?
  - Ultimately, how are FIs to benchmark/identify the costs/benefits relation of financing/adopting green buildings? To what extent does this depend on location (e.g. variation of construction costs and rents depending on the market you are in, different heating and cooling profiles due to different geographic locations) or other variables?

Supporting information that should be included in the research report include:

- key definitions (terminology)
- a succinct “typology” of green building developments and retrofit projects
- a small repertoire of “success stories” (and/or links to them)
- a who’s who of any distinct leaders in the banking and insurance sector (placed within the broader international context)
- a brief overview of relevant legislation
- biography (literature and other relevant resources)

### 3. RFP Framework

The purpose of this RFP is to:

- a. understand if your organisation has the necessary experience and resources to undertake the work outlined for the satisfactory completion of the project;
- b. solicit your organisation’s ideas presenting details on how you would endeavour to undertake the project.

Your proposal should specifically cover:

- a. the reasons you wish to be considered for undertaking the project and indications as to why you consider your company to be suited to the task. Please indicate your organization’s previous work relating to this topic, as well as the experience/resources you would bring to the project overall;
- b. how you would undertake the proposed work within the parameters outlined in the RFP;
- c. the fees and business conditions associated with the implementation of the project;

Your proposal should be ideally be no longer than five pages in length.

Review process:

A selection committee made up of several members of, as well as the Secretariat of, UNEP FI’s North American Task Force (NATF) will assess all proposals both in terms of

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technical and substantive contents. The five best proposals will be short-listed; the selected proposal will be submitted to UNEP for final approval and subsequent appointment.

The project will be awarded June 2009. Implementation of the project should immediately thereafter and the research should be completed no later than 30 September. Research results and at least the executive summary of the report should be ready for launch at the latest for the UNEP FI 2009 Global Roundtable (22-23 October). The complete report should be finalized by 31 October.

Following the bidding and selection process, the chosen organisation will report to the NATF Secretariat and members on a regular basis, working closely with the Task Force throughout the key steps of the project process:

- fine-tuning the research methodology
- identifying relevant sources of information, including key stakeholders
- structuring and consolidation of the research report
- launching the research findings

If your organisation is interested in bidding for this project please:

- a. Send a brief e-mail communicating your intention to submit a proposal on the project;
- b. Submit your full proposal by email no later than the deadline specified.

### **4. Deadlines & Contact Details**

#### **Deadline**

We look forward to receiving your proposal no later than close of business (18.00hrs EST) on Monday, 31 May 2009. Proposals received after this time and date will not be considered.

#### **Contact details**

The proposal should be submitted to: [na@unepfi.org](mailto:na@unepfi.org)

For more information, please contact:

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We look forward to any comments that you may have and, in advance and on behalf of the UNEP FI and its North American Task Force, thank you for your interest in this project.