



# Tender Specification

**Determining Paris-Aligned Carbon Budgets and  
Transition Pathways for Key Circular Economy (CE) Product  
Value Chains (“CE Budgets & Policies Study”)**

**Deadline: 4th November 2022**

## **ECOS Procurement and Purchase Policy**

This tender complies with the ECOS Procurement and Purchase Policy adopted by the ECOS Executive Committee, and last updated October 2021. This policy covers general principles relating to transparency and fairness, value for money, and non-discrimination. It specifies thresholds relating to a competitive negotiated procedure with at least a specified number of candidates either with tender or selection, and sets out the procedure to be followed by ECOS.

## **About ECOS**

ECOS is an international NGO with a network of members and experts advocating for environmentally friendly technical standards, policies, and laws. We ensure the environmental voice is heard when they are developed and drive change by providing expertise to policymakers and industry players, leading to the implementation of strong environmental principles.

## Background and Objective

The EU has the ambition to become carbon-neutral and decouple economic growth from resource use by 2050. To fulfil this ambition, the EU must reduce its consumption footprint and double its circular material use rate in the coming decade (EU Circular Economy Action Plan, 2020). For the EU, this means it must develop and implement a comprehensive set of policies guided by science-based targets.

In 2020, the EU published its new Circular Economy Action Plan (CEAP), which presents a series of initiatives to develop a product policy framework to reduce the EU's consumption footprint and double the circularity of materials in key product value chains. Under the CEAP, the EU has adopted several initiatives such as the legislative proposal for the Ecodesign for Sustainable Products Regulation, the EU strategy for Circular Textiles, and the proposal for a revised Construction Products Regulation. All these proposals are ambitious and a step in the right direction. However, they do not have measurable targets to guide their implementation or evaluate their effectiveness. Without targets, it is impossible to assess whether the CEAP and its related initiatives are on a credible path to contribute towards the EU's ambition to become carbon neutral and decouple economic growth from resource use. Furthermore, the lack of measurable targets negates the ability to test the relevance and effectiveness of different policy interventions.

ECOS seeks to address these problems by commissioning a study to:

- determine Paris-aligned carbon budgets for select product value chains, and
- model different transition pathways to determine the most effective policy mix to meet carbon budgets

Through the results of this exercise, ECOS intends to propose Paris-aligned carbon budgets for 2030 and 2050 at the product value chain level and to provide the EU with policy recommendations for the most effective interventions to meet its climate commitments.

## Scope

The study will leverage the global target of keeping global warming below 1.5 degrees Celsius compared to pre-industrial levels along with existing greenhouse gas (GHG) emissions data to:

- **Task 1:** Determine Paris-aligned carbon budgets for 2030 and 2050 for selected priority product value chains.
- **Task 2:** Determine the most effective policy mix to meet carbon budgets for 2030 and 2050 for select priority product value chains.

## Product value chain selection

The contractor shall determine Paris-aligned carbon budgets and transition pathways for select circular economy priority product value chains (listed below):

- Textiles\*
- Packaging\*
- Plastics
- Furniture
- Electronics\*
- Chemicals
- Batteries\*
- Vehicles
- Food
- Steel\*
- Cement

The contractor shall propose which product value chains it will model based on data quality, availability, and value of this tender. Proposals should include at least two of the value chains with an asterisk (\*) next two them. The final list of sectors will be agreed with ECOS before the signature of the contract.

## Task 1: Carbon budgets

The contractor will establish carbon budgets for 2030 and 2050 for each of the selected product value chains. The product value chain budget shall be based on the GHG emissions budget for limiting warming to 1.5 C with a 66% chance as presented by the IPCC's sixth assessment report. As part of this task, the contractor will also model the expected demand for each sector in 2030 and 2050.

## Task 2: Transition pathways

**Task 2.1.** The contractor shall use GHG emissions data to model the following transition pathways:

- Pathway 1: Business as usual.
- Pathway 2: Policy mix A. Based on existing EU policy for the selected product value chain.
- Pathway 3: Policy mix B. Based on what policies are needed to stay within the chain-specific carbon budget.

The pathways will be developed in close collaboration with ECOS and based on EU current policy documents (i.e., CEAP), academic literature on state-of-the-art interventions to reduce GHG emissions in the selected sectors, and existing industry net-zero strategies.

**Task 2.2.** If the results under task 2.1 reveal that pathways 1 and 2 cannot meet their emission budgets, the contractor will factor in how much demand will need to be reduced to meet the carbon budget for that product value chain.

## Tasks & Outputs

The contractor will be tasked with delivering a report outlining the complete methodology, sensitivity analyses, and results including graphs and illustrations presenting each product value chain and each pathway. ECOS will use the results to write and publish a detailed ECOS report.

The contractor will assign to ECOS the exclusive right to own and use the outputs of this contract. The authors will be acknowledged in the published ECOS report.

## Tender Budget

The budget available for this work is a maximum of €17.000 (excluding VAT), and all other costs will be incurred by the subcontractor.

## Timeline

A kick-off meeting will be held with the successful applicant(s) in the month of November, depending on the management team and contractor's availability.

The contract should be completed by the subcontractor by 31 March 2023.

## Project Implementation

Delivery of the study will involve active contribution from and regular coordination with ECOS. The key milestones include:

- Kick-off meeting. During the kick-off meeting, ECOS and the contractor will review the scope of work and agree on the timeline for project meetings and the review and submission of deliverables.

- Work plan. Within one week of the kick-off meeting, the contractor will deliver a work plan which will reflect the timeline as it was discussed during the kick-off meeting.
- Draft report. The draft report should be delivered to ECOS for review by the end of December 2022. ECOS will provide a detailed review within two weeks.
- Final report. The final report should be delivered no later than 31 March 2023.

## Payments

A first payment representing 90% of the total amount of the contract will be issued upon approval of the interim report.

The second payment representing the remaining 10% will be issued upon completion of the contract.

## Tender Assessment

Assessment of the tenders will be made by an appointed selection committee, using a pre-agreed evaluation template. The award criteria are:

- 70% quality:
  - delivery team expertise (CVs + relevant experience to be provided) and efficient coordination with ECOS,
  - proposed methodology,
  - relevance of application,
- 30% price

Only short-listed tenderers will be contacted.

The fact of publishing a procurement procedure does not oblige ECOS to award the contract to a tenderer simply because its tender fulfils those criteria. It also reserves the right to decide not to award the contract to any tenderer and to cancel the procedure at any time before award.

## Tender Preparation

Tenderers are requested to submit a proposal by 29:59 hrs CET on 4th November 2022 to [info@ecostandard.org](mailto:info@ecostandard.org) and [mariana.lopez@ecostandard.org](mailto:mariana.lopez@ecostandard.org) outlining:

- A brief description of the contractor's understanding of the analysis demanded.
- A description of the methodology used to determine targets and model the transition pathways.
- The proposed product value chains to be modelled based on data quality and availability and budget.
- A description of the anticipated activities to achieve the desired analysis.
- A description of how close coordination with ECOS will be ensured throughout the project.
- A detailed timeline of the project.
- Budgeting for each element of the work.
- Biographies and time availability of the key staff delivering the work, as well as their areas of expertise

Note that sub-contracting is accepted in cases where a delivery team involves individuals from different institutions or organisations. In this case, the lead tenderer retains responsibility for legal and financial arrangements for any sub-contracting.